

**SCHOOL DISTRICT OF THE
TOWN OF GUTTENBERG
COUNTY OF HUDSON, NEW JERSEY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**

**School District
of the**

Town of Guttenberg

**TOWN OF GUTTENBERG BOARD OF EDUCATION
Guttenberg, New Jersey**

**Annual Comprehensive Financial Report
Year Ended June 30, 2024**

Annual Comprehensive Financial Report

of the

**TOWN OF GUTTENBERG
SCHOOL DISTRICT
Guttenberg, New Jersey**

Year Ended June 30, 2024

Prepared by

**Jolene Mantineo
Board Secretary/Business Administrator**

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INTRODUCTORY SECTION

BOARD OF EDUCATION
ANNA L. KLEIN SCHOOL
301 69th STREET
GUTTENBERG, NEW JERSEY 07093

Office of the Business Administrator
JOLENE MANTINEO

Telephone: (201) 861-3100
Fax: (201) 861-7024

December 27, 2024

Honorable President and
Members of the Board of Education
Guttenberg Board of Education

Dear Board Members:

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

The annual comprehensive report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the Board organizational chart and a list of principal officials. The financial section includes the independent auditor's report, management discussion and analysis, the Basic financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The Board is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey States Office of Management and Budget Circular 15-08 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

REPORTING ENTITY AND ITS SERVICES: The Guttenberg Board of Education is independent reporting within the criteria adopted by GASB as established by NCGA Statement No. 3. All funds and account groups of the Board are included in this report. The Guttenberg Board of Education and its school constitute the Board's reporting entity. The Board provides a full range of educational services appropriate to grade levels K through 8. These include regular and special education for the handicapped youngsters. The Board completed the 2023-2024 fiscal year with an enrollment of 1006 students, which is 27 greater than the previous year's enrollment. The following details the changes in the student enrollment of the district over the last five years.

<u>Fiscal Year</u>	<u>Enrollment Student Enrollment</u>	<u>Percentage Change</u>
2023-2024	1006	2.75%
2022-2023	979	6.9%
2021-2022	912	.33%
2020-2021	863	{12.1}
2019-2020	982	{.9%}
2018-2019	991	.82

MAJOR INITIATIVES: The variety of educational programs offered at the Anna L. Klein School focuses on strong preparation for a large high school. The programs in the school are comprehensively designed to meet the abilities and interest of all students, and include regular, enriched and remedial courses at all levels, and advanced placement courses for academically talented students in grades 3 through 8.

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

As a recipient of federal and state financial assistance, the Board also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the Board management. As part of the Board's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the Board has complied with applicable laws and regulations.

BUDGETARY CONTROLS: In addition to internal accounting controls, the Board maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied on the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general funds, the special revenue fund, and the debt service fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line basis. Open encumbrances at year-end are either canceled or are included as reservations of

fund balance in the subsequent year are reported as reservations of fund balance on June 30, 2024.

CASH MANAGEMENT: The investment policy of the Board is guided in large part by the state statute as detailed in "Notes to the Financial Statements", Note 2. The Board has adopted a cash management plan which requires it to deposit public funds in either public depositories protected from loss under the provisions of the Government Unit Deposit Protection Act ('GUDPA') or in the State of New Jersey cash management fund. GUDPA was enacted in 1970 to protect governmental units to deposit public funds in public depositories located in New Jersey, where the funds are secured in accordance with the Act. However, the State of New Jersey cash management fund is allowable by law for deposit of public funds.

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

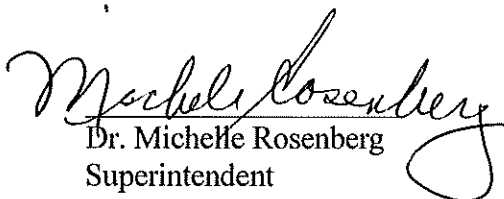
OTHER INFORMATION:

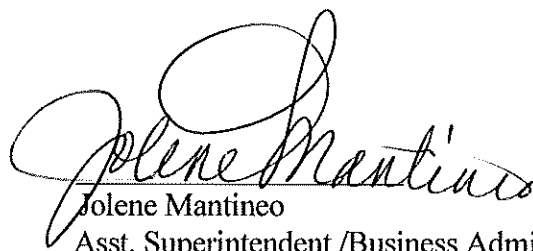
Independent Audit- State statutes require an annual audit from independent certified public accountants or registered municipal accountants. The accounting firm of Wielkottz and Company P.A. were selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award (Uniform Guidance) and State Treasury Circular Letter 15-08 OMB. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

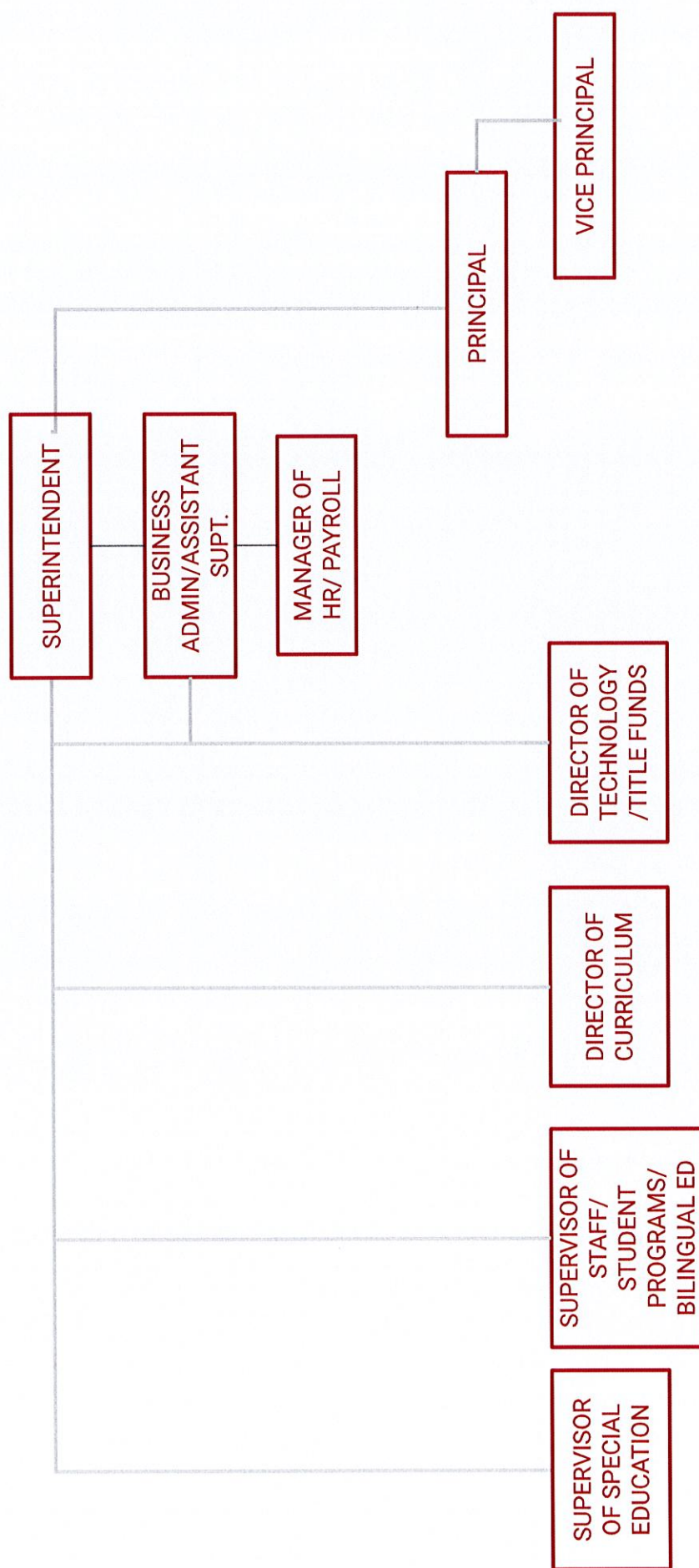
ACKNOWLEDGEMENTS:

We would like to express our appreciation to the members of the Guttenberg 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.

