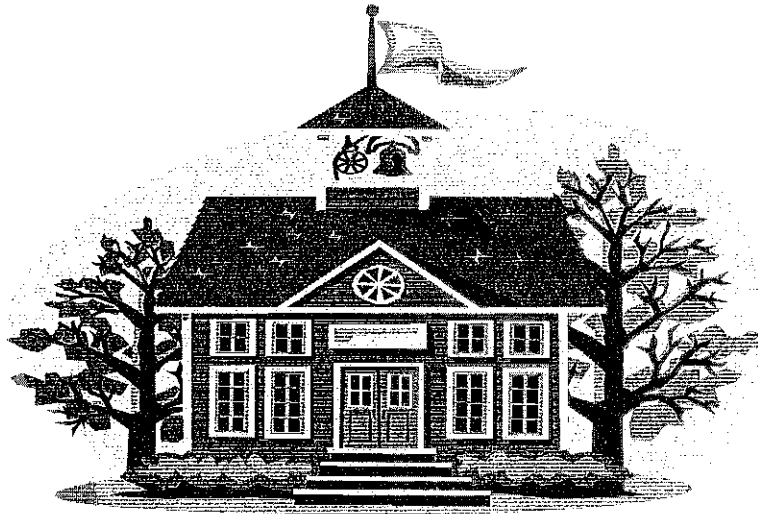


SCHOOL DISTRICT

OF

FARMINGDALE



**FARMINGDALE BOARD OF EDUCATION
FARMINGDALE, NEW JERSEY**

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

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

OF THE

FARMINGDALE BOARD OF EDUCATION

FARMINGDALE, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

PREPARED BY

**FARMINGDALE BOARD OF EDUCATION
FINANCE DEPARTMENT**

FARMINGDALE SCHOOL DISTRICT

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INTRODUCTORY SECTION

FARMINGDALE SCHOOL DISTRICT

49 Academy Street
 Farmingdale, New Jersey 07727
 Phone 732-938-9611 Fax 732-938-2317
www.farmingdaleschool.com

Dr. Edith Conroy
Superintendent of Schools
Principal

Mr. Ronald. Sanasac
Business Administrator/
Board Secretary

January 10, 2025

Honorable President and
 Members of the Board of Education
 Farmingdale School District
 County of Monmouth
 Farmingdale, New Jersey

Dear Board Members:

We are pleased to present to you the Annual Comprehensive Financial Report (ACFR) of the Farmingdale School District for the fiscal year ended June 30, 2024. 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 is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. This report will provide the taxpayers of the Farmingdale School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs.

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

- The Introductory Section contains this 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, which contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, 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 Title 2 U. S. Code of Federal Regulations Part 200, *Uniform*

Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 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, if any, are included in the Single Audit Section of this report.

School District Organization

An elected five member Board of Education (the "Board") serves as the policy maker for the School District. The Board adopts an annual budget and directly approves all expenditures, which serve as the basis for control over and authorization for all expenditures of School District tax money.

The Superintendent is the chief executive officer of the School District, responsible to the Board for total educational and support operations. The Board Secretary/Business Administrator is the chief financial officer of the School District, responsible to the Board for maintaining all financial records, issuing warrants in payments of liabilities incurred by the School District, acting as custodian of all School District funds, and investing idle funds as permitted by New Jersey law.

Reporting Entity

The Farmingdale School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board's (GASB) as established by Statement No. 14. All funds of the District are included in this report.

Major Initiatives

Farmingdale School District's Major Initiatives include:

Our integrated preschool provides three and four-year olds with a wonderful opportunity to develop both academic and social skills. The program employs the Tools of the Mind curriculum which promotes learning through dramatic play and self-regulation. Young learners develop foundational skills which will serve them well in Kindergarten and beyond. The district receives Preschool Expansion Aid from the NJDOE and has expanded our program to include two preschool classes.

We employ a Balanced Literacy Workshop model in all grades K – 8. Reader's and Writer's Workshop provide students with a supportive environment that involves them in authentic reading and writing experiences that focus on the strengths and needs of each individual student. In addition, it allows students to spend an extended amount of time reading and discussing texts at a "just right" level. The texts are student chosen based on their interest. The ultimate goal of a workshop model is to develop life-long passionate readers and writers. We also provide a Foundations (phonics/spelling) program to all students in grades K-3.

In addition, students' academic achievement in grades 3-8 will continue to be assessed by the New Jersey Student Learning Assessment, as well as utilizing formative and summative assessments for all grade levels.

Effective use of technology for teaching and learning continues to be a focus for the Farmingdale Public School. Our students have 1:1 access to devices in all grades Pre-K – 8. Faculty infusing technology into curriculum and instruction and professional development will continue as our focus. The Faculty's capacity to deliver high quality instruction is a key lever to student success. Collaborative, data-informed decision-making processes and practice and continued systemic professional development are essential to our success as a school district.

Communication between student/teacher, teacher/parent, and school/community continues to be an initiative. Our Board communicates with and has established working relationships with the community, other governmental agencies, staff, families, and students. They engage these stakeholders regularly in an effort to increase support of our students and schools. Our district website as well as district social media will continue to aid communication between home and school to ensure students' success.

The Farmingdale School District continues to support the Five-Year facility plan. This facility plan involves school planning and design as seen as an opportunity to enhance academic outcomes by creating better learning environments. This logic is compelling – how can we expect students to perform at high levels in school buildings that need repair. The Board is aware that clean, quiet, safe, comfortable and healthy environments are an important component of successful teaching and learning. The Farmingdale board of Education passed a referendum in 2017 to address the following facility needs: lighting, HVAC, roofing, safety/security, windows, etc. The project addressed building needs and ensured an environment conducive to learning. Additionally, in the summer of 2022, our district addressed exterior needs such as site work, parking lot and concrete repair.

The Board will direct district resources to support the instructional core and provide educational equity and choice while maximizing administrative and operational efficiency within a sustainable budget.

Financial Information

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

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

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

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

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

Cash Management

The investment policy of the District is guided in large part by state statutes as detailed in "Notes to Basic Financial Statements", Note 2. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

Risk Management

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents and fidelity bonds. The Business Administrator and Board Secretary oversee risk management for the District. A schedule of insurance coverage is found in the Statistical Section as Schedule J-20.

Independent Audit

State statutes require an annual audit by independent certified public accountants. The accounting firm of Robert Hulsart and Co., was appointed 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 Title 2 U. S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

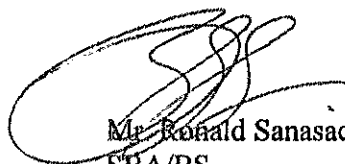
Acknowledgements

We would like to express our appreciation to the members of the Farmingdale School District 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,

Dr. Edith Conroy

Dr. Edith Conroy
Superintendent of Schools


Mr. Ronald Sanasac
SBA/BS

FARMINGDALE BOARD OF EDUCATION

ROSTER OF OFFICIALS JUNE 30, 2024

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Kevin Gilmartin, President	2024
Justin Yost, Vice President	2026
Eric Daniels	2025
James Herrman	2025
William Shaffer	2024

Other Officials

Mrs. Edith Conroy, Superintendent/Principal

Mr. Ronald Sanasac, Business Administrator/Board Secretary

Amy Lerner, Treasurer

FARMINGDALE BOARD OF EDUCATION CONSULTANTS AND ADVISORS

Audit Firm

Robert A. Hulsart & Co
2807 Hurley Pond Road
Wall, NJ
07719

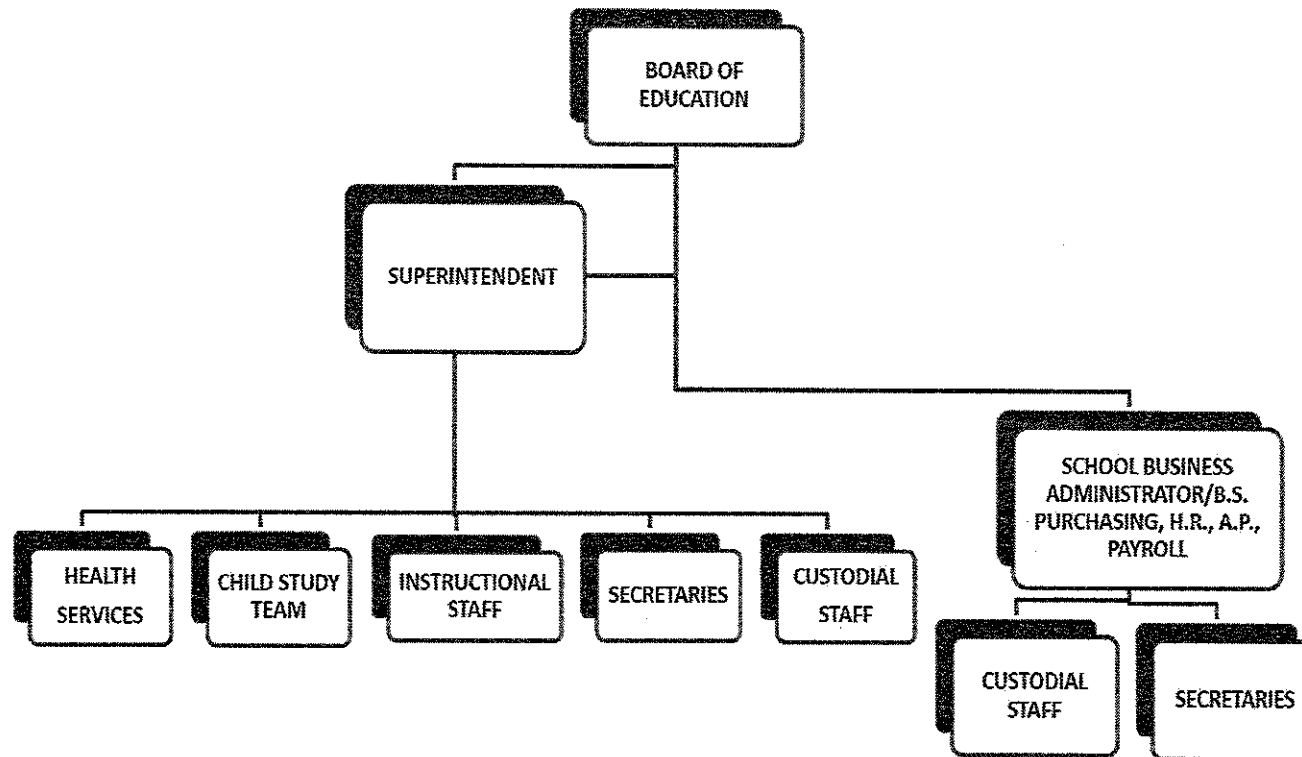
Attorney

Adams, Gutierrez & Lattiboudere, LLC
Counselors at Law
1037 Raymond Blvd.
Suite 900
Newark, NJ 070102

Official Depository

Flagstar Bank
Main Street
Farmingdale, New Jersey 07727

Farmingdale School Organization Chart



FINANCIAL SECTION

9.

Robert A. Hulsart and Company
CERTIFIED PUBLIC ACCOUNTANTS

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
ROBERT A. HULSART, JR., C.P.A., P.S.A.

RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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Wall, New Jersey 07719-1409
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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Farmingdale School District
County of Monmouth
Farmingdale, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the government activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Farmingdale Board of Education, as of and for the year ended June 30, 2024, and the related Notes to the Financial Statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section in our report. We are required to be independent of the Farmingdale Board of Education, 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error; a fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and analysis, budgetary comparison information and pension and post-employment benefit trend information as noted 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 Farmingdale Board of Education's basic financial statements. The combining and individual non-major fund financial statements, and the schedule 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*; and New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, and the schedule 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.

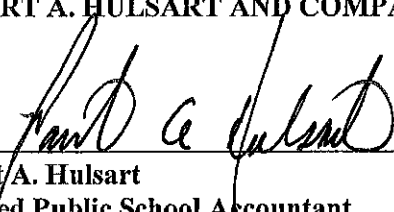
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. 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 10, 2025, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** the District's internal control over financial reporting and compliance.

Respectfully submitted,

ROBERT A. HULSART AND COMPANY



Robert A. Hulsart
Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey

January 10, 2025

REQUIRED SUPPLEMENTARY INFORMATION
PART I

BOROUGH OF FARMINGDALE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

The discussion and analysis of the Farmingdale Public School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; it should be read in conjunction with the Annual Comprehensive Financial Report's (ACFR) Letter of Transmittal which is found in the Introductory Section, and the School Board's financial statements found in the Financial Section and the notes thereto.

Financial Highlights

Key Financial highlights for the 2023-2024 fiscal year are as follows:

- General revenues accounted for \$4,506,877 in revenue. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$697,492.
- The School District had \$5,101,862 in expenses; only \$697,492 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$4,506,877 were adequate to provide for these programs.
- The General Fund had \$4,032,587 in revenues and \$3,976,229 in expenditures. The General Fund's balance increased by \$56,358 over 2022-2023.

Using this Annual Comprehensive Financial Report (ACFR)

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

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole school district, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Farmingdale Public School District, the General Fund is the most significant fund, with the Special Revenue Fund also having significance.

Using this Annual Comprehensive Financial Report (ACFR) (Continued)

The School Board's auditor has provided assurance in his Independent Auditor's Report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during the 2023-2024 fiscal year?" The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in activities. This change in net position is important because it tells the reader that, for the school district as a whole, the financial positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

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

- **Governmental activities** – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-Type Activities** – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service Enterprise Fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major (all) funds begins on Exhibit B-1. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

The School District's activities are reported in Governmental Funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The Governmental Fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental Fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and Governmental Funds is reconciled in the financial statements.

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The School District as a Whole

Table 1 provides a summary of the School District's net position.

Table 1
Net Position

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Current and Other Assets	\$ 1,809,377	1,992,119
Capital Assets, Net	<u>3,893,978</u>	<u>4,056,559</u>
Total Assets	<u>\$ 5,703,355</u>	<u>6,048,678</u>
<u>Deferred Outflow of Resources</u>		
Contribution to Pension Plan	<u>\$ 293,900</u>	<u>190,963</u>
<u>Deferred Inflow of Resources</u>		
Pension Deferrals	<u>\$ 33,487</u>	<u>62,553</u>
<u>Liabilities</u>		
Current Liabilities	\$ 4,203,634	560,776
Long-Term Liabilities	<u>525,985</u>	<u>4,484,670</u>
Total Liabilities	<u>\$ 4,729,619</u>	<u>5,045,446</u>
<u>Net Position</u>		
Invested in Capital Assets, Net of Debt	\$ 8,978	(28,441)
Restricted	808,636	746,124
Unrestricted	<u>416,535</u>	<u>413,959</u>
Total Net Position	<u>\$ 1,234,149</u>	<u>1,131,642</u>

Table 2 shows the changes in net position.

Table 2
Changes in Net Position

	<u>2024</u>	<u>2023</u>
<u>Revenues</u>		
Program Revenues		
Charges for Services	\$ 14,331	10,660
Operating Grants and Contributions	683,161	687,832
General Revenues		
Property Taxes	2,499,032	2,404,866
Grants and Entitlements	1,552,033	1,705,947
Other	<u>455,812</u>	<u>38,170</u>
Total Revenues	<u>5,204,369</u>	<u>4,847,475</u>
<u>Program Expenses</u>		
Instruction	1,881,135	1,868,548
Support Services		
Pupils and Instructional Staff	885,002	778,142
General Administration, School Administration,		
Business	1,785,808	1,700,937
Operations and Maintenance of Facilities	293,455	253,172
Pupil Transportation	14,201	21,242
Capital Outlay	117,720	320,812
Debt Service	<u>124,541</u>	<u>118,988</u>
Total Expenses	<u>5,101,862</u>	<u>5,061,841</u>
Increase/ (Decrease) in Net Position	<u>\$ 102,507</u>	<u>(214,366)</u>

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

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

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

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

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

Governmental Activities (Continued)

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

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

Extracurricular activities includes expenses related to student activities provided by the School District which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District.