Respectfully submitted:


Dr. Michelle Rosenberg
Superintendent


Jolene Mantineo
Asst. Superintendent /Business Administrator/
Board Secretary



ADMINISTRATIVE ORGANIZATIONAL STRUCTURE 2023-2024

BOARD OF EDUCATION
GUTTENBERG, NEW JERSEY

ROSTER OF OFFICIALS
January 3, 2024

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERMS EXPIRES</u>
Mark R. Rogers-Board President	12/2025
Monica Buitrago	12/2026
Rita Copeland	12/2024
Nicole Fundora	12/2025
Marisol Montanez	12/2025
Blanca Garcia-Popiel	12/2026
Henry Rodriguez	12/2026
Jean Sosnowski	12/2024
Claudia Vazallo	12/2024

OTHER OFFICIALS

Dr. Michelle Rosenberg	Superintendent
Jolene Mantineo	Assistant Superintendent/ Business Administrator/Board Secretary

**GUTTENBERG BOARD OF EDUCATION
CONSULTANTS & ADVISORS
JUNE 30, 2024**

Attorney

JOHN SCHETTINO
Board Attorney
800 Main Street
Suite 101
Hackensack, New Jersey 07601

District Auditor

STEVEN D. WIELKOTZ, C.P.A.
Wielkatz & Company, LLC
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442

Board Accountant

WILLIAM KATCHEN
William Katchen, CPA
596 Anderson Avenue
Suite 303
Cliffside Park, NJ 07010

Insurance Agent

Alamo Insurance Group Inc.
55 Flanagan Way
Suite 301
Secaucus, NJ 07094

Architect

RSC Architects
3 University Plaza Drive, Suite 600
Hackensack, NJ 07601

FINANCIAL SECTION



WIELKOTZ & COMPANY ^{LLC}

CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. MCNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

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INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Town of Guttenberg School District
County of Hudson, New Jersey

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Town of Guttenberg School District, in the County of Hudson, 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 District's basic financial statements as listed in the table of contents.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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 of our report. We are required to be independent of the Town of Guttenberg Board of Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and Government Auditing Standards, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with generally accepted auditing standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and Government Auditing Standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Guttenberg Board of Education'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Guttenberg Board of Education'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Guttenberg Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical data section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Honorable President and
Members of the Board of Education
Page 5.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2024 on our consideration of the Town of Guttenberg Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Guttenberg Board of Education's internal control over financial reporting and compliance.

Steven D. Wielkatz

Steven D. Wielkatz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkatz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 27, 2024



**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The discussion and analysis of the Town of Guttenberg Board of Education'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 District's financial performance as a whole and should not be interpreted as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the District's revenues and expenditures by program for the General Fund, Special Revenue Fund, Debt Service and Enterprise Fund.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Guttenberg Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$38,668,120 (Net Position).
- In total, net position increased by \$5,336,353. Net position of governmental activities increased \$5,443,100 while net position of business-type activities decreased by \$106,747.
- General revenues accounted for \$28,025,442 in revenue or 78 percent of all district revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$8,113,884 or 22 percent of total revenues of \$36,139,326.
- The School District had \$30,096,631 in expenses related to governmental activities; only \$7,539,806 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$27,999,925 were adequate to provide for these programs.
- As the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$13,876,094.
- The General Fund fund balance at June 30, 2024 was \$13,856,100 an increase of \$2,974,139 compared to the ending fund balance at June 30, 2023 of \$10,881,961.
- The General Fund unassigned budgetary fund balance at June 30, 2024 was \$(1,011,041) which represents a decrease of \$324,260 compared to the ending unassigned budgetary fund balance at June 30, 2023 of \$(686,781). The decrease is primarily due to the increased state aid receivable at June 30, 2024.