Other includes unallocated depreciation and amortization.

The School Board' Funds

The School Board uses funds to control and manage money for particular purposes. The Fund's basic financial statements allows the School Board to demonstrate its stewardship over and accountability for resources received from the Borough of Farmingdale's taxpayer's and other entities, including the State of New Jersey and the Federal Government. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

As the School Board completed the fiscal year ended June 30, 2024, it reported a combined net position balance of \$1,234,149. The Reconciliation of the Statement of Revenue Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities presents the reader with a detailed explanation of the differences between the net change in fund balances and changes in net assets.

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

Over the course of the year, the School Board revises its budget as it attempts to take into consideration unexpected changes in revenue and expenditures.

A schedule showing the School Board's original and final budget compared with actual operating results is provided in the section of the ACFR, entitled Budgetary Comparison Schedules. The School Board generally did better than had been budgeted in its General Fund since it practices conservative budgetary practices in which revenues are forecasted very conservatively and expenditures are budgeted with worst-case scenarios in mind.

Capital Assets

At June 30, 2024, the School Board had approximately \$3,893,978 million invested in a broad range of capital assets, including land, buildings, furniture, computers, instructional equipment and other equipment. Table II below shows the net book value of capital assets at the end of the 2024 fiscal year.

	<u>Governmental Activities</u>
Table II	
Capital Assets at June 30, 2024	
Buildings and Sites	\$ 3,126,274
Machinery and Equipment	118,849
Land	70,657
Construction in Progress	<u>578,198</u>
Total	<u>\$ 3,893,978</u>

Debt Administration

At June 30, 2024, the School District had outstanding debt of \$4,40,634 consisting of serial bonds at \$3,885,000, a pension liability of \$517,634, and compensated absences of \$6,000.

Economic Factors and Next Year's Budget

The Farmingdale School District is in very good financial condition presently. Future finances are not without challenges as the community continues to grow and state funding is decreased.

The Borough of Farmingdale is primarily a residential community. The majority of revenues needed to operate the District is derived from homeowners through property tax assessments and collections, which is voted by the residents annually.

At this time, the most important factor affecting the budget is the unsettled situation with State Aid. While State aid may be frozen, the District may experience growth in student population. The tax levy will be the area that will need to absorb any increase in budget obligations.

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

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Mr. Ronald Sanasac, Business Administrator of the Farmingdale Board of Education, 49 Academy Street, Farmingdale, N.J. 07727.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS – A

FARMINGDALE SCHOOL DISTRICT**STATEMENT OF NET POSITION****Exhibit A-1****JUNE 30, 2024**

	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Cash and Cash Equivalents	\$ 1,220,251	71,320	1,291,571
Receivables, Net	481,658	17,925	499,583
Restricted Assets:			
Cash and Cash Equivalents	18,223		18,223
Capital Assets-(Non-Depreciable)	648,855		648,855
Capital Assets, Net	3,245,123		3,245,123
Total Assets	<u>5,614,110</u>	<u>89,245</u>	<u>5,703,355</u>
<u>Deferred Outflow of Resources</u>			
Contribution to Pension Plan	<u>293,900</u>		<u>293,900</u>
<u>Deferred Inflow of Resources</u>			
Pension Deferrals	<u>33,487</u>		<u>33,487</u>
<u>Liabilities</u>			
Accounts Payable	266,523		266,523
Accrued Interest	52,479		52,479
Deferred Revenue	82,585		82,585
Payroll Deductions and Withholdings	(80,602)		(80,602)
Noncurrent Liabilities:			
Due Within One Year	205,000		205,000
Due Beyond One Year	4,203,634		4,203,634
Total Liabilities	<u>4,729,619</u>	<u>-</u>	<u>4,729,619</u>
<u>Net Position</u>			
Invested in Capital Assets, Net of Related Debt	8,978		8,978
Restricted For:			
Other Purposes	808,636		808,636
Unrestricted	<u>327,290</u>	<u>89,245</u>	<u>416,535</u>
Total Net Position	<u>\$ 1,144,904</u>	<u>89,245</u>	<u>1,234,149</u>

The accompanying notes to financial statements are an integral part of this statement.

FARMINGDALE SCHOOL DISTRICT**Exhibit A-2****Sheet 1 of 2****STATEMENT OF ACTIVITIES****FOR THE YEAR ENDED JUNE 30, 2024**

		Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for	Operating	Governmental	Business-Type
<u>Functions/Programs</u>	<u>Expenses</u>	<u>Services</u>	<u>Grants and</u>	<u>Activities</u>	<u>Activities</u>
			<u>Contributions</u>		<u>Total</u>
Governmental Activities:					
Instruction:					
Regular	\$ 1,034,699			(1,034,699)	(1,034,699)
Special Education	842,803		396,267	(446,536)	(446,536)
Other Instruction	3,633			(3,633)	(3,633)
Support Services:					
Student & Instruction Related Services	885,002		174,275	(710,727)	(710,727)
School Administrative Services	245,690			(245,690)	(245,690)
Plant Operations and Maintenance	293,455			(293,455)	(293,455)
Pupil Transportation	14,201			(14,201)	(14,201)
Employee Benefits	1,370,711			(1,370,711)	(1,370,711)
Capital Outlay	117,720		86,917	(30,803)	(30,803)
Interest on Long-Term Debt	124,541			(124,541)	(124,541)
Unallocated Depreciation	162,581			(162,581)	(162,581)
Total Government Activities	5,095,036	-	657,459	(4,437,577)	(4,437,577)
Business-Type Activities:					
Food Service	6,826	14,331	25,702	-	33,207
Total Business-Type Activities	6,826	14,331	25,702	-	33,207
Total Primary Government	5,101,862	14,331	683,161	(4,437,577)	(4,404,370)

FARMINGDALE SCHOOL DISTRICT

Exhibit A-2

Sheet 2 of 2

STATEMENT OF ACTIVITIES**FOR THE YEAR ENDED JUNE 30, 2024**

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purpose, Net	2,289,952		2,289,952
Taxes Levied for Debt Service	209,080		209,080
Federal and State Aid Not Restricted	1,552,033		1,552,033
Miscellaneous Income	455,812		455,812
Total General Revenues	4,506,877	-	4,506,877
Change in Net Position	69,300	33,207	102,507
Net Position - Beginning	1,075,604	56,038	1,131,642
Net Position - Ending	\$ 1,144,904	89,245	1,234,149

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

FUND FINANCIAL STATEMENTS – B

BALANCE SHEETGOVERNMENTAL FUNDSJUNE 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<u>Assets</u>				
Cash and Cash Equivalents:				
Restricted	\$ 731,427		488,824	1,220,251
Unrestricted		18,223		18,223
Interfund Receivable	210,872	44,007		254,879
Receivables, Net	<u>9,542</u>	<u>217,196</u>	<u>41</u>	<u>226,779</u>
Total Assets	<u>\$ 951,841</u>	<u>279,426</u>	<u>488,865</u>	<u>1,720,132</u>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities:</u>				
Deferred Revenue	\$ -	82,585		82,585
Accounts Payable	11,644			11,644
Interfund Payable	44,007	210,872		254,879
Payroll Deductions and Withholdings Payable	<u>(80,602)</u>			<u>(80,602)</u>
Total Liabilities	<u>(24,951)</u>	<u>293,457</u>	<u>-</u>	<u>268,506</u>
<u>Fund Balance:</u>				
<u>Restricted For:</u>				
Designated For Subsequent Years Expenditures By The BOE	3,744			3,744
Capital Reserve	254,827			254,827
Maintenance Reserve	186,293			186,293
Designated For Subsequent Years Expenditures - Excess Surplus	99,964			99,964
Excess Surplus - Current Year	200,000			200,000
Student Activities		18,223		18,223
<u>Committed To:</u>				
Other Purposes	32,345		13,240	45,585
<u>Unassigned:</u>				
General Fund	199,619			199,619
Special Revenue Fund		(32,254)		(32,254)
Capital Projects Fund			475,625	475,625
Total Fund Balance	<u>976,792</u>	<u>(14,031)</u>	<u>488,865</u>	<u>1,451,626</u>
Total Liabilities and Fund Balance	<u>\$ 951,841</u>	<u>279,426</u>	<u>488,865</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$6,450,136 and the accumulated depreciation is \$2,556,158.

3,893,978

Accrued Interest

(52,479)

Deferred outflow of resources - contributions to the pension plan

293,900

Deferred inflow of resources - acquisition of assets applicable to future reporting periods

(33,487)

Long Term Liabilities including bonds payable are payable in the current period and therefore are not reported as liabilities in the funds (see note 3)

(4,408,634)

Net Position of governmental activities

\$ 1,144,904

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

FARMINGDALE SCHOOL DISTRICT

Exhibit B-2

Sheet 1 of 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**GOVERNMENTAL FUNDS****JUNE 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 2,289,952			209,080	2,499,032
Interest Earned	6,763				6,763
Miscellaneous	291,259	157,790			449,049
Total Local Sources	2,587,974	157,790	-	209,080	2,954,844
State Sources	1,444,613	327,948		107,420	1,879,981
Federal Sources		329,511			329,511
Total Revenues	4,032,587	815,249	-	316,500	5,164,336
Expenditures:					
Current:					
Regular Instruction	1,034,699				1,034,699
Special Education Instruction	446,536	396,267			842,803
Other Instruction	3,633				3,633
Support Services and Undistributed Costs:					
Tuition	32,820				32,820
Student and Instruction Related Services	461,170	326,191			787,361
Other Administration Services	245,690				245,690
Plant Operations and Maintenance	293,455				293,455
Pupil Transportation	14,201				14,201
Unallocated Benefits	1,378,750				1,378,750
Preschool/Charter School	64,821				64,821
Capital Outlay	454	86,917	30,349		117,720
Debt Service:					
Bond Principal				200,000	200,000
Interest and Other Charges				116,500	116,500
Total Expenditures	3,976,229	809,375	30,349	316,500	5,132,453

FARMINGDALE SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Exhibit B-2
Sheet 2 of 2

GOVERNMENTAL FUNDS

JUNE 30, 2024

	General Fund	Special Revenue Fund	Capital Projects	Debt Service Fund	Total Governmental Funds
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>56,358</u>	<u>5,874</u>	<u>(30,349)</u>	<u>-</u>	<u>31,883</u>
Net Change in Fund Balances	<u>56,358</u>	<u>5,874</u>	<u>(30,349)</u>	<u>-</u>	<u>31,883</u>
Fund Balance, July 1	<u>920,434</u>	<u>(19,905)</u>	<u>519,214</u>	<u>-</u>	<u>1,419,743</u>
Fund Balance, June 30	<u>\$ 976,792</u>	<u>(14,031)</u>	<u>488,865</u>	<u>-</u>	<u>1,451,626</u>

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

FARMINGDALE SCHOOL DISTRICTRECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURESAND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Exhibit B-3

TO THE STATEMENT OF ACTIVITIESJUNE 30, 2024

Total Net Change in Fund Balances - Governmental Funds (From B-2)	\$ 31,883
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:	
Capital Outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.	
Depreciation	(162,581)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.	200,000
Some Liabilities are Not Due and Payable in the Current Period and Therefore are Not Reported in the Funds. That Liability Consists of Pension Liability Payable	(123,574)
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position	102,937
Compensated Absences	(390)
Pension related deferrals	29,066
Accrued Interest	(8,041)
Change in Net Position of Governmental Activities	<u>\$ 69,300</u>

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

FARMINGDALE SCHOOL DISTRICT**STATEMENT OF NET POSITION****Exhibit B-4****PROPRIETARY FUNDS****JUNE 30, 2024**

	Business-Type Activities Enterprise Fund Totals
<u>Assets</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 71,320
Accounts Receivable:	
Federal Aid	10,586
State Aid	216
Other	7,123
Total Current Assets	<u>89,245</u>
Noncurrent Assets:	
Equipment	6,896
Accumulated Depreciation	<u>(6,896)</u>
Total Fixed Assets	<u>-</u>
Total Assets	<u><u>\$ 89,245</u></u>
<u>Net Position</u>	
Unreserved	<u>\$ 89,245</u>
Total Net Position	<u><u>\$ 89,245</u></u>

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

FARMINGDALE SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

Exhibit B-5

JUNE 30, 2024

	Business-Type Activities Enterprise Fund Totals
Operating Revenues:	
Charge for Services:	
Daily Sales	\$ 14,331
Total Operating Revenues	<u>14,331</u>
Operating Expenses:	
Cost of Sales	<u>6,826</u>
Total Operating Expenses	<u>6,826</u>
Operating Loss	7,505
Non-Operating Revenues:	
Supply Chain	8,670
State School Lunch Program	758
PB Lunch Program	612
National School Lunch Program	<u>15,662</u>
Total Non-Operating Revenues	<u>25,702</u>
Change in Net Position	33,207
Net Position, July 1	<u>56,038</u>
Net Position, June 30	<u>\$ 89,245</u>

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

FARMINGDALE SCHOOL DISTRICT**STATEMENT OF CASH FLOWS****Exhibit B-6****PROPRIETARY FUNDS****JUNE 30, 2024**

	Business-Type Activities Enterprise Fund Totals
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 13,678
Payments for Supplies and Salaries	(6,826)
Total Cash Flows from Operating Activities	<u>6,852</u>
Cash Flows For Noncapital Financing Activities	
Federal and State Subsidies	<u>24,644</u>
Total Cash Flows For Noncapital Financing Activities	<u>24,644</u>
Net Increase (Decrease) in Cash and Cash Equivalents	31,496
Balances Beginning of Year	<u>39,824</u>
Balances End of Year	<u>\$ 71,320</u>
Cash Flows from Operating Activities	
Operating (Loss)/Profit	<u>\$ 6,852</u>
Net Cash Used by Operating Activities	<u>\$ 6,852</u>

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

NOTES TO FINANCIAL STATEMENTS

BOARD OF EDUCATION
FARMINGDALE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1: Summary of Significant Accounting Policies

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

A. Reporting Entity:

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Government Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the 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 and account groups of the District over which the Board exercises operating control. The operations of the District include an elementary school located in the Borough of Farmingdale. 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 District is not includable in any other reporting entity on the basis of such criteria.

B. Government-Wide 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.

NOTE 1: Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

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.

In regards to the fund financial statements, the School District segregates transaction 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. Fiduciary funds are reported by fund type.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Proprietary and fiduciary fund financial statements also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. County tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met. The Unemployment Trust Fund recognizes employer and employee contributions in the period in which contributions are due.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to apply current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term pension and compensated absences, which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual includes Intergovernmental revenues, and the county tax levy. In general, other revenues are recognized when cash is received.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for food sales and for services provided to other governmental entities. Principles operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

NOTE 1: Summary of Significant Accounting Policies (Continued)**D. Fund Accounting:**

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. Each fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental Fund Types

General Fund: The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund.

Special Revenue Fund: The District accounts for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes in the special revenue funds.

Capital Projects Fund: The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

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

Fiduciary Fund Types

Trust and Agency Funds: The trust and agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District.

Unemployment Compensation Trust Fund: The trust fund is used to account for assets held under the terms of a formal trust agreement. The District reimburses the costs of unemployment benefits paid by the New Jersey Department of Labor.

Agency Funds (Payroll and Student Activities Fund): Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

NOTE 1: Summary of Significant Accounting Policies (Continued)

E. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the County office and are voted upon at the annual school election on the third Tuesday in April. 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:23-2.2(g). All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2024 are shown on Exhibit C-1.

The Public School Education Act of 1975, limits the annual increase of any district's net current expense budget. The Commissioner of Education certifies the allowable amount for each district but may grant a higher level of increase if he determines that the sums so provided would be insufficient to meet the identified goals and needs of the district or that an anticipated enrollment increase requires additional funds.

The Commissioner must also review every proposed local school district budget for the next school year. He examines every item of appropriations for current expenses and budgeted capital outlay to determine their adequacy in relation to the identified needs and goals of the district. If, in his view, they are insufficient, the Commissioner must order remedial action. If necessary, he is authorized to order changes in the local district budget.

Once a budget is approved, it can be amended by transfers or additional appropriation of fund balances by approval of a majority of the members of the Board. Amendments are presented to the Board at their regular meetings. Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end as dictated by law. Individual transfers were not material in relation to the original appropriations. All uncommitted budget appropriations lapse at year-end.

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 special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

NOTE 1: Summary of Significant Accounting Policies (Continued)**F. Encumbrances:**

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

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

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

G. Short-Term Interfund Receivables/Payables:

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

H. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, are recorded as an expenditure during the year of purchase. The value of inventories remaining at the end of the fiscal year is not included on the balance sheet.

I. Capital Assets and Depreciation

The District's property, buildings and improvements, equipment, vehicles, furniture and fixtures with useful lives of five years or more are stated at historical or estimated historical cost and are reported in the government-wide financial statements. Proprietary Fund capital assets are reported in its respective fund.

The District contracted with an outside service company during the 2023 fiscal year to provide a report with a comprehensive detail of capital assets and depreciation. The report included capital assets purchased during the 2022-2023 fiscal year and prior with a historical cost of \$2,000 or more. Accumulated depreciation prior to fiscal year 2023, fiscal year 2023 depreciation expense, total accumulated depreciation and book values were also provided. The costs of normal maintenance and repairs that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts. The District has updated the records since 2022-2023 and the service company provides the District with an updated report. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings and Improvements	20 – 50
Equipment and Vehicles	5 – 20
Furniture and Fixtures	5 – 20

NOTE 1: Summary of Significant Accounting Policies (Continued)**I. Capital Assets and Depreciation (Continued)**

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

	<u>Balance</u> <u>July 1, 2023</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Balance</u> <u>June 30, 2024</u>
Governmental Activities:				
Capital Assets that are				
Not being Depreciated:				
Land	\$ 70,657			70,657
Construction in Progress	<u>578,198</u>			<u>578,198</u>
Total Capital Assets Not				
Being Depreciated	<u>648,855</u>			<u>648,855</u>
Depreciable Assets:				
Buildings and Sites	4,754,949			4,754,949
Equipment	<u>1,046,332</u>			<u>1,046,332</u>
Totals at Historical Cost	<u>5,801,281</u>			<u>5,801,281</u>
Less: Accumulated				
Depreciation:				
Buildings and Sites	(1,509,214)	(119,461)		(1,628,675)
Equipment	<u>(884,363)</u>	<u>(43,120)</u>		<u>(927,483)</u>
Total Accumulated				
Depreciation	<u>(2,393,577)</u>	<u>(162,581)</u>		<u>(2,556,158)</u>
Net Depreciable Assets	<u>3,407,704</u>	<u>(162,581)</u>		<u>3,245,123</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 4,056,559</u>	<u>(162,581)</u>		<u>3,893,978</u>
Business Type Activities:				
Equipment	\$ 6,896			6,896
Less:				
Accumulated Depreciation				
Equipment	<u>(6,896)</u>			<u>(6,896)</u>
Business Type Activities				
Capital Assets (Net)	<u>\$</u>	<u></u>	<u></u>	<u></u>

Depreciation expense was charged to governmental functions as follows:

Unallocated	<u>\$ 162,581</u>
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J. Compensated Absences

The Board has no policy for payment of accumulated sickness upon retirement.

NOTE 1: Summary of Significant Accounting Policies (Continued)

K. Deferred Revenue

Deferred revenue in the special revenue funds represent cash which has been received but not yet earned. See Note 1(F) regarding the special revenue fund.

L. Fund Equity

The governmental fund financial statements report reserved fund balance for amounts not available for appropriation or legally restricted for specified purposes. The general fund reserve for restricted purposes includes net assets relating to maintenance reserve (See Note 10).

M. Net Position

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

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

Restricted – Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or 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.

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.

NOTE 1: Summary of Significant Accounting Policies (Continued)

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) if 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 and standard operating procedures, 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.

NOTE 2: Cash and 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.

Investments are stated at cost, which approximates market. The District classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

Deposits

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

NOTE 2: Cash and Cash Equivalents and Investments (Continued)

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments

New Jersey statutes permit the District to purchase the following types of securities:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or any United States Bank for cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the school district.

As of June 30, 2024 cash and cash equivalents and investments of the District consisted of the following:

	Cash and Cash Equivalents
Checking, Money Market Accounts	<u>\$ 1,314,053</u>

During the period ended June 30, 2024, the District did not hold any investments. The carrying amount of the District's cash and cash equivalents at June 30, 2024 was \$1,314,053 and the bank balance was \$1,562,947. Of the bank balance, \$250,000 was covered by federal depository insurance and \$1,312,947 as covered by a collateral pool maintained by the banks as required by New Jersey statutes.

NOTE 2: Cash and Cash Equivalents and Investments (Continued)**Credit Risk Categories**

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following three categories described below:

As of June 30, 2024, the District did not hold any long-term investments.

Insured:

FDIC	\$ 250,000
GUDPA	<u>1,312,947</u>
	<u>\$ 1,562,947</u>

NOTE 3: General Long-Term Debt

During the fiscal year ended June 30, 2024, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance</u> <u>June 30, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2024</u>	<u>Long-Term</u> <u>Portion</u>	<u>2024-2025</u> <u>Payment</u>
Bonds Payable	\$ 4,085,000		(200,000)	3,885,000	3,680,000	205,000
Compensated Absences	5,610	390		6,000	6,000	
Pension Liability	<u>394,060</u>	<u>123,574</u>		<u>517,634</u>	<u>517,634</u>	
	<u>\$ 4,484,670</u>	<u>123,964</u>	<u>(200,000)</u>	<u>4,408,634</u>	<u>4,203,634</u>	<u>205,000</u>

A. Bonds Payable

Bonds 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 Board are of general obligation bonds, and the interest rates vary from 4.00% to 4.25%.

Principal and interest due on serial bonds outstanding is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year Ending June 30,			
2025	\$ 205,000	112,450	317,450
2026	210,000	107,250	317,250
2027	220,000	100,800	320,800
2028	225,000	94,125	319,125
2029	230,000	97,300	327,300
2030-2034	1,285,000	325,335	1,610,335
2035-2039	<u>1,510,000</u>	<u>116,700</u>	<u>1,626,700</u>
	<u>\$ 3,885,000</u>	<u>953,960</u>	<u>4,838,960</u>

NOTE 4: Pension Plans**Public Employees' Retirement System (PERS)****Plan Description**

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

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

The following represents the membership tiers for PERS:

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 $1/55^{\text{th}}$ 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 $1/60^{\text{th}}$ 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 with 30 years or more 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.

Basis of Presentation

The schedule of employer allocations and the schedule of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

NOTE 4: Pension Plans (Continued)**Allocation Methodology and Reconciliation to Financial Statements**

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

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

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

A special funding situation exists for certain Local employers of the Public Employees' Retirement System. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by local employers under Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The Chapter 366, P.L. 2001 legislation established the Prosecutors Part of the PERS which provides enhanced retirement benefits for prosecutors enrolled in the PERS. The State is liable for the increased pension costs to a County that resulted from the enrollment of prosecutors in the Prosecutors Part. The June 30, 2023 State special funding situation net pension liability amount of \$122.1 million is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2023, there is no net pension liability associated with this special funding situation there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense of \$55.7 million, for the fiscal year ending June 30, 2023, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2023. The pension expense is deemed to be a State administrative expense due to the special funding situation.

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

NOTE 4: Pension Plans (Continued)

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

For the year ended June 30, 2024, the District recognized pension expense of \$66,215. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 4,949	2,116
Changes of Assumptions	1,137	31,371
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,384	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	219,215	
District Contributions Subsequent to the Measurement Date	<u>66,215</u>	<u> </u>
Total	<u>\$ 293,900</u>	<u>33,487</u>

\$66,215 reported as deferred outflows of resources related to pensions resulting from school district, project contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2024, the plan measurement date is June 30, 2023) will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year Ending
June 30,**

2024	\$ (27,101)
2025	(15,126)
2026	21,138
2027	(3,783)
2028	<u>65</u>
	<u>\$ (24,807)</u>

NOTE 4: Pension Plans (Continued)**Additional Information**

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

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Collective Deferred Outflows of Resources	\$ 293,900	190,963
Collective Deferred Inflows of Resources	33,487	62,553
Collective Net Pension Liability	517,634	394,060
District's Proportion	.00354%	.00259%

Components of Net Pension Liability

The components of the collective net pension liability of the participating employers as of June 30, 2023 were as follows:

	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$ 29,889,262,049	42,006,927,506	71,896,189,555
Plan Fiduciary Net Position	<u>7,431,214,496</u>	<u>27,400,438,440</u>	<u>34,831,652,936</u>
Net Pension Liability	<u>\$ 22,458,047,553</u>	<u>14,606,489,066</u>	<u>37,064,536,619</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.86%	65.23%	48.45%

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75% - 6.55%
	Based on years of service
Investment Rate of Return	7.00%

NOTE 4: Pension Plans (Continued)

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

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

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

<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-U.S. Developed Market 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%

NOTE 4: Pension Plans (Continued)**Discount Rate**

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% 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 to determine the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

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

	2023		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
School District's Proportionate Share Of the Net Pension Liability	<u>\$ 673,849</u>	<u>517,634</u>	<u>384,674</u>

Teachers Pensions and Annuity Fund (TPAF)**Plan Description**

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

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

NOTE 4: Pension Plans (Continued)

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 $1/55^{\text{th}}$ 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 $1/60^{\text{th}}$ 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 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.

Basis of Presentation

The Schedule of employers and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of TPAF and the State as an employer/nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of TPAF or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of TPAF to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Allocation Methodology

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense. The employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocation and applied to, presented in the schedule of pension amount by employer and nonemployer are based on the ratio of the State's actual contributions made as an employer and nonemployer adjusted for unpaid early retirement incentives to total contributions to TPAF during the year ended June 30, 2023. Employer and nonemployer allocation percentages have been rounded for presentation purposes, therefore amounts presented in the schedule of pension amounts by employer and nonemployer may result in immaterial differences.

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

NOTE 4: Pension Plans (Continued)**Special Funding Situation**

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

Components of Net Pension Liability

The components of the net pension liability of the State as of June 30, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Total Pension Liability	\$ 78,240,143,092	76,317,117,835
Plan Fiduciary Net Position	<u>27,130,181,268</u>	<u>24,640,530,532</u>
Net Pension Liability	<u>\$ 51,109,961,824</u>	<u>51,676,587,303</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.68%	32.29%

State Proportionate Share of Net Pension Liability Attributable to District

	<u>2023</u>	<u>2022</u>
District's Liability	<u>\$ 7,028,582</u>	<u>6,611,080</u>
District's Proportion	.01375%	.01279%

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense (benefit) as follows:

Year Ending June 30:	
2024	\$ (538,892)
2025	(473,892)
2026	(220,620)
2027	(239,646)
2028	(230,042)
Thereafter	<u>7,784</u>
Total	<u>\$ (1,695,308)</u>

NOTE 4: Pension Plans (Continued)

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75% - 4.25%
	Based on years of service
Investment Rate of Return	7.00%

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

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

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2023 are summarized in the following table:

<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-U.S. Developed Market 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%

NOTE 4: Pension Plans (Continued)**Discount Rate**

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

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

The following presents the net pension liability of the State as of June 30, 2023 calculated using the discount rate as disclosed above 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:

	2023		
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
School District's Proportionate Share Of the Net Pension Liability	\$ 0	0	0
State of New Jersey's Proportionate Share Of the District's Net Pension Liability	<u>8,287,974</u>	<u>7,028,582</u>	<u>5,967,875</u>
	<u>\$ 8,287,974</u>	<u>7,028,582</u>	<u>5,967,875</u>

NOTE 5: Post-Retirement Benefits**General Information about the OPEB Plan****Plan description and benefits provided**

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefit for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan 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 Pension*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

NOTE 5: Post-Retirement Benefits (Continued)

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey 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.

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits are the responsibility of the individual local education employers.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

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

Additional information on Pensions and OPEB can be accessed at state.nj.us/treasury/pensions/financial-reports.shtml.

Total OPEB Liability

The total OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 20, 2022, with was rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Total OPEB Liability \$52,361,668,239

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases	2.75% – 4.25%	2.75% - 6.55%	3.25% - 16.25%
	based on years of service	based on years of service	based on years of service

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.

NOTE 5: Post-Retirement Benefits (Continued)

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

(a) Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreased to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% 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%.

(b) Discount Rate

The discount rate for June 30, 2023 was 3.65%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the total OPEB Liability reported by the State of New Jersey:

	Total OPEB Liability
Balances at June 30, 2022	\$ 50,646,462,966
Changes for the Year:	
Service Cost	2,136,235,476
Interest	1,844,113,951
Change of Benefit Terms	
Difference Between Expected and Actual Experience	(980,424,863)
Changes in Assumptions or Other Inputs	105,539,463
Member Contributions	47,258,104
Benefit Payments	<u>(1,437,516,858)</u>
Balance at June 30, 2023	<u>\$ 52,361,668,239</u>

There were no changes in benefit terms between the June 30, 2022 measurement date and the June 30, 2023 measurement date.

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

NOTE 5: Post-Retirement Benefits (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the State for school board retirees, as well as what the State's total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<u>1% Decrease</u> <u>(2.65%)</u>	<u>Discount Rate</u> <u>(3.65%)</u>	<u>1% Increase</u> <u>(4.65%)</u>
State of New Jersey's Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 61,385,066,712</u>	<u>52,361,668,239</u>	<u>45,116,926,835</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the State, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<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 School District	<u>\$ 43,468,257,358</u>	<u>52,361,668,239</u>	<u>63,998,719,320</u>

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended June 30, 2023, the Board of Education recognized OPEB expense of \$270,146 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the Board of Education's proportionate share of school retirees OPEB is zero; there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows or resources. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 7,639,717,639	13,791,541,217
Assumption Changes	7,445,895,322	14,449,948,556
Changes in Proportion	<u>2,262,198,933</u>	<u>2,262,198,933</u>
Total	<u>\$ 17,347,811,894</u>	<u>30,503,688,706</u>

NOTE 5: Post-Retirement Benefits (Continued)

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

Year Ended June 30:	
2024	\$ (2,611,225,301)
2025	(2,611,225,301)
2026	(2,269,523,460)
2027	(1,338,024,839)
2028	(273,877,609)
Thereafter	<u>(4,052,000,302)</u>
	<u>\$ (13,155,876,812)</u>

NOTE 6: Risk Management

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

Property and Liability Insurance – The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

NOTE 7: Tuition Adjustments

Regulations specify that tuition adjustments for any given school year shall be remitted/ received in the two following years after the tuition rate is certified. These adjustments have not been reflected on the June 30, 2024 financial statements.

NOTE 8: Economic Dependency

The District receives approximately 48% of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the District's programs and activities.

NOTE 9: Contingent Liabilities

It is the opinion of the school board officials that there is no litigation threatened or pending that would materially affect the financial position of the school district.

NOTE 10: Fund Balance Appropriated

General Fund – Of the \$1,030,893 General Fund fund balance at June 30, 2024, \$155,041 is reserved for maintenance reserve; \$254,827 is capital reserve; \$32,345 is reserve for encumbrances; \$253,720 is undesignated; \$3,744 is designated for subsequent year's expenditures; \$31,252 is maintenance reserve designated for subsequent years expenditures; \$99,964 is excess surplus designated for subsequent years expenditures; and \$200,000 is excess surplus – current year.