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

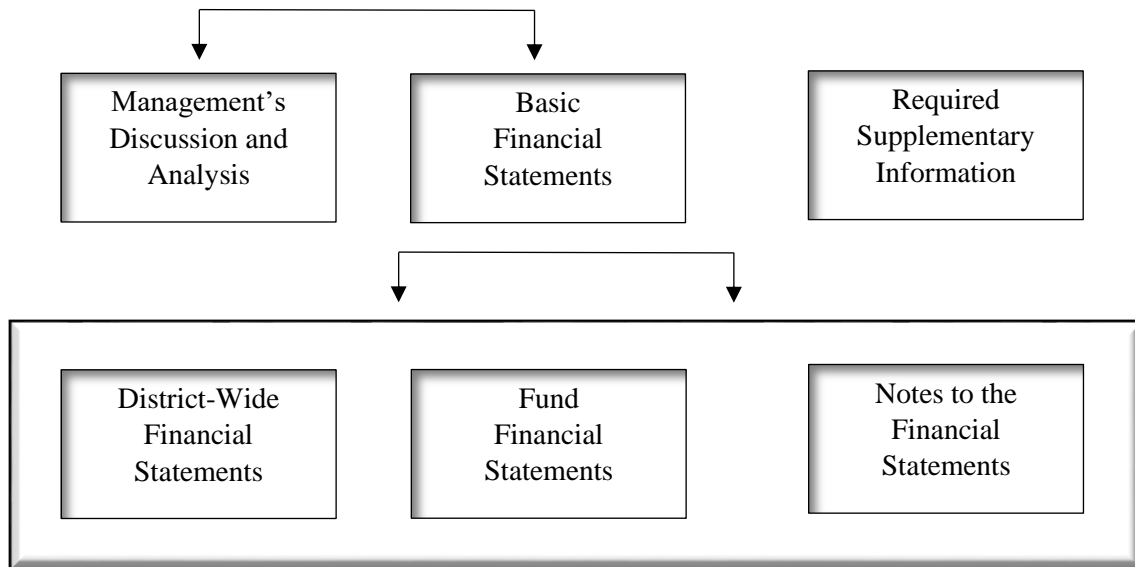
**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor’s Report, required supplementary information which includes the management’s discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District’s overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District’s operations in more detail than the district-wide statements.
- The district governmental funds statements tell how basic services were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short-term and long-term financial information about the activities the district operated like businesses.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The table below shows how the various parts of this annual report are arranged and related to one another.



**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS, (continued)

The major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain are detailed below. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education and building maintenance	Activities the district operates similar to private businesses: Enterprise fund	Instances in which the district administers resources on behalf of someone else, such as custodial accounts
Required Financial Statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statements of Fiduciary Net Position Statement of Changes In Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/ Deferred Outflows/ Inflows of Resources/ Liability Information	All assets, deferred outflows/inflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be utilized and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term funds do not currently contain capital assets
Type of Inflow/ Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the District as a whole (government-wide statements), and then proceed to provide an increasingly detailed look at specified financial activities.

District-Wide Financial Statements

The *statement of net position and statement of activities* reports information about the District as a whole and about its activities in a manner that helps answer the question, "Is the District better or worse off as a result of the year's activities?" These statements include all assets and liabilities of the District using the accrual basis of accounting, similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

Both of the district-wide financial statements distinguish functions of the Town of Guttenberg Board of Education that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

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

- Governmental Activities – All of the school district's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-type Activity – This service is provided on a charge for goods and services basis to recover all the expenses of the goods or services provided. The Food Service Fund is reported as a business activity.

The two statements report the District's net position and changes in them. The change in net position can be utilized by a reader to assist in determining whether the District's financial health is improving or deteriorating. However, the reader should also consider non-financial factors such as property tax base, current New Jersey laws restricting revenue growth, student enrollment growth, facility conditions, required educational programs and other factors in determining the District's overall financial health.

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Guttenberg Board of Education, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the district's funds can be divided into two categories: Governmental Funds and Proprietary Funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities* (reported in the Statement of Net Position and the Statement of Activities).

The Town of Guttenberg Board of Education maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the general and special revenue funds, which are both considered to be major funds.

The Town of Guttenberg Board of Education adopts annual appropriated budgets for its governmental funds. A budgetary comparison statement has been provided for the general fund, special revenue fund and debt service fund to demonstrate compliance with their budgets.