NOTE 11: 2% Calculation of Excess Surplus

2023-24 Total General Fund Expenditures Per the ACFR	\$ 3,932,222
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Decreased by:

On-Behalf TPAF Pension & Social Security	<u>(864,707)</u>
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Adjusted 2023-24 General Fund Expenditures	<u>\$ 3,067,515</u>
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2% of Adjusted 2023-24 General Fund Expenditures	<u>\$ 61,350</u>
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Enter Greater of Above or \$250,000	\$ 250,000
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Increased by Allowable Adjustments	<u>3,720</u>
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Maximum Unassigned/Undesignated – Unreserved Fund Balance	<u>\$ 253,720</u>
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Section 2

Total General Fund – Fund Balance @ 6-30-24	\$ 1,030,893
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Decreased by:

Designated for Subsequent Year's Expenditures – BOE	(3,744)
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Designated for Subsequent Year's Expenditures – Excess Surplus	(99,964)
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Designated for Subsequent Year's Expenditures – Maintenance Reserves	(31,252)
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Year End Encumbrances	(32,345)
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Reserves	<u>(409,868)</u>
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Total Unassigned Fund Balance	<u>\$ 453,720</u>
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Section 3

Designated for Subsequent Years Expenditures – Excess Surplus	\$ 99,964
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Excess Surplus Current Year	<u>200,000</u>
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	<u>\$ 299,964</u>
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Detail of Allowable Adjustment

Non-Public Transportation	<u>\$ 3,720</u>
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Detail of Other Restricted Fund Balance

Maintenance Reserve	\$ 155,041
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Capital Reserve	<u>254,827</u>
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Total Other Restricted Fund Balance	<u>\$ 409,868</u>
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NOTE 12: Interfund Receivables and Payables

Transfers between governmental and business-type activities on the governmental-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.

There were interfunds as of June 30, 2024 as follows:

	<u>From</u>	<u>To</u>
Special Revenue Fund	\$ 210,872	
General Fund	<u> </u>	<u>210,872</u>
	<u>\$ 210,872</u>	<u>210,872</u>

These interfund loan is due to the General Fund awaiting reimbursement from the Special Revenue Fund for pending federal reimbursements. Once received, the interfund will be eliminated, which is expected to be within one year.

NOTE 13: Subsequent Events

Subsequent events have been evaluated through January 10, 2025, which is the date the financial statements were available to be issued. No additional subsequent event disclosures are required.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES – C

FARMINGDALE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

Exhibit C-1
Sheet 1 of 8

GENERAL FUND

JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 2,289,952		2,289,952	2,289,952	-
Interest Earned			-	6,763	6,763
Unrestricted Miscellaneous	5,900		5,900	291,259	285,359
Total Local Sources	<u>2,295,852</u>	<u>-</u>	<u>2,295,852</u>	<u>2,587,974</u>	<u>292,122</u>
State Sources:					
Special Education Aid	94,325		94,325	94,325	-
Security Aid	27,049		27,049	27,049	-
Transportation Aid	5,923		5,923	5,923	-
Equalization Aid	413,995		413,995	413,995	-
Supplemental Stabilization Aid			-	26,954	26,954
Maintenance of Equity Aid			-		-
Non-Public Transportation Aid			-	3,720	3,720
Reimbursed TPAF Social Security Contributions (Non-Budgeted)			-	119,181	119,181
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)				159,427	159,427
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)				585,776	585,776
On-Behalf T.P.A.F Pension Contributions - Long Tern Disability				323	323
Total State Sources	<u>541,292</u>	<u>-</u>	<u>541,292</u>	<u>1,436,673</u>	<u>895,381</u>
Total Revenues	<u>2,837,144</u>	<u>-</u>	<u>2,837,144</u>	<u>4,024,647</u>	<u>1,187,503</u>

FARMINGDALE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

Exhibit C-1
Sheet 2 of 8

GENERAL FUND

JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Expenditures:					
Current Expenditures:					
Regular Programs - Instruction:					
Preschool/Kindergarten - Salaries of Teachers	54,040	-	54,040	54,040	-
Grades 1-5 - Salaries of Teachers	534,649	113,051	647,700	647,700	-
Grades 6-8 - Salaries of Teachers	246,212		246,212	241,977	4,235
Home Instruction - Other Salaries for Instruction	1,500	1,982	3,482	3,482	-
Home Instruction - Purchased Educational Services		6,215	6,215	4,465	1,750
Regular Program - Undistributed Instruction:					
Other Salaries For Instruction	117,094	(50,045)	67,049	67,049	-
General Supplies	38,000	(18,549)	19,451	12,545	6,906
Textbooks	6,600	(15)	6,585		6,585
Other Objects		3,441	3,441	3,441	-
Total Regular Programs - Instruction	<u>998,095</u>	<u>56,080</u>	<u>1,054,175</u>	<u>1,034,699</u>	<u>19,476</u>
Special Education - Learning and/or Language Disabilities:					
Salaries		2,395	2,395	2,395	-
Special Education - Instruction:					
Resource Room/Resource Center:					
Salaries	518,838	(74,642)	444,196	444,141	55
Total Resource Room/Resource Center	<u>518,838</u>	<u>(74,642)</u>	<u>444,196</u>	<u>444,141</u>	<u>55</u>
Total Special Education	<u>518,838</u>	<u>(72,247)</u>	<u>446,591</u>	<u>446,536</u>	<u>55</u>
School-Sponsored Co-Curricular Activities - Instruction:					
Other Objects	5,400		5,400		5,400
Before/Afterschool Programs:					
Salaries of Teachers		3,633	3,633	3,633	-

FARMINGDALE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

Exhibit C-1
Sheet 3 of 8

GENERAL FUND

JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Summer School - Instruction:					
Salaries of Teachers	17,000	(17,000)	-		-
Total Instructional Programs	1,539,333	(29,534)	1,509,799	1,484,868	24,931
Undistributed Expenditures - Tuition:					
Tuition to Other LEA's - Within State - Special	32,820		32,820	32,820	-
Undistributed Expenditures - Attendance and Social Work:					
Salaries	74,118	(74,118)	-		-
Undistributed Expenditures - Health Services:					
Salaries	58,062	20,238	78,300	78,300	-
Purchased Professional and Technical Services		10,632	10,632	9,394	1,238
Other Purchased Services (400-500 Series)	4,000		4,000	315	3,685
Supplies and Materials	2,140		2,140	25	2,115
Total Undistributed Expenditures - Health Services	64,202	30,870	95,072	88,034	7,038
Undistributed Expenditures - Other Support Services -					
Students - Related Services:					
Purchased Professional Educational Services	75,685	1,583	77,268	73,528	3,740
Total Undistributed Expenditures - Other Support Services					
Students - Related Services	75,685	1,583	77,268	73,528	3,740
Undistributed Expenditures - Guidance:					
Salaries	34,886	8,789	43,675	39,881	3,794
Total Undistributed Expenditures - Guidance	34,886	8,789	43,675	39,881	3,794

FARMINGDALE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

Exhibit C-1
Sheet 4 of 8

GENERAL FUND

JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures - Other Support Services -					
Students - Child Study Teams					
Salaries-Secretarial and Clerical	88,609	3,570	92,179	92,179	-
Purchased Professional Educational Services	59,806	18,827	78,633	78,633	-
Total Undistributed Expenditures - Other Support					
Services - Students - Extra Services	148,415	22,397	170,812	170,812	-
Undistributed Expenditures - Educational Media Services/					
School Library:					
Salaries	64,490	4,150	68,640	68,640	-
Purchased Professional and Technical Services	49,385	(35,583)	13,802	13,652	150
Total Undistributed Expenditures - Educational Media					
Services/School Library	113,875	(31,433)	82,442	82,292	150
Undistributed Expenditures - Instructional Staff Training Services:					
Purchased Professional Educational Services	3,000	3,623	6,623	6,623	-
Total Undistributed Expenditures - Instr. Staff Training Services	3,000	3,623	6,623	6,623	-
Undistributed Expenditures - Support Services - General					
Administration:					
Salaries	16,327	4,421	20,748	20,748	-
Legal Services	4,811		4,811	172	4,639
Audit Fees	14,250		14,250	12,000	2,250
Architect/Engineer Services		3,000	3,000	750	2,250
Communications/Telephone	6,600	(6,600)	-	-	-
BOE Membership Dues and Fees	18,550	(3,571)	14,979	11,024	3,955
Total Undistributed Expenditures - Support Services -					
General Administration	60,538	(2,750)	57,788	44,694	13,094

FARMINGDALE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

Exhibit C-1
Sheet 5 of 8

GENERAL FUND

JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals	48,981	1,775	50,756	50,756	-
Salaries of Secretarial and Clerical Assistants	17,225	718	17,943	17,943	-
Total Undistributed Expenditures - Support Services - School Administration	66,206	2,493	68,699	68,699	-
Undistributed Expenditures - Central Services:					
Salaries	96,747	(91,477)	5,270	5,270	-
Purchased Technical Services	10,961	27	10,988	9,783	1,205
General Supplies	500	1,340	1,840	1,524	316
Total Undistributed Expenditures - Central Services	108,208	(90,110)	18,098	16,577	1,521
Undistributed Expenditures-Admin Info Technology Other Purchased Services		115,720	115,720	115,720	-
Undistributed Expenditures - Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	80,000		80,000	56,674	23,326
Total Undistributed Expenditures - Required Maintenance - School Facilities	80,000	-	80,000	56,674	23,326

FARMINGDALE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

Exhibit C-1
Sheet 6 of 8

GENERAL FUND

JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures - Other Operations and Maintenance of Plant Services:					
Salaries	74,319	28,921	103,240	103,240	-
Insurance	70,865	(6,067)	64,798	64,798	-
Miscellaneous Purchased Services	2,100		2,100	-	2,100
Supplies	9,000		9,000	5,703	3,297
Energy (Natural Gas)	10,200	5,624	15,824	13,390	2,434
Energy (Electric)	37,000	6,441	43,441	43,441	-
Other Objects	5,000		5,000	38	4,962
Total Undistributed Expenditures - Other Operations and Maintenance of Plant Services	<u>208,484</u>	<u>34,919</u>	<u>243,403</u>	<u>230,610</u>	<u>12,793</u>
Undistributed Expenditures - Security:					
Purchased Technical Services	<u>6,171</u>		<u>6,171</u>	<u>6,171</u>	<u>-</u>
Total Undistributed Expenditures - Operations and Maintenance of School Facilities	<u>294,655</u>	<u>34,919</u>	<u>329,574</u>	<u>293,455</u>	<u>36,119</u>
Undistributed Expenditures - Student Transportation Services:					
Contracted Services (Aid In Lieu)	13,286	(9,208)	4,078	4,077	1
Contracted Services (Other Than Between Home & School) - Vendors	6,000		6,000	2,032	3,968
Contracted Services (Special Education Students) Jointures	1,000		1,000		1,000
Contracted Services (Special Education Students) MOESC	<u>1,000</u>	<u>21,203</u>	<u>22,203</u>	<u>8,092</u>	<u>14,111</u>
Total Undistributed Expenditures - Student Transportation Services	<u>21,286</u>	<u>11,995</u>	<u>33,281</u>	<u>14,201</u>	<u>19,080</u>

FARMINGDALE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

Exhibit C-1
Sheet 7 of 8

GENERAL FUND

JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Unallocated Benefits:					
Social Security Contributions	60,000	758	60,758	60,758	-
Other Retirement Contributions - PERS	43,750	22,465	66,215	66,215	-
Other Retirement Contributions - Regular	12,196	(10,464)	1,732	1,682	50
Unemployment Compensation	4,241	27,321	31,562	23,489	8,073
Health Benefits	451,084	(74,065)	377,019	359,499	17,520
Tuition Reimbursement	9,000	(9,000)	-	-	-
Other Employee Benefits	5,400	(263)	5,137	2,400	2,737
Total Unallocated Benefits	<u>585,671</u>	<u>(43,248)</u>	<u>542,423</u>	<u>514,043</u>	<u>28,380</u>
Reimbursed TPAF Social Security Contributions - (Non-Budgeted)				119,181	(119,181)
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)				159,427	(159,427)
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)				585,776	(585,776)
On-Behalf T.P.A.F Pension Contributions - Long Term Disability				323	(323)
Total On-Behalf Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>864,707</u>	<u>(864,707)</u>
Total Undistributed Expenditures	<u>1,683,565</u>	<u>(9,270)</u>	<u>1,674,295</u>	<u>2,426,086</u>	<u>(751,791)</u>
Transfer to Preschool Program	<u>44,007</u>		<u>44,007</u>	<u>44,007</u>	<u>-</u>
Capital Outlay:					
Debt Service Assessment	<u>454</u>		<u>454</u>	<u>454</u>	<u>-</u>
Total Capital Outlay	<u>454</u>	<u>-</u>	<u>454</u>	<u>454</u>	<u>-</u>
Transfer of Funds to Charter Schools	<u>20,814</u>		<u>20,814</u>	<u>20,814</u>	<u>-</u>

FARMINGDALE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

Exhibit C-1
Sheet 8 of 8

GENERAL FUND

JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Total General Fund Expenditures	<u>3,288,173</u>	<u>(38,804)</u>	<u>3,249,369</u>	<u>3,976,229</u>	<u>(726,860)</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(451,029)</u>	<u>38,804</u>	<u>(412,225)</u>	<u>48,418</u>	<u>460,643</u>
Fund Balance July 1	<u>982,475</u>		<u>982,475</u>	<u>982,475</u>	
Fund Balance, June 30	<u>\$ 531,446</u>	<u>38,804</u>	<u>570,250</u>	<u>1,030,893</u>	<u>460,643</u>
Recapitulation:					
Restricted Fund Balance:					
Designated for Subsequent Years Expenditures - By the BOE				\$ 3,744	
Designated for Subsequent Years Expenditures - Excess Surplus				99,964	
Excess Surplus - Current Year				200,000	
Maintenance Reserve				186,293	
Capital Reserve				254,827	
Assigned Fund Balances:					
Reserved For Encumbrances				32,345	
Unassigned Fund Balance				<u>253,720</u>	
				1,030,893	
Reconciliation to Governmental Funds Statements (GAAP):					
Final State Aid Payments not Recognized on GAAP Basis				<u>(54,101)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 976,792</u>	

FARMINGDALE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

Exhibit C-2
Sheet 1 of 2

SPECIAL REVENUE FUND

JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources	\$ 157,790		157,790	157,790	-
State Sources:	322,718		322,718	322,718	-
Federal Sources:					
Title I	33,622		33,622	33,622	-
Title IIA	6,352		6,352	6,352	-
Title IV	5,617		5,617	5,617	-
IDEA Part B, Basic	48,867		48,867	48,867	-
IDEA Preschool	958		958	958	-
High Impact Tutoring	4,865		4,865	4,865	-
Educational Stabilization Fund (ESSER II)	77,019		77,019	77,019	-
Educational Stabilization Fund (ESSER II) Learning Acceleration	1,937		1,937	1,937	-
Educational Stabilization Fund (ESSER II) Mental Health	8,961		8,961	8,961	-
ARP ESSER II	83,179		83,179	83,179	-
ARP Learning Acceleration	13,615		13,615	13,615	-
ARP Summer	6,042		6,042	6,042	-
ARP Beyond School	8,029		8,029	8,029	-
ARP Mental Health	30,448		30,448	30,448	-
Total Federal Sources	329,511	-	329,511	329,511	-
Total Revenues	810,019	-	810,019	810,019	-
Expenditures:					
Instruction:					
Salaries of Teachers	162,616		162,616	162,616	-
Other Salaries for Instruction	147,396		147,396	147,396	-
Instructional Supplies	86,255		86,255	86,255	-
Total Instruction	396,267	-	396,267	396,267	-

FARMINGDALE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND

Exhibit C-2
Sheet 2 of 2

JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Support Services:					
Salaries	88,858		88,858	88,858	-
Employee Benefits	120,646		120,646	120,646	-
Purchased Technical Services	65,867		65,867	65,867	-
Other Purchased Services	8,851		8,851	8,851	-
Instructional Supplies	32,686		32,686	32,686	-
Student Activities	9,283		9,283	9,283	-
Total Support Services	<u>326,191</u>	<u>-</u>	<u>326,191</u>	<u>326,191</u>	<u>-</u>
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment	86,917		86,917	86,917	-
Total Facilities Acquisition and Construction Services	<u>86,917</u>	<u>-</u>	<u>86,917</u>	<u>86,917</u>	<u>-</u>
Total Expenditures	<u>809,375</u>	<u>-</u>	<u>809,375</u>	<u>809,375</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>644</u>	<u>-</u>	<u>644</u>	<u>644</u>	<u>-</u>
Fund Balance, July 1				<u>17,579</u>	
Fund Balance, June 30				<u>\$ 18,223</u>	
Recapitulation:					
Restricted:					
Student Activities				<u>\$ 18,223</u>	
Total Fund Balance				<u>\$ 18,223</u>	

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FARMINGDALE SCHOOL DISTRICT

Exhibit C-3

REQUIRED SUPPLEMENTARY INFORMATION**BUDGET-TO-GAAP-RECONCILIATION****NOTE TO REQUIRED SUPPLEMENTARY INFORMATION****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<u>Sources/Inflows of Resources</u>		
Actual Amounts (budgetary) "revenues" from the budgetary comparison schedule	\$ 4,024,647	810,019
Difference - Budget to GAAP: Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year Delayed Payment	62,041	37,484
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expenses (GASB 33)	<u>(54,101)</u>	<u>(32,254)</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.	<u>\$ 4,032,587</u>	<u>815,249</u>
<u>Uses/Outflows of Resources</u>		
Actual Amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 3,976,229	809,375
Differences - Budget to GAAP: Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	<u> </u>	<u> </u>
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 3,976,229</u>	<u>809,375</u>

REQUIRED SUPPLEMENTARY INFORMATION – PART III

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

FARMINGDALE SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE

NET PENSION LIABILITY - PERS

LAST TEN FISCAL YEARS

Exhibit L-1

	<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>2014</u>
District's Proportion of the Net Pension Liability	0.00354%	0.00259%	0.00197%	0.00190%	0.00175%	0.00144%	0.00148%	0.00146%	0.00157%	0.00194%
District's Proportionate Share of the Net Pension Liability	<u>\$517,634</u>	<u>394,060</u>	<u>233,073</u>	<u>309,363</u>	<u>316,002</u>	<u>283,007</u>	<u>344,153</u>	<u>432,996</u>	<u>353,170</u>	<u>362,605</u>
District's Covered-Employee Payroll	\$263,407	293,915	184,827	184,356	174,536	161,825	145,119	87,578	108,527	122,691
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	50.89%	74.59%	79.30%	59.59%	55.23%	57.18%	42.17%	20.23%	30.73%	33.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.45%	46.41%	42.90%	42.90%	42.04%	40.45%	36.78%	31.20%	38.21%	42.74%

FARMINGDALE SCHOOL DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS - PERS

Exhibit L-2

LAST TEN FISCAL YEARS

	<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>2014</u>
Contractually Required Contribution	\$ 32,928	32,928	23,041	20,753	17,059	14,297	13,696	12,988	13,526	16,010
Contributions in Relation to the Contractually Required Contribution	<u>32,928</u>	<u>32,928</u>	<u>23,041</u>	<u>20,753</u>	<u>17,059</u>	<u>14,297</u>	<u>13,696</u>	<u>12,988</u>	<u>13,526</u>	<u>16,010</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's Covered-Employee Payroll	\$ 263,407	293,915	184,827	184,356	174,536	161,825	145,119	87,578	108,527	122,691
Contributions as a Percentage of Covered-Employee Payroll	12.50%	11.20%	12.47%	11.26%	9.77%	8.83%	9.44%	14.83%	12.46%	13.05%

FARMINGDALE SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE

NET PENSION LIABILITY - TPAF

LAST TEN FISCAL YEARS

Exhibit L-3

	<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>2014</u>
District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net Pension Liability	\$ -	-	-	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>7,028,582</u>	<u>6,611,080</u>	<u>5,798,427</u>	<u>8,901,615</u>	<u>8,067,842</u>	<u>8,439,740</u>	<u>8,868,710</u>	<u>9,908,595</u>	<u>8,328,814</u>	<u>7,064,268</u>
Total	<u>\$ 7,028,582</u>	<u>6,611,080</u>	<u>5,798,427</u>	<u>8,901,615</u>	<u>8,067,842</u>	<u>8,439,740</u>	<u>8,868,710</u>	<u>9,908,595</u>	<u>8,328,814</u>	<u>7,064,268</u>
District's Covered-Employee Payroll	\$ 1,341,129	1,572,770	1,572,720	1,412,899	1,548,100	1,501,530	1,468,620	1,331,812	1,297,168	1,264,168
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	19.08%	23.79%	27.12%	15.87%	19.19%	17.79%	16.56%	13.44%	15.57%	17.90%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.68%	32.29%	32.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

FARMINGDALE SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS
TEACHER'S PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS

L-4

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.

FARMINGDALE SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PART III

L-5

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Public Employee's Retirement System (PERS)

Changes in Benefit Terms – None

Changes in Assumptions – The discount rate remained at 7.00% as of June 30, 2022, and as of June 30, 2023, in accordance with Paragraph 44 of GASB Statement No. 67.

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms – None

Changes in Assumption – The discount rate remained at 7.00% as of June 30, 2022, and as of June 30, 2023, in accordance with Paragraph 44 of GASB Statement No. 67.

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING
FOR OPEB (GASB 75) - M**

FARMINGDALE SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

Exhibit M-1

LAST SEVEN FISCAL YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's Proportionate Share of OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate of the Net OPEB Liability	\$ -	-	-	-	-	-	-
<u>State's OPEB Liability Attributable to the District</u>							
Service Cost	\$ 343,136	425,243	479,503	271,576	229,685	257,374	311,089
Interest	245,057	180,176	210,460	196,392	236,311	253,554	218,473
Change in Benefit Terms			(8,636)				-
Benefit Payments	(191,026)	(178,470)	(165,783)	(151,634)	(166,147)	(159,272)	(159,850)
Member Contributions	6,280	5,726	5,381	4,596	4,925	5,505	5,886
Difference between Expected and Actual Experience	(258,164)	76,988	(1,125,964)	1,385,561	(929,362)	(618,589)	
Change of Assumptions	14,024	(1,823,841)	8,005	1,591,021	80,701	(683,526)	(905,326)
Net Change in Total OPEB Liability	159,307	(1,314,178)	(597,034)	3,297,512	(543,887)	(944,954)	(529,728)
Total Attributable OPEB Liability - Beginning	6,798,808	8,112,986	8,710,020	5,412,508	5,956,395	6,901,349	7,431,077
Total Attributable OPEB Liability - Ending	<u>\$ 6,958,115</u>	<u>6,798,808</u>	<u>8,112,986</u>	<u>8,710,020</u>	<u>5,412,508</u>	<u>5,956,395</u>	<u>6,901,349</u>
District's Covered Payroll	\$ 1,604,536	1,866,685	1,597,726	1,732,856	1,932,456	1,834,117	1,835,886
District's Contribution	None	None	None	None	None	None	None
District's Proportionate Share of OPEB Liability as a Percentage of its Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of OPEB Liability as a Percentage of its Covered-Employee Payroll	433.65%	364.22%	507.78%	502.64%	280.08%	324.76%	375.91%

* - Information not available

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

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

FARMINGDALE SCHOOL DISTRICT**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION****FOR THE FISCAL YEAR ENDED JUNE 30, 2024****Exhibit M-2****Change of Benefit Terms**

Refer to Note 5 - Notes to Financial Statements

Difference Between Expected and Actual Experience

The change in the liability from June 30, 2022 to June 30, 2023 is due to changes in the census, claims and premiums experience.

Changes of Assumptions

The Discount Rate changed from 3.54% as of June 30, 2022 to 3.65% as of June 30, 2023.

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES – D

N/A

SPECIAL REVENUE FUND – E

FARMINGDALE SCHOOL DISTRICT

Exhibit E-1
Sheet 1 of 2

SPECIAL REVENUE FUND

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS

JUNE 30, 2024

	<u>CRRSA ESSER</u>	<u>CRRSA Accelerated Learning</u>	<u>ESSER II Mental Health</u>	<u>ARP ESSER</u>	<u>ARP Accelerated Learning</u>	<u>ARP Summer Enrichment</u>	<u>ARP Beyond School</u>
Revenues:							
Federal Sources	\$ 77,019	1,937	8,961	83,179	13,615	6,042	8,029
Local Sources							
State Sources							
Total Revenues	<u>\$ 77,019</u>	<u>1,937</u>	<u>8,961</u>	<u>83,179</u>	<u>13,615</u>	<u>6,042</u>	<u>8,029</u>
Expenditures:							
Instruction:							
Salaries	\$ -	1,937					4,698
Other Salaries for Instruction				70,931	3,715		
Instructional Supplies	56,780					6,042	3,331
Total Instruction	<u>56,780</u>	<u>1,937</u>	<u>-</u>	<u>70,931</u>	<u>3,715</u>	<u>6,042</u>	<u>8,029</u>
Support Services:							
Salaries							
Employee Benefits	522			12,248			
Purchased Professional & Technical Services					9,900		
Other Purchased Services							
General Supplies	19,717		8,961				
Student Activities							
Total Support Services	<u>20,239</u>	<u>-</u>	<u>8,961</u>	<u>12,248</u>	<u>9,900</u>	<u>-</u>	<u>-</u>
Facilities Acquisition and Construction Services:							
Non-Instructional Equipment							
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>77,019</u>	<u>1,937</u>	<u>8,961</u>	<u>83,179</u>	<u>13,615</u>	<u>6,042</u>	<u>8,029</u>
Excess (Deficiency) of Revenues Over (Under)							
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1							
Fund Balance, June 30	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

FARMINGDALE SCHOOL DISTRICT

Exhibit E-1
Sheet 2 of 2

SPECIAL REVENUE FUND

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS

JUNE 30, 2024

	ARP Mental Health	IDEA Part B Basic	Title I	Title IIA	Title IV	DCA Playground Grant	IDEA Preschool	Preschool Program	High Impact Tutoring	Student Activity	Total June 30, 2024
Revenues:											
Federal Sources	30,448	48,867	33,622	6,352	5,617		958		4,865		329,511
Local Sources						77,342		70,521		9,927	157,790
State Sources								322,718			322,718
Total Revenues	<u>30,448</u>	<u>48,867</u>	<u>33,622</u>	<u>6,352</u>	<u>5,617</u>	<u>77,342</u>	<u>958</u>	<u>393,239</u>	<u>4,865</u>	<u>9,927</u>	<u>810,019</u>
Expenditures:											
Instruction:											
Salaries	10,645		14,478		5,617			120,376	4,865		162,616
Other Salaries for Instruction								72,750			147,396
Instructional Supplies			19,144				958				86,255
Total Instruction	<u>10,645</u>	<u>-</u>	<u>33,622</u>	<u>-</u>	<u>5,617</u>	<u>-</u>	<u>958</u>	<u>193,126</u>	<u>4,865</u>	<u>-</u>	<u>396,267</u>
Support Services:											
Salaries								88,858			88,858
Employee Benefits								107,876			120,646
Purchased Professional & Technical Services	7,100	48,867									65,867
Other Purchased Services	2,499			6,352							8,851
General Supplies	629							3,379			32,686
Student Activities										9,283	9,283
Total Support Services	<u>10,228</u>	<u>48,867</u>	<u>-</u>	<u>6,352</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,113</u>	<u>-</u>	<u>9,283</u>	<u>326,191</u>
Facilities Acquisition and Construction Services:											
Non-Instructional Equipment	9,575					77,342					86,917
Total Facilities Acquisition and Construction Services	<u>9,575</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,342</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>86,917</u>
Total Expenditures	<u>30,448</u>	<u>48,867</u>	<u>33,622</u>	<u>6,352</u>	<u>5,617</u>	<u>77,342</u>	<u>958</u>	<u>393,239</u>	<u>4,865</u>	<u>9,283</u>	<u>809,375</u>
Excess (Deficiency) of Revenues Over (Under)											
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>644</u>	<u>644</u>
Fund Balance, July 1										17,579	17,579
Fund Balance, June 30	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,223</u>	<u>18,223</u>

FARMINGDALE SCHOOL DISTRICT**SPECIAL REVENUE FUND**

Exhibit E-2

DEMONSTRABLY EFFECTIVE PROGRAM AID SCHEDULE OF EXPENDITURES -**BUDGETARY BASIS****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

		2024	
	Budgeted	Actual	Variance
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 120,376	120,376	-
Other Salaries for Instruction	72,750	72,750	-
Total Instruction	193,126	193,126	-
Support Services:			
Salaries of Supervisors of Instruction	32,654	32,654	-
Salaries of Other Professional Staff	33,394		33,394
Other Salaries	21,321	19,055	2,266
Salaries of Community Involvement Specialists	37,149	37,149	-
Salaries of Master Teachers	10,000		10,000
Employee Benefits	107,876	107,876	-
Contracted Services - Travel			-
Supplies and Materials	27,705	3,379	24,326
Total Support Services	270,099	200,113	69,986
Total Expenditures	\$ 463,225	393,239	69,986

Calculation of Budget & Carryover

Total Revised 2023-24 Preschool Education Aid Allocation	\$ 322,718
Add: Actual ECPA/PEA Carryover (June 30, 2023)	96,500
Add: Budgeted Transfer from General Fund 2023-2024	44,007
Total Preschool Education Aid Funds Available for 2023-2024 Budget	463,225
Less: 2023-24 Budgeted Preschool Education Aid (Including Prior Year Budget Carryover)	(463,225)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2024	93,613
Add: June 30, 2024 Unexpended Preschool Education Aid	69,986
2023-24 Carryover - Preschool Education Aid Program	163,600
2023-24 Preschool Education Aid Carryover Budgeted for Preschool Programs 2024-2025	\$ 93,613

CAPITAL PROJECTS FUND – F

FARMINGDALE SCHOOL DISTRICT**CAPITAL PROJECTS FUND****Exhibit F-1****SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES****IN FUND BALANCE - BUDGETARY BASIS****FOR THE YEAR ENDED JUNE 30, 2024**

Fund Balance - Beginning	\$ 519,214
Expenditures	<u>(30,349)</u>
Fund Balance - Ending	<u>\$ 488,865</u>

FARMINGDALE SCHOOL DISTRICT**Exhibit F-1a****CAPITAL PROJECTS FUND****SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT****BALANCE, AND PROJECT STATUS - BUDGETARY BASIS****SCHOOL RENOVATION PROJECT****FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<u>Revenues and Other Financing Sources</u>				
Bond Proceeds	\$ 4,814,000		4,814,000	4,814,000
Total Revenues	<u>4,814,000</u>	<u>-</u>	<u>4,814,000</u>	<u>4,814,000</u>
<u>Expenditures and Other Financing Uses</u>				
Other Purchased Professional and Technical Services	659,438		659,438	659,438
Construction Services	3,584,310	30,349	3,614,659	4,094,562
Other Objects	51,038		51,038	60,000
Total Expenditures	<u>4,294,786</u>	<u>30,349</u>	<u>4,325,135</u>	<u>4,814,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 519,214</u>	<u>(30,349)</u>	<u>488,865</u>	<u>-</u>

Additional Project Information

Bond Authorization Date	11/21/2017
Original Authorized Cost	\$ 4,814,000
Additional Authorized Cost	
Revised Authorized Cost	4,814,000
Percentage Completion	89%
Original Target Completion Date	8/30/2019
Revised Target Completion Date	8/30/2024