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

Proprietary Funds

Proprietary funds use the accrual basis of accounting, the same as on the district-wide statements, therefore the statements will essentially match the business-type activities portion of the district-wide statements. The Town of Guttenberg Board of Education uses proprietary funds to account for its food service program as well as its internal service fund.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our 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. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. 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 in the Financial Section.

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS

The Statement of Net Position provides the perspective of the District as a whole. Net position may, over time, serve as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets.

The School District's net position's were \$38,668,120 at June 30, 2024 and \$33,331,767 at June 30, 2023. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2024 compared to 2023 (Table 1) and change in net position (Table 2) of the School District.

Table 1

**Net Position
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Assets						
Current and Other Assets	\$21,371,948	\$12,475,224	\$264,514	\$327,058	21,636,462	\$12,802,282
Capital Asset	<u>27,358,874</u>	<u>25,099,924</u>	<u>35,158</u>	<u>29,340</u>	<u>27,394,032</u>	<u>25,129,264</u>
Total Assets	<u>48,730,822</u>	<u>37,575,148</u>	<u>299,672</u>	<u>356,398</u>	<u>49,030,494</u>	<u>37,931,546</u>
Deferred Outflows:						
Resources Related to PERS	<u>347,960</u>	<u>438,667</u>	<u> </u>	<u> </u>	<u>347,960</u>	<u>438,667</u>
Total Deferred Outflows	<u>347,960</u>	<u>438,667</u>	<u>-</u>	<u>-</u>	<u>347,960</u>	<u>438,667</u>
Liabilities						
Current Liabilities	7,519,100	1,567,283	84,447	34,426	7,603,547	1,601,709
Noncurrent Liabilities	<u>2,824,088</u>	<u>2,938,279</u>	<u> </u>	<u> </u>	<u>2,824,088</u>	<u>2,938,279</u>
Total Liabilities	<u>10,343,188</u>	<u>4,505,562</u>	<u>84,447</u>	<u>34,426</u>	<u>10,427,635</u>	<u>4,539,988</u>
Deferred Inflows:						
Resources Related to PERS	<u>282,699</u>	<u>498,458</u>	<u> </u>	<u> </u>	<u>282,699</u>	<u>498,458</u>
Total Deferred Inflows	<u>282,699</u>	<u>498,458</u>	<u>-</u>	<u>-</u>	<u>282,699</u>	<u>498,458</u>
Net Position						
Net invested in Capital Assets	27,358,874	25,099,924	35,158	29,340	27,394,032	25,129,264
Restricted	15,028,705	11,725,135	32,055	32,055	15,060,760	11,757,190
Unrestricted	<u>(3,934,684)</u>	<u>(3,815,264)</u>	<u>148,012</u>	<u>260,577</u>	<u>(3,786,672)</u>	<u>(3,554,687)</u>
Total Net Position	<u>\$38,452,895</u>	<u>\$33,009,795</u>	<u>\$215,225</u>	<u>\$321,972</u>	<u>\$38,668,120</u>	<u>\$33,331,767</u>

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Changes in Net Position:

The District's total net position increased \$5,336,353 over the course of the 2023-2024 fiscal year. Net Position invested in capital assets increased \$2,264,768, restricted net position increased \$3,303,570 and unrestricted net position decreased by \$231,985. (Table 1)

Net position invested in capital assets increased primarily due to capital asset additions and building improvements.

Restricted net position increased primarily due to an increase in the calculated excess surplus for fiscal year 2023-2024. Unrestricted net position decreased mainly due to charges in deferred outflows related to pensions and deferred inflows related to pensions and changes in the net pension liability.

Table 2 below shows the changes in net position for fiscal year 2024 compared to 2023.