PROPRIETARY FUNDS – G

FARMINGDALE SCHOOL DISTRICT**COMBINING SCHEDULE OF NET POSITION**

Exhibit G-1

PROPRIETARY FUNDS**JUNE 30, 2024**

	Business-Type Activities		
	Enterprise Fund		
	Food Service	Latch-Key Program	Totals
<u>Assets</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 67,102	4,218	71,320
Accounts Receivable:			
Federal Aid	10,586		10,586
State Aid	216		216
Other	7,123		7,123
Total Current Assets	85,027	4,218	89,245
Noncurrent Assets:			
Equipment	6,896		6,896
Accumulated Depreciation	(6,896)		(6,896)
Total Fixed Assets	-		-
Total Assets	\$ 85,027	4,218	89,245
<u>Net Position</u>			
Unreserved	\$ 85,027	4,218	89,245
Total Net Position	\$ 85,027	4,218	89,245

FARMINGDALE SCHOOL DISTRICT**COMBINING SCHEDULE OF REVENUES, EXPENSES AND****Exhibit G-2****CHANGES IN FUND NET POSITION****PROPRIETARY FUNDS****FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Business-Type Activities</u>		
	<u>Enterprise Fund</u>		
	<u>Food</u>	<u>Latch-Key</u>	
	<u>Service</u>	<u>Program</u>	<u>Totals</u>
Operating Revenues:			
Charge for Services:			
Daily Sales	\$ 14,331		14,331
Total Operating Revenues	<u>14,331</u>	<u>-</u>	<u>14,331</u>
Operating Expenses:			
Cost of Sales - Reimbursable	6,826		6,826
Total Operating Expenses	<u>6,826</u>	<u>-</u>	<u>6,826</u>
Operating Gain	7,505		7,505
Non-Operating Revenues:			
State School Lunch Program	758		758
Supply Chain	8,670		8,670
PB Lunch Program	612		612
National School Lunch Program	15,662		15,662
Total Non-Operating Revenues	<u>25,702</u>	<u>-</u>	<u>25,702</u>
Change in Net Position	33,207	-	33,207
Net Position, July 1	<u>51,820</u>	<u>4,218</u>	<u>56,038</u>
Net Position, June 30	<u>\$ 85,027</u>	<u>4,218</u>	<u>89,245</u>

FARMINGDALE SCHOOL DISTRICT

COMBINING SCHEDULE OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

Exhibit G-3

	Business-Type Activities		
	Enterprise Fund		
	Food	Latch-Key	Totals
	Service	Program	
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 13,678		13,678
Payments for Supplies	(6,826)		(6,826)
Total Cash Flows from Operating Activities	6,852	-	6,852
Cash Flows For Noncapital Financing Activities			
Federal and State Subsidies	24,644		24,644
Total Cash Flows For Noncapital Financing Activities	24,644	-	24,644
Net Increase (Decrease) in Cash and Cash Equivalents	31,496	-	31,496
Balances Beginning of Year	35,606	4,218	39,824
Balances End of Year	\$ 67,102	4,218	71,320
Cash Flows from Operating Activities			
Operating (Loss)/Profit	\$ 6,852		6,852
Net Cash Used by Operating Activities	\$ 6,852	-	6,852

FIDUCIARY FUND – H

N/A

LONG-TERM DEBT – I

FARMINGDALE SCHOOL DISTRICT

LONG-TERM DEBT

Exhibit I-1

SCHEDULE OF SERIAL BONDS

JUNE 30, 2024

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Maturities</u>		<u>Interest Rate</u>	<u>Balance</u>	<u>Retired</u>	<u>Balance</u>
			<u>Date</u>	<u>Amount</u>		<u>July 1, 2023</u>		<u>June 30, 2024</u>
Gym and Elementary School Classrooms	12/7/2017	\$ 4,814,000	8/1/24	\$ 205,000	2.000%	\$ 4,085,000	200,000	3,885,000
			8/1/25	210,000	3.000%			
			8/1/26	220,000	3.000%			
			8/1/27	225,000	3.000%			
			8/1/28	230,000	3.000%			
			8/1/29	240,000	3.000%			
			8/1/30	250,000	3.000%			
			8/1/31	255,000	3.000%			
			8/1/32	265,000	3.000%			
			8/1/33	275,000	3.000%			
			8/1/34	280,000	3.000%			
			8/1/35	290,000	3.000%			
			8/1/36	300,000	3.000%			
			8/1/37	315,000	3.000%			
			8/1/38	325,000	3.000%			
						<u>\$ 4,085,000</u>	<u>200,000</u>	<u>3,885,000</u>

FARMINGDALE SCHOOL DISTRICT

Exhibit I-3

LONG-TERM DEBT

BUDGETARY COMPARISON SCHEDULE

DEBT SERVICE FUND

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 Positive/(Negative) Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 209,080		209,080	209,080	
State Sources:					
Debt Service Aid Type II	107,420		107,420	107,420	
Total Revenues	<u>316,500</u>	<u>-</u>	<u>316,500</u>	<u>316,500</u>	<u>-</u>
Expenditures:					
Regular Debt Service:					
Interest	116,500		116,500	116,500	-
Redemption of Principal	200,000		200,000	200,000	-
Total Expenditures	<u>316,500</u>	<u>-</u>	<u>316,500</u>	<u>316,500</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)					
Expenditures	-	-	-	-	-
Fund Balance July 1					
Fund Balance June 30	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATISTICAL SECTION

(Unaudited)

FARMINGDALE SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

J-1

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>
Governmental Activities:										
Invested in Capital Assets, Net of Related Debt	\$ 8,978	(28,441)	731,934	642,743	563,552	(593,871)	(3,813,705)	651,597	489,636	523,450
Restricted	808,636	746,124	1,790,057	1,530,353	1,431,377	1,391,561	4,652,472	303,832	136,611	233,319
Unrestricted	<u>327,290</u>	<u>357,921</u>	<u>(1,207,833)</u>	<u>(1,212,338)</u>	<u>(1,088,932)</u>	<u>(116,559)</u>	<u>(171,827)</u>	<u>(200,552)</u>	<u>(59,550)</u>	<u>(183,155)</u>
Total Government Activities	<u>\$ 1,144,904</u>	<u>1,075,604</u>	<u>1,314,158</u>	<u>960,758</u>	<u>905,997</u>	<u>681,131</u>	<u>666,940</u>	<u>754,877</u>	<u>566,697</u>	<u>573,614</u>
Business Type Activities:										
Invested in Capital Assets, Net of Related Debt	\$ -	-							202	345
Unrestricted	<u>89,245</u>	<u>56,038</u>	<u>31,850</u>	<u>13,749</u>	<u>14,478</u>	<u>11,854</u>	<u>9,992</u>	<u>12,704</u>	<u>10,499</u>	<u>7,648</u>
Total Business Type Activities	<u>\$ 89,245</u>	<u>56,038</u>	<u>31,850</u>	<u>13,749</u>	<u>14,478</u>	<u>11,854</u>	<u>9,992</u>	<u>12,704</u>	<u>10,701</u>	<u>7,993</u>
District-Wide:										
Invested in Capital Assets, Net of Related Debt	\$ 8,978	(28,441)	731,934	642,743	563,552	(593,871)	(3,813,705)	651,597	489,838	523,795
Restricted	808,636	746,124	1,790,057	1,530,352	1,431,377	1,391,561	4,652,472	303,832	136,611	233,319
Unrestricted	<u>416,535</u>	<u>413,959</u>	<u>(1,175,983)</u>	<u>(1,177,836)</u>	<u>(1,074,454)</u>	<u>(104,705)</u>	<u>(161,834)</u>	<u>(187,848)</u>	<u>(49,051)</u>	<u>(175,507)</u>
Total District Assets	<u>\$ 1,234,149</u>	<u>1,131,642</u>	<u>1,346,008</u>	<u>995,259</u>	<u>920,475</u>	<u>692,985</u>	<u>676,933</u>	<u>767,581</u>	<u>577,398</u>	<u>581,607</u>

FARMINGDALE SCHOOL DISTRICT

J-2

CHANGES IN NET POSITION

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>
Expenses:										
Governmental Activities	\$ 5,095,036	5,038,434	4,310,046	4,756,424	4,045,924	4,054,156	4,044,636	3,166,048	3,105,365	2,739,895
Business Type Activities	6,826	23,407	41,259	24,338	21,254	16,813	24,678	23,152	29,713	42,530
Total District Expenses	<u>5,101,862</u>	<u>5,061,841</u>	<u>4,351,305</u>	<u>4,780,762</u>	<u>4,067,178</u>	<u>4,070,969</u>	<u>4,069,314</u>	<u>3,189,200</u>	<u>3,135,078</u>	<u>2,782,425</u>
Program Revenues:										
Governmental Activities	657,459	650,897	1,346,736	1,578,600	1,037,961	1,106,115	1,220,802	447,831	105,387	89,029
Business Type Activities	40,033	47,595	59,360	23,609	23,878	18,675	21,966	25,132	32,391	15,083
Total District Program Revenues	<u>697,492</u>	<u>698,492</u>	<u>1,406,096</u>	<u>1,602,209</u>	<u>1,061,839</u>	<u>1,124,790</u>	<u>1,242,768</u>	<u>472,963</u>	<u>137,778</u>	<u>104,112</u>
Net (Expense):										
Government Activities	(4,437,577)	(4,387,537)	(2,963,311)	(3,177,825)	(3,007,962)	(2,948,041)	(2,823,834)	(2,718,217)	(2,999,978)	(2,650,866)
Business Type Activities	33,207	24,188	18,102	(730)	2,624	1,862	(2,712)	1,980	2,678	(7,447)
Total District-Wide Net Expense	<u>(4,404,370)</u>	<u>(4,363,349)</u>	<u>(2,945,209)</u>	<u>(3,178,555)</u>	<u>(3,005,338)</u>	<u>(2,946,179)</u>	<u>(2,826,546)</u>	<u>(2,716,237)</u>	<u>(2,997,300)</u>	<u>(2,658,313)</u>
General Revenues and Other Changes in Net Position:										
Governmental Activities	4,506,877	4,148,983	3,295,958	3,234,502	3,232,829	2,962,233	2,735,837	2,906,480	2,993,091	2,629,905
Business Type Activities										30
Total District-Wide	<u>4,506,877</u>	<u>4,148,983</u>	<u>3,295,958</u>	<u>3,234,502</u>	<u>3,232,829</u>	<u>2,962,233</u>	<u>2,735,837</u>	<u>2,906,480</u>	<u>2,993,091</u>	<u>2,629,935</u>
Change in Net Position:										
Governmental Activities	69,300	(238,554)	332,647	56,677	224,866	14,192	(87,997)	188,263	(6,887)	(20,961)
Business Type Activities	33,207	24,188	18,102	(730)	2,624	1,862	(2,712)	1,980	2,678	(7,417)
Total District	<u>\$ 102,507</u>	<u>(214,366)</u>	<u>350,749</u>	<u>55,947</u>	<u>227,490</u>	<u>16,054</u>	<u>(90,709)</u>	<u>190,243</u>	<u>(4,209)</u>	<u>(28,378)</u>

FARMINGDALE SCHOOL DISTRICT

J-3

FUND BALANCES, GOVERNMENT FUNDS

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>
All Governmental Funds:										
Reserved	\$ 808,636	717,683	1,790,057	1,530,353	(525,380)	797,691	838,767	303,832	136,611	233,409
Unreserved	642,990	413,959	(475,899)	(569,595)	1,431,378	(116,559)	(171,827)	451,045	430,086	174,703
Total All Governmental Funds	<u>\$ 1,451,626</u>	<u>1,131,642</u>	<u>1,314,158</u>	<u>960,758</u>	<u>905,998</u>	<u>681,132</u>	<u>666,940</u>	<u>754,877</u>	<u>566,697</u>	<u>408,112</u>

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

Exhibit J-4

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Tax levy	\$ 2,499,032	\$ 2,404,866	\$ 2,361,039	\$ 2,294,355	\$ 2,265,357	\$2,066,298	\$ 1,911,592	\$ 1,582,333	\$ 1,680,867	\$1,504,784
Tuition charges			5,500	18,326	11,570	22,049	18,073	57,369	26,045	14,784
Interest earnings	6,763	6,968						3,821	3,247	
Miscellaneous	449,049	52,380	81,867	16,015	37,998	14,687	20,050	211,468	201,368	4,078
State sources	1,879,981	2,042,602	1,960,104	1,832,186	1,569,332	1,339,252	1,221,737	1,152,623	1,107,341	1,065,043
Federal sources	329,511	293,064	190,832	98,269	28,076	82,695	77,711	76,774	79,342	74,245
Total revenue	\$ 5,164,336	\$ 4,799,880	\$ 4,599,342	\$ 4,259,151	\$ 3,912,333	\$ 3,524,981	\$ 3,249,163	\$ 3,084,388	\$ 3,098,210	\$ 2,662,934
Expenditures										
Instruction										
Regular instruction	\$ 1,034,699	\$ 965,779	\$ 1,230,645	\$ 1,228,523	\$ 850,399	\$ 903,161	\$ 935,986	\$ 850,637	\$ 831,905	\$ 829,781
Special education instruction	842,803	870,615	524,260	430,596	507,064	498,671	461,038	530,513	506,142	425,087
Other instruction	3,633	32,154	25,831	4,968	14,204	15,906	18,645	17,861	4,055	6,081
Support Services:										
Student & inst. related services	820,181	754,735	697,957	677,968	523,288	399,159	434,516	409,329	387,867	349,325
General administration	245,690	235,267	55,654	141,701	136,650	133,865	-	131,844	113,723	149,126
School administrative services			76,156	59,130	81,463	79,140	126,749	75,882	65,600	67,143
Central services			104,708	97,918	110,108	73,810	74,755	74,421	59,280	58,551
Plant operations and maintenance	293,455	253,172	255,365	228,558	249,420	266,568	330,594	265,935	226,394	213,177
Pupil transportation	14,201	21,242	9,500	167	7,542	12,991	11,118	346,750	13,462	22,125
Bus. & Other Supp Serv.: Employee Benefits			-							
Other Support Services	64,821									
Employee benefits	1,378,750	1,298,564	321,574	521,739	428,970	409,935	382,568	366,563	339,313	347,123
On-Behalf TPAF Pension Contrib.			775,668	582,202	525,466	480,053	433,998		220,926	184,339
Reimbursed TPAF SS Contributions								35,380	103,066	97,719
Food Service										
Education Jobs										
Capital outlay	117,720	545,673	50,834	26,028	20,541	3,323,823	421,256	205,694	454	454
Debt service:										
Principal	200,000	195,000	190,000	180,000	164,000					
Interest and other charges	116,500	120,450	124,754	128,454	131,894	158,671	454			
Total expenditures	\$ 5,132,453	\$ 5,292,651	\$ 4,442,906	\$ 4,307,952	\$ 3,751,009	\$ 6,755,753	\$ 3,631,677	\$ 3,310,809	\$ 2,872,187	\$ 2,750,031
Excess (Deficiency) of revenues over (under) expenditures	31,883	(492,771)	156,436	(48,801)	161,324	(3,230,772)	(382,514)	(226,421)	226,023	(87,097)
Other Financing sources (uses)										
Proceeds of Refunding Bonds/Transfers		(60,341)	-	-	-	-	4,814,000			
Total other financing sources (uses)	-	(60,341)	-	-	-	-	4,814,000	-	-	-
Net change in fund balances	\$ 31,883	\$ (553,112)	\$ 156,436	\$ (48,801)	\$ 161,324	\$ (3,230,772)	\$ 4,431,486	\$ (226,421)	\$ 226,023	\$ (87,097)
Debt service as a percentage of noncapital expenditures	6.31%	6.65%	7.17%	7.20%	7.93%	4.62%	0.01%	0.00%	0.00%	0.00%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.

Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

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

Exhibit J-5

	<u>Interest on Investments</u>	<u>Rental</u>	<u>Miscellaneous</u>	<u>Tuition</u>	<u>Annual Totals</u>
Fiscal Year Ending June 30,					
2015			4,078	14,784	18,862
2016	3,281		2,164	26,045	31,490
2017	3,821		1,734	57,369	62,924
2018	157		18,073	18,276	36,506
2019			14,687	22,049	36,736
2020			37,997	11,570	37,997
2021			7,691	18,326	26,017
2022			71,129	5,500	76,629
2023	6,968		31,202		38,170
2024	6,763		449,049		455,812

Source: District records

**FARMINGDALE PUBLIC SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS
UNAUDITED**

FISCAL YEAR ENDED JUNE 30.	VACANT LAND	RESIDENTIAL	FARM REG.	OFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ACTUAL (COUNTY EQUALIZED) VALUE
2024	1,451,600.00	186,649,000.00	43,000.00	17,700.00	34,183,000.00	10,750,800.00	27,635,400.00	260,730,500.00	-	260,730,500.00	1.039	\$ 241,148,661.00
2023	1,114,600.00	156,123,700.00	30,900.00	16,300.00	30,520,500.00	9,490,000.00	23,874,500.00	221,170,500.00	-	221,170,500.00	1.123	\$ 207,019,502.00
2022	1,151,900.00	139,337,600.00	28,700.00	16,300.00	28,547,600.00	4,564,200.00	18,084,900.00	191,731,200.00	-	191,731,200.00	1.246	\$ 191,731,200.00
2021	1,085,100.00	125,358,200.00	26,400.00	16,300.00	27,368,900.00	4,564,200.00	19,083,000.00	177,502,100.00	-	177,502,100.00	1.321	\$ 187,872,671.00
2020	1,281,500.00	121,197,400.00	25,900.00	16,300.00	26,712,900.00	4,208,500.00	19,109,100.00	172,551,600.00	-	172,551,600.00	1.320	\$ 172,551,600.00
2019	973,500.00	119,715,300.00	-	17,500.00	26,880,000.00	3,273,400.00	15,485,200.00	166,344,900.00	-	166,344,900.00	1.200	\$ 159,094,861.00
2018	984,800.00	120,283,900.00	-	17,500.00	26,918,700.00	3,311,800.00	15,357,900.00	166,874,600.00	-	166,874,600.00	1.228	\$ 149,658,560.00
2017	3,226,700.00	106,525,800.00	584,700.00	2,700.00	26,700,800.00	3,311,800.00	15,321,400.00	155,673,900.00	-	155,673,900.00	1.218	\$ 146,043,388.00
2016	1,898,600.00	105,737,300.00	590,000.00	2,700.00	27,171,700.00	3,318,200.00	15,315,400.00	154,033,900.00	-	154,033,900.00	1.192	\$ 145,958,075.00
2015	1,905,600.00	106,279,000.00	563,600.00	2,700.00	27,115,000.00	3,319,800.00	15,314,700.00	154,500,400.00	-	154,500,400.00	1.078	\$ 138,780,348.00

Source: Monmouth County Board of Taxation
Monmouth County Net Valuation Taxable
Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b. Tax rates are per \$100

FARMINGDALE PUBLIC 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>SCHOOL DISTRICT DIRECT RATE</u>			<u>OVERLAPPING RATES</u>			TOTAL DIRECT AND OVERLAPPING <u>TAX RATE</u>
	<u>BASIC RATE</u>	<u>GENERAL OBLIGATION DEBT SERVICE</u>	<u>TOTAL DIRECT</u>	<u>FARMINGDALE BOROUGH</u>	<u>REGIONAL DISTRICT</u>	<u>MONMOUTH COUNTY</u>	
2024	1.039	-	1.039	0.256	0.258	0.213	1.766
2023	1.123	-	1.123	0.291	0.252	0.225	1.891
2022	1.246	-	1.246	0.308	0.341	0.257	2.152
2021	1.321	-	1.321	0.318	0.377	0.278	2.294
2020	1.206	0.114	1.320	0.311	0.352	0.286	2.269
2019	1.352	-	1.352	0.293	0.354	0.278	2.277
2018	1.228	-	1.228	0.261	0.339	0.287	2.115
2017	1.218	-	1.218	0.244	0.345	0.278	2.085
2016	1.192	-	1.192	0.241	0.326	0.288	2.047
2015	1.078	-	1.078	0.217	0.308	0.281	1.884

Source: Municipal Tax Collector, Monmouth County Board of Taxation.

**FARMINGDALE PUBLIC SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED**

Taxpayer	2024			2015		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Farmingdale Garden Apartments	N/A	1	N/A	N/A	1	N/A
Farmingdale LLC, F. Stern	N/A	2	N/A	N/A	2	N/A
Farmingdale Shopping Center LLC	N/A	3	N/A	N/A	3	N/A
32 Chestnut Realty, LLC	N/A	4	N/A	N/A	4	N/A
Academy Apartments LLC	N/A	5	N/A	N/A	5	N/A
Farmingdale BP , JFD Associates	N/A	6	N/A	N/A	6	N/A
A Four Properties, LLC	N/A	7	N/A	N/A	7	N/A
Bell Atlantic	N/A	8	N/A	N/A	8	N/A
Roadside Holdings, LLC	N/A	9	N/A	N/A	9	N/A
Ariana, LLC	N/A	10	N/A	N/A	10	N/A
Total	<u>\$ -</u>		<u>-</u>	<u>\$ -</u>		<u>-</u>

EXHIBIT J-9

**FARMINGDALE PUBLIC SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2024	2,499,032.00	2,499,032.00	100.00%	-
2023	2,451,949.02	2,451,949.02	100.00%	-
#NAME?	2,344,680.00	2,344,680.00	100.00%	-
#NAME?	2,294,355.00	2,294,355.00	100.00%	-
#NAME?	2,265,357.00	2,265,357.00	100.00%	-
#NAME?	1,961,779.00	1,961,779.00	100.00%	-
#NAME?	1,911,592.00	1,911,592.00	100.00%	-
#NAME?	1,852,233.00	1,852,233.00	100.00%	-
#NAME?	1,680,867.00	1,680,867.00	100.00%	-
#NAME?	1,560,784.00	1,560,784.00	100.00%	-

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

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

**FARMINGDALE PUBLIC SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			PERCENTAGE	
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	TOTAL DISTRICT	OF PERSONAL INCOME	PER CAPITA
2023	\$ 4,085,000.00	\$ -	\$ 4,085,000.00	N/A	N/A
#NAME?	\$ 4,280,000.00	\$ -	\$ 4,280,000.00	N/A	N/A
#NAME?	\$ 4,280,000.00	\$ -	\$ 4,280,000.00	N/A	N/A
#NAME?	\$ 4,650,000.00	\$ -	\$ 4,650,000.00	N/A	N/A
#NAME?	\$ 4,814,000.00	\$ -	\$ 4,814,000.00	N/A	N/A
#NAME?	\$ 4,814,000.00	\$ -	\$ 4,814,000.00	N/A	N/A
#NAME?	\$ -	\$ -	\$ -	0.00%	-
#NAME?	\$ -	\$ -	\$ -	0.00%	-
#NAME?	\$ -	\$ -	\$ -	0.00%	-
#NAME?	\$ -	\$ -	\$ -	0.00%	-

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.
See Exhibit J-14 for personal income and population data.

EXHIBIT J-11

**FARMINGDALE PUBLIC SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED**

FISCAL YEAR ENDED JUNE 30,	NET ASSESSED VALUATION TAXABLE	NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
2023	221,170,500.00	\$ 4,085,000.00	1.85%	N/A
#NAME?	\$ 191,731,200.00	\$ 4,280,000.00	2.23%	N/A
#NAME?	\$ 177,502,100.00	\$ 4,280,000.00	2.41%	N/A
#NAME?	\$ 172,551,600.00	\$ 4,280,000.00	2.48%	N/A
#NAME?	\$ 166,344,900.00	\$ 4,814,000.00	2.89%	N/A
#NAME?	\$ 166,874,600.00	\$ -	0.00%	N/A
#NAME?	\$ 155,673,900.00	\$ -	0.00%	N/A
#NAME?	\$ 154,033,900.00	\$ -	0.00%	N/A
#NAME?	\$ 154,500,400.00	\$ -	0.00%	N/A
#NAME?	\$ 150,562,800.00	\$ -	0.00%	N/A

**FARMINGDALE PUBLIC SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
YEAR ENDED JUNE 30, 2024
UNAUDITED**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Borough of Farmingdale	\$ 6,922,246.70	100.0%	6,922,246.70
County of Monmouth	469,997,108.48	0.135%	634,496.10
Other Debt:			
Freehold Regional High School District			<u>54,411.00</u>
Subtotal, Overlapping Debt			7,611,154
Farmingdale School			<u>4,280,000</u>
Total Direct & Overlapping Debt			<u><u>\$ 11,891,154</u></u>

Sources: Monmouth County Office of the Treasurer

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 Farmingdale. 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.

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.

FARMINGDALE PUBLIC SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)
UNAUDITED

	FISCAL YEAR										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 6,843,939.35	\$ 6,292,944.12	\$ 5,908,032.33	\$ 5,348,139.78	\$ 5,305,962.77	\$ 5,152,700.27	\$ 5,743,757.00	\$ 5,642,078.00	\$ 5,707,336.00	\$ 5,868,298.00	\$ 6,000,938.00
Total Net Debt Applicable to Limit	4,280,000.00	4,280,000.00	4,470,000.00	4,650,000.00	4,814,000.00	4,814,000.00	-	-	-	-	-
Legal Debt Margin	\$ 2,563,939.35	\$ 2,012,944.12	\$ 1,438,032.33	\$ 698,139.78	\$ 491,962.77	\$ 5,152,700.27	\$ 5,743,757.00	\$ 5,642,078.00	\$ 5,707,336.00	\$ 5,868,298.00	\$ 6,000,938.00
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	62.54%	68.01%	75.66%	86.95%	90.73%	93.43%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation

	Equalized Valuation Basis	
	2023	\$ 207,019,502.00
	2022	\$ 191,731,200.00
	2021	187,872,671.00
		<u>\$ 586,623,373.00</u>
Average Equalized Valuation of Taxable Property		<u>\$ 195,541,124.33</u>
Debt Limit (3.5% of Average Equalization Value)		\$ 6,843,939.35
Net Bonded School Debt		<u>4,280,000.00</u>
Legal Debt Margin		<u>\$ 2,563,939.35</u>

Source: Equalized valuation bases were obtained from the Monmouth County Board of Taxation

**FARMINGDALE PUBLIC SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED**

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2024	1,326	\$ 56,666,610.00	\$ 42,735.00	4.70%
2023	1,326	\$ 56,666,610.00	\$ 42,735.00	4.70%
#NAME?	1,502	\$ 98,194,752.00	\$ 65,376.00	3.90%
#NAME?	1,316	\$ 49,321,048.00	\$ 37,478.00	10.60%
#NAME?	1,354	N/A	N/A	3.60%
#NAME?	1,349	** \$ 49,005,123.00	\$ 36,327.00	** 2.60%
#NAME?	1,363	** \$ 43,456,529.00	\$ 31,883.00	** 3.80%
#NAME?	1,310	** \$ 41,918,690.00	\$ 31,999.00	** 3.70%
#NAME?	1,289	** \$ 38,921,355.00	\$ 30,195.00	** 4.40%
#NAME?	1,279	** \$ 46,510,835.00	\$ 36,365.00	** 4.90%

Source: U.S. Department of Commerce, Bureau of Economic Analysis. These numbers are estimated by the Bureau and may be revised from year to year.

** Population and Per Capita data from newjersey.hometownlocator.com

a Population information provided by the NJ Dept of Labor and Workforce Development. These numbers are estimated by the Department and may be revised from year to year.

b Personal income has been estimated based upon the county population and per capita personal income presented.

^c Per capita personal income by county estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

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

EXHIBIT J-15

**FARMINGDALE PUBLIC SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
AUDITED**

	2024		PERCENTAGE OF TOTAL EMPLOYMENT
	EMPLOYEES	RANK	
DATA NOT AVAILABLE			
Total	<u>0</u>		<u>0.00%</u>
Total Employment - (Estimated)	<u>0</u>		

	2015		PERCENTAGE OF TOTAL EMPLOYMENT
	EMPLOYEES	RANK	
DATA NOT AVAILABLE			
Total	<u>0</u>		<u>0.00%</u>
Total Employment - (Estimated)	<u>0</u>		

Source: Monmouth County Department of Economic Development and Tourism;
The Borough of Farmingdale, Official Statements

FARMINGDALE PUBLIC SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
UNAUDITED

Function/Program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instruction:										
Regular	15.6	15.0	14.4	14.4	14.4	14.4	14.3	13.5	13.5	13.5
Special Education	6.3	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	7.0
Support Services:										
Student & Instruction Related Services	8.5	8.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
General Administration	0.7	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
School Administrative Services	0.8	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Other Administration Services	1.5	1.5	0.5	0.5	0.5	0.5	1.5	1.5	1.5	1.5
Administrative Information Technology	0.5	0.5	0.5	0.5	0.5	0.5	0.5	1.0	1.0	1.0
Plant Operations & Maintenance	2.0	2.0	2.0	2.0	1.0	1.0	-	1.0	1.0	1.0
Other Support Services	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0
Total	37.9	38.5	31.4	31.4	30.4	30.4	29.3	30.0	30.0	29.0

Source: District Personnel Records

**FARMINGDALE PUBLIC SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/ TEACHER RATIO (d)	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2024	172	3,863,927.35	22,464.69	7.58%	22	1:08	168.59	157.05	2.72%	93.15%
2023	172	3,591,564.98	20,881.19	-4.12%	23	1:08	164.12	151.61	0.69%	92.38%
2022	163	3,549,799.86	21,777.91	-1.26%	22	1:08	163.00	153.46	-2.40%	94.15%
2021	160	3,528,754.18	22,054.71	10.24%	22	1:08	167.00	156.70	-1.76%	93.83%
2020	164	3,280,988.66	20,006.03	-7.21%	22	1:08	170.00	169.00	11.51%	99.41%
2019	148	3,191,018.00	21,560.93	23.39%	22	1:08	152.45	144.72	-3.57%	94.93%
2018	156	2,726,022.00	17,474.50	10.64%	22	1:08	158.10	149.00	-3.54%	94.24%
2017	166	2,621,903.00	15,794.60	6.22%	20	1:08	163.90	155.00	-1.27%	94.57%
2016	166	2,468,399.00	14,869.87	2.52%	19	1:08	166.00	158.00	-0.06%	95.18%
2015	165	2,393,274.00	14,504.69	-4.32%	18	1:08	166.10	156.00	11.78%	93.92%

Sources: District records

Note: Enrollment based on annual October district count from the year prior.

a Operating expenditures equal total expenditures less debt service, capital outlay, and on-behalf TPAF Pension and reimbursed TPAF social security contributions. J-4

b Teaching staff includes only full-time equivalents of certificated staff.

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

**FARMINGDALE PUBLIC SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED**

<u>DISTRICT BUILDINGS</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>
Elementary Schools:										
Farmingdale Elementary (1928):										
Square Feet	21,366	21,366	21,366	21,366	21,366	21,366	21,366	21,366	21,366	21,366
Capacity	275	275	275	275	275	275	275	275	275	275
Enrollment	172	172	160	160	164	148	156	166	151	142

Number of Schools at June 30, 2024:

 Elementary = 1
 Middle School = 0
 Other = 0

Source: District Facilities Office, District Records

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

Farmingdale School was originally built in 1928 with a new wing added in 1992

FARMINGDALE PUBLIC SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

<u>SCHOOL</u> <u>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>
Elementary Schools:											
Farmingdale School	N/A	\$ 56,674.05	\$ 66,278.83	\$ 66,278.83	\$ 56,885.60	\$ 86,488.14	\$ 86,408.22	\$ 98,409.00	\$ 102,292.00	\$ 89,344.00	\$ 87,112.00
Grand Total		\$ 56,674.05	\$ 66,278.83	\$ 66,278.83	\$ 56,885.60	\$ 98,409.00	\$ 102,292.00	\$ 89,344.00	\$ 87,112.00	\$ 105,537.00	\$ 92,830.00

**FARMINGDALE PUBLIC SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2024
UNAUDITED**

	COVERAGE	DEDUCTIBLE
SCHOOL PACKAGE POLICY (1):		
Building and Contents (All Locations)	\$350,000,000.00	\$ 5,000.00
General Liability	31,000,000.00	
Automobile Liability	31,000,000.00	
Comprehensive Crime Coverage	250,000.00	1,000.00
Crime Money & Securities	100,000.00	500.00
Computers and Scheduled Equipment		
Data Processing Equipment	350,000,000.00	1,000.00
Boiler and Machinery	100,000,000.00	25,000.00
Cyber Liability	2,000,000.00	25,000.00
School Board Legal Liability	31,000,000.00	5,000.00
Student Accident Base Policy - Berkley Life	1,000,000.00	-
Student Accident Cat - US Fire	5,000,000.00	25,000.00
Environmental - Beazley	500,000.00	10,000.00
CAP/Umbrella - Allianz	25,000,000.00	
(1) NJ School Boards Insurance Group		
(2) Selective		
(3) Chubb Group Insurance		
Workers Compensation (1)	3,000,000.00	
Supplemental workers compensation (3)	2,500 per week	
Bonds(2) Treasurer	164,150.00	
BS/BA	164,150.00	

Source: Arthur J. Gallagher, Risk Management Service Broker

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
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RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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

K-1

Honorable President and Members
of the Board of Education
Farmingdale School District
County of Monmouth
Farmingdale, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Farmingdale Board of Education, County of Monmouth, State of New Jersey as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Farmingdale Board of Education, County of Monmouth, State of New Jersey's basic financial statements, and have issued our report thereon dated January 10, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Farmingdale Board of Education, County of Monmouth, State of New Jersey's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions of the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Farmingdale Board of Education, County of Monmouth, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the Farmingdale Board of Education, County of Monmouth, and State of New Jersey'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 purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey

January 10, 2025

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
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**REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE
OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
REQUIRED BY UNIFORM ADMINISTRATIVE AWARDS (UNIFORM GUIDANCE), AND
NEW JERSEY OMB'S CIRCULAR 15-08**

K-2

Honorable President and Members
of the Board of Education
Farmingdale School District
County of Monmouth
Farmingdale, New Jersey

Report on Compliance for Each State Program

Opinion on Each Major State Program

We have audited the Farmingdale Board of Education's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Farmingdale Board of Education's major state programs for the year ended June 30, 2024. The Farmingdale Board of Education's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major State Program

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

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to its 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 have occurred, whether due to fraud or error, and express an opinion on the Farmingdale Board of Education's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and NJ OMB 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Farmingdale Board of Education's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Farmingdale Board of Education'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 Farmingdale Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Farmingdale Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or NJ OMB 15-08.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purposes described in the Auditor's Responsibilities for the Audit of Compliance paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

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

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

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey

January 10, 2025

FARMINGDALE SCHOOL DISTRICT

Schedule A

K-3

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal Grantor/ Pass-Through Grantor/ of Education:	Federal C.F.D.A.	Federal Fain	Grant or State Project	Award	Grant Period	Balance June 30, 2023	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Balance at June 30, 2024		
										(Accounts Receivable)	Deferred Revenue	Due to Grantor
Passed Through State Department of Education:												
Special Revenue:												
Title I	84.010	S010A220030	N/A	\$ 54,974	07/01/2022 09/30/2023	\$ (40,901)		40,901				
Title I	84.010	S010A230030	N/A	58,919	07/01/2023 09/30/2024		19,047		(33,622)	(14,575)		
Title IIA	84.367A	S367A220029	N/A	4,791	07/01/2022 09/30/2023	(1,613)		1,613				
Title IIA	84.367A	S367A230029	N/A	6,613	07/01/2023 09/30/2024			5,861	(6,352)	(491)		
Title IV	84.424A	S424A230031	N/A	14,702	07/01/2023 09/30/2024				(5,617)	(5,617)		
Title IV	84.424A	S424A220031	N/A	19,702	07/01/2022 09/30/2023	(15,000)		15,000				
IDEA Part B Basic	84.027A	H027A230100	N/A	48,867	07/01/2023 09/30/2024			57,367	(48,867)		8,500	
IDEA Part B Basic	84.027A	H027A220100	N/A	45,633	07/01/2022 09/30/2023	(37,133)		37,133				
IDEA Preschool	84.173	H173A230114	N/A	1,925	07/01/2023 09/30/2024			958	(958)			
ARP IDEA Part B Basic	84.027X	H027X220100	N/A	7,657	07/01/2021 09/30/2023	(7,657)		7,657				
ARP IDEA Preschool	84.173X	H173X220114	N/A	652	07/01/2021 09/30/2023	(652)		652				
High Impact Tutoring	84.425V	S425V210031	N/A	32,642	10/11/2023 08/31/2024			700	(4,865)	(4,165)		
ARP ESSER	84.425U	S425U220027	N/A	177,980	03/13/2020 09/30/2024	(36,149)		104,778	(83,179)	(14,550)		
ARP Learning Acceleration	84.425U	S425U220027	N/A	50,000	03/13/2020 09/30/2024	(7,233)		21,198	(13,615)		350	
ARP Mental Health	84.425U	S425U220027	N/A	45,000	03/13/2020 09/30/2024			16,128	(30,448)	(14,320)		
ARP Summer Learning	84.425U	S425U220027	N/A	40,000	03/13/2020 09/30/2024				(6,042)	(6,042)		
ARP Beyond School	84.425U	S425U220027	N/A	40,000	03/13/2020 09/30/2024	(25,785)		28,466	(8,029)	(5,348)		
CRRSA ESSER II	84.425D	S425D220027	N/A	79,192	03/13/2020 09/30/2023	(64,797)		77,984	(77,019)	(63,832)		
CRRSA Mental Health	84.425D	S425D220027	N/A	45,000	03/13/2020 09/30/2023	(27,000)		27,000	(8,961)	(8,961)		
CRRSA Learning Acceleration	84.425D	S425D210027	N/A	25,000	03/13/2020 09/30/2023	(15,795)		15,795	(1,937)	(1,937)		
Total Special Revenue						(279,715)	19,047	459,191	(329,511)	(139,838)	8,850	-
U.S. Department of Agriculture - Passed Through State Department of Education:												
Child Nutrition Cluster:												
National School Lunch Program	10.555	231NJ304N1099		15,662	07/01/2023 06/30/2024			11,364	(15,662)	(4,298)		
National School Lunch Program	10.555	221NJ304N1099		14,088	07/01/2022 06/30/2023	(2,805)		2,805				
National School Lunch Program	10.555	221NJ304N1099		56,575	07/01/2021 06/30/2022	(6,114)				(6,114)		
Supply Chain	10.555	231NJ304N1099		8,670	07/01/2023 06/30/2024			8,670	(8,670)			
PB Lunch	10.555	221NJ304N1099		442	07/01/2023 06/30/2024			438	(612)	(174)		
PB Lunch	10.555	231NJ304N1099		612	07/01/2023 06/30/2024	(95)		95				
Total Enterprise Fund						(9,014)	-	23,372	(24,944)	(10,586)	-	-
Total Federal Financial Assistance						\$ (288,729)	19,047	482,563	(354,455)	(150,424)	8,850	-

See accompanying notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

FARMINGDALE SCHOOL DISTRICT

SCHEDULE OF STATE FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Schedule B
K-4

State Grantor/Program State Department of Education	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2023		Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment of Prior Years Balances	Balance at June 30, 2024			MEMO	
					Deferred Revenue Accts. Receivable	Due To Grantor					(Accounts Receivable)	Deferred Revenue Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Expenditures
General Fund:															
Special Education Categorical Aid	24-495-034-5120-089	94,325	07/01/2023	06/30/2024	\$	-		84,895	(94,325)					(9,430)	94,325
Security Aid	24-495-034-5120-084	27,049	07/01/2023	06/30/2024				24,346	(27,049)					(2,703)	27,049
Transportation Aid	24-495-034-5120-014	5,923	07/01/2023	06/30/2024				5,336	(5,923)					(587)	5,923
Equalization Aid	24-495-034-5120-078	413,995	07/01/2023	06/30/2024				372,614	(413,995)					(41,381)	413,995
Stabilization Aid	24-495-034-5120-494	26,954	07/01/2023	06/30/2024				26,954	(26,954)						26,954
Non-Public Transportation	23-495-034-5120-014	3,744	07/01/2022	06/30/2023		(3,744)		3,744							
Non-Public Transportation	24-495-034-5120-014	3,720	07/01/2023	06/30/2024											
Reimbursed TPAF Social									(3,720)		(3,720)				3,720
Security Contr. (Nonbudgeted)	24-495-034-5094-003	119,181	07/01/2023	06/30/2024				113,359	(119,181)		(5,822)				119,181
Reimbursed TPAF Social															
Security Contr. (Nonbudgeted)	23-495-034-5094-003	118,072	07/01/2022	06/30/2023		(17,666)		17,666							
On-Behalf T.P.A.F. Pension Contributions - Post Retirement Medical (non-budgeted)	24-495-034-5094-001	159,427	07/01/2023	06/30/2024				159,427	(159,427)						159,427
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	24-495-034-5094-002	585,776	07/01/2023	06/30/2024				585,776	(585,776)						585,776
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability	24-495-034-5094-004	323	07/01/2023	06/30/2024				323	(323)						323
Total General						(21,410)	-	-	1,394,440	(1,436,673)	-	(9,542)	-	-	(54,101) 1,436,673
Special Revenue Fund:															
Preschool Education Aid	24-495-034-5120-086	322,718	07/01/2023	06/30/2024				290,464	(322,718)					(32,254)	322,718
Debt Service:															
Debt Service Aid Type II	24-495-034-5120-017	107,420	07/01/2023	06/30/2024				107,420	(107,420)						107,420
Enterprise Fund															
National School Lunch Program	23-100-010-3350-023	359	07/01/2022	06/30/2023		(77)		77							
National School Lunch Program	24-100-010-3350-023	758	07/01/2023	06/30/2024				542	(758)		(216)				758
Total Enterprise Fund						(77)	-	-	619	(758)	-	(216)	-	-	- 758
Total State Financial Assistance						\$ (21,487)	-	-	1,792,943	(1,867,569)	-	(9,758)	-	-	(86,355) 1,867,569
Less: State Financial Assistance Not Subject to Major Program Determination:															
On-Behalf T.P.A.F. Pension Contributions - Post Retirement Medical (non-budgeted)	24-495-034-5094-001	159,427	07/01/2023	06/30/2024					(159,427)						
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	24-495-034-5094-002	585,776	07/01/2023	06/30/2024					(585,776)						
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability	24-495-034-5094-004	323	07/01/2023	06/30/2024					(323)						
Total State Financial Assistance Subject to Major Program Determination									\$ (1,122,043)						

See accompanying Notes to Schedules of Federal Awards and State Financial Assistance.

BOARD OF EDUCATION

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FARMINGDALE SCHOOL DISTRICT**NOTES TO SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE****JUNE 30, 2024****NOTE 1: General**

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Board of Education, Farmingdale School District. The Board of Education is defined in Note 1(A) to the Board's general-purpose financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies is included on the schedule of federal financial assistance.

NOTE 2: Basis of Accounting

The accompanying schedules of financial assistance are presented using the modified accrual basis of accounting. This basis of accounting is described in Note 1(C) to the Board's general-purpose financial statements.

NOTE 3: Relationship to General Purpose Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

Awards and financial assistance revenues are reported in the Board's general purpose financial statements on a GAAP basis as presented below:

NOTE 3: Relationship to General Purpose Financial Statements

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service</u>	<u>Food Service</u>	<u>Total</u>
<u>State Assistance</u>					
Actual Amounts (Budgetary) “Revenues” from the Schedule of Expenditures of State Financial Assistance	\$ 1,436,673	322,718	107,420	758	1,867,569
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures and the Related Revenue is Recognized					
The Last State Aid Payment Is Recognized as Revenue for Budgetary Purposes, and Differs from GAAP Which does not Recognize This Revenue Until the Subsequent Year When the State Recognizes the Related Expense (GASB 33)	<u>7,940</u>	<u>5,230</u>	<u> </u>	<u> </u>	<u>13,170</u>
Total State Revenue as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ 1,444,613</u>	<u>327,948</u>	<u>107,420</u>	<u>758</u>	<u>1,880,739</u>

NOTE 3: Relationship to General Purpose Financial Statements (Continued)

	<u>Special Revenue Fund</u>	<u>Food Service</u>	<u>Total</u>
<u>Federal Assistance</u>			
Actual Amounts (Budgetary)			
"Revenues" from the Schedule			
of Expenditures of Federal Awards	\$ 329,511	24,944	354,455
Difference – Budget to "GAAP"			
Grant Accounting Budgetary			
Basis Differs from GAAP in that			
Encumbrances are Recognized as			
Expenditures and the Related			
Revenue is Recognized	_____	_____	_____
Total Federal Revenue as			
Reported on the Statement			
of Revenue, Expenditures,			
and Changes in Fund Balances	<u>\$ 329,511</u>	<u>24,944</u>	<u>354,455</u>

NOTE 4: Relationship to Federal and State Financial Reports

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

NOTE 5: Other

The amount reported as TPAF Pension Contributions represents the amount paid by the state of behalf of the District for the year ended June 30, 2024. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2024.

FARMINGDALE SCHOOL DISTRICT**SCHEDULE OF FINDINGS AND QUESTIONED COSTS****K-6****FOR THE FISCAL YEAR ENDED JUNE 30, 2024*****Part I - Summary of Auditor's Results*****Financial Statement Section**

<u>Financial Statement Section</u>	<u>Description</u>
(A) Type of auditor's report issued on financial statements	Unmodified
(B) Internal control over financial reporting:	
1) Material weakness(es) identified?	_____ Yes <u> x </u> No
2) Significant deficiencies identified that are not considered to be material weaknesses?	_____ Yes <u> x </u> None Reported
Noncompliance material to basic financial statements noted?	_____ Yes <u> x </u> No

Federal Awards

NOT APPLICABLE

State Awards

Dollar threshold used to distinguish between type A and type B programs:	<u> \$750,000 </u>
Auditee qualified as low-risk auditee?	_____ Yes <u> x </u> No
Type of auditor's report issued on compliance for major programs:	<u> Unmodified </u>
Internal Control over major programs:	
(1) Material Weakness(es) identified?	_____ Yes <u> x </u> No
(2) Reportable condition(s) identified that are not considered to material weaknesses?	_____ Yes <u> x </u> None Reported
Any audit findings disclosed that are required to be reported in accordance with N.J. OMB's Circular 15-08?	_____ Yes <u> x </u> No

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>24-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contributions</u>
<u>24-495-034-5120-089</u>	<u>Special Education Aid</u>
<u>24-495-034-5120-084</u>	<u>Security Aid</u>
<u>24-495-034-5120-078</u>	<u>Equalization Aid</u>

FARMINGDALE SCHOOL DISTRICT**SCHEDULE OF FINDINGS AND QUESTIONED COSTS****K-6****FOR THE FISCAL YEAR ENDED JUNE 30, 2024*****Part II - Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding: None

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's Response: N/A

FARMINGDALE SCHOOL DISTRICT**SCHEDULE OF FINDINGS AND QUESTIONED COSTS****K-6****FOR THE FISCAL YEAR ENDED JUNE 30, 2024*****Part III - Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations Part 200 and New Jersey OMB's Circular 15-08, as amended.

Current Year Federal Awards

Not Applicable

Current Year State Awards

Finding: None

Information on the State Program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's response: N/A

FARMINGDALE SCHOOL DISTRICT**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS****K-7****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

This section identifies the status of prior year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200 and New Jersey OMB's Circular 15-08.

Status of Prior Year Findings

There were none.