**Table 2
Changes in Net Position
Year Ended June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues						
Program Revenues:						
Charges for Services and						
Sales	\$44,035	\$36,648	\$41,708	\$36,295	\$85,743	\$72,943
Operating Grants and						
Contributions	7,495,771	3,013,660	532,370	622,587	8,028,141	3,636,247
General Revenues:						
Taxes:						
Property taxes, levied for						-
general purposes	11,321,822	11,321,822			11,321,822	11,321,822
Federal and State Aid not						
Restricted	13,282,500	14,291,352			13,282,500	14,291,352
Federal and State Aid -					-	-
Restricted for Capital Outlay	2,921,334	327,808			2,921,334	327,808
Miscellaneous Income	<u>474,269</u>	<u>314,334</u>	<u>25,517</u>	<u>19,684</u>	<u>499,786</u>	<u>334,018</u>
Total Revenues and Transfers	<u>\$35,539,731</u>	<u>\$29,305,624</u>	<u>\$599,595</u>	<u>\$678,566</u>	<u>\$36,139,326</u>	<u>\$29,984,190</u>

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Expenses						
Instruction:						
Regular	\$6,644,065	\$5,689,000	\$	\$	\$6,644,065	\$5,689,000
Special Education	1,379,310	1,325,434			1,379,310	1,325,434
Other Special Education	987,521	1,232,848			987,521	1,232,848
Other Instruction	98,396	89,441			98,396	89,441
Support Services:						-
Tuition	6,187,615	5,129,522			6,187,615	5,129,522
Health Services	185,544	139,013			185,544	139,013
Student & Instruction						
Related Services	3,942,411	3,765,774			3,942,411	3,765,774
School Administrative						
Services	214,600	286,212			214,600	286,212
General Administrative						
Services	571,443	516,379			571,443	516,379
Central Services	311,686	311,112			311,686	311,112
Information Technology	160,432	148,734			160,432	148,734
Plant Operations and						
Maintenance	3,444,405	2,111,944			3,444,405	2,111,944
Pupil Transportation	1,213,766	546,593			1,213,766	546,593
Unallocated Benefits	3,765,553	4,275,026			3,765,553	4,275,026
Charter Schools	63,226	81,145			63,226	81,145
Capital Outlay						
Non-depreciable	11,278	181,855			11,278	181,855
Interest on long-term debt	9,621	6,255			9,621	6,255
Food Service			706,342	687,168	706,342	687,168
Unallocated depreciation	<u>905,759</u>	<u>934,469</u>	<u></u>	<u></u>	<u>905,759</u>	<u>934,469</u>
Total Expenses	<u>30,096,631</u>	<u>26,770,756</u>	<u>706,342</u>	<u>687,168</u>	<u>30,802,973</u>	<u>27,457,924</u>
Increase or (Decrease) in						
Net Position	<u>\$5,443,100</u>	<u>\$ 2,534,868</u>	<u>(\$106,747)</u>	<u>(\$8,602)</u>	<u>\$5,336,353</u>	<u>\$2,945,834</u>

The District's net position increased \$5,336,353 - an increase of \$5,443,100 from its government activities and a decrease of \$106,747 from its business-type activities (See Table 2).

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Changes in Results of Operations:

Revenues from governmental activities increased by \$6,234,107 mainly due to increases in federal and state aid both unrestricted and restricted for capital outlay. Expenses from governmental activities increased by \$3,325,875 mainly due to increased costs related to regular instruction, tuition, plant operations and maintenance and transportation.

Governmental Activities:

Net Position from the District's governmental activities increased by \$5,443,100 during the fiscal year. However, maintaining existing programs, the increases in special programs and services for students with special needs and the cost of employee benefits has placed great demand on the District's financial resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

Table 3 below presents the cost of seven major District activities: Instruction, student and instruction related services, administration and business, maintenance and plant operations, transportation, benefits and other. The table also reflects each activity's net cost (total cost less fees generated by the activities and other governmental aid provided for specific programs). The net cost reflects the remaining costs covered by the District's taxpayers.

**Table 3
Net Cost of Governmental Activities
Year Ended June 30, 2023 and 2024**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2023-2024</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2022-2023</u>
Instruction	\$9,109,292	\$8,336,723	\$5,610,177	\$7,152,294
Student and Related Instruction	10,315,570	9,034,309	8,909,643	7,168,430
Administrative and Business	1,258,161	1,262,437	1,258,161	1,262,437
Plant Maintenance and Operations	3,444,405	2,111,944	2,841,380	2,111,944
Transportation	1,213,766	546,593	1,153,004	546,593
Benefits	3,765,553	4,275,026	1,794,576	4,275,029
Other	989,884	1,203,724	989,884	1,203,724
	<u>\$30,096,631</u>	<u>\$26,770,756</u>	<u>\$22,556,825</u>	<u>\$23,720,451</u>

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental and Business- Activities

As reported in the Statement of Activities the cost of all of our government and business-type activities this year was \$30,802,973, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$11,321,822 because some of the cost was paid by those who benefitted from the programs \$85,743 by other governments and organizations who subsidized certain programs with grants and contributions \$8,028,141, federal and state aid not restricted of \$13,282,500, federal and state aid-capital outlay of \$2,921,334 and by miscellaneous sources \$499,786.

Business-Type Activities

The net position of the District's business-type activities decreased by \$106,747. This decrease is directly related to the District's food service program. Overall food service costs increased by \$19,174 from the prior year. This, coupled with a decrease in operating grants and contributions of \$84,384, contributed to the overall decrease in the net position from fiscal year 2023 to 2024.

Revenues for the District's food service program were comprised of charges for services, federal and state subsidy reimbursements and other intergovernmental grant aid.

Financial highlights of the food service program include:

- ✓ Food service expenses exceeded revenues by \$106,747.
- ✓ Charges for services provided totaled \$41,708. This represents amounts paid by consumers for daily food services.
- ✓ Federal and state reimbursement for meals served, including payments for free and reduced priced lunches, and donated commodities was \$505,467.
- ✓ Additional federal operating grants received totaled \$26,903.

Financial Analysis of the District's Funds

Total fund balance in the District's governmental funds increased by \$2,969,539. The fund balance in the General Fund increased by \$2,974,139 on the GAAP basis during the fiscal year mainly due to a 35% increase in state aid. The fund balance in the Special Revenue Fund decreased slightly by \$4,600 due to decreased balances in student activity accounts.

The State of New Jersey imposes spending and tax levy limits on school district's during the budget process. Current legislation allows the maximum allowable General Fund unassigned fund balance to be 2% of adjusted expenditures at June 30, 2024. At year end, the District's 2% limit is \$474,320.

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

All government funds (general fund, special revenue fund, capital projects fund and debt service fund) are accounted for using the modified accrual basis of accounting which is based on cash receipts, disbursements and encumbrances. The district's budgets are prepared according to the New Jersey Law. The most significant budgeted funds are the general and special revenue fund.

During the fiscal year ended June 30, 2024, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditure item to the district but is required to be reflected in the financial statements.
- The special revenue fund Budget was increased by \$1,910,989 for increases in federal and state grant awards.

General Fund

The general fund actual revenue was \$30,668,963. That amount is \$4,093,235 above the final amended budget of \$26,575,728. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$3,638,146 for TPAF social security reimbursements and on-behalf pension payments and a \$455,089 excess in miscellaneous anticipated revenues and other state aids.

The actual expenditures of the general fund were \$27,564,396 including transfers which is \$4,096,174 less than the final amended budget of \$31,660,570. The variance between the actual expenditures and final budget was due to non-budgeted on-behalf TPAF social security and pension payments of \$3,638,146 and \$458,028 of unexpended budgeted funds.

Special Revenue Fund

The special revenue fund actual revenue was \$6,601,818. That amount is above the original budget estimate of \$5,229,337 and below the final amended budget of \$7,140,326. The \$1,910,989 variance between the original and final budget was due to the increase in federal and state grant monies awarded to the District after the original budget was approved. The \$538,508 variance between the final amended budget and the June 30, 2024 actual results was due to the deferral of Federal and State grants received in the current fiscal year to be spent in the next fiscal year and the inclusion of scholarship and student activity fund revenue.

The actual expenditures of the special revenue fund were \$6,606,418, which is above the original budget of \$5,229,337 and below the final amended budget of \$7,140,326. The \$1,910,989 variance between the original and final budget was due to the increase in appropriations related to the increase in grants awarded to the District after the original budget was approved. The \$533,908 variance between the final amended budget and the June 30, 2024 actual results was due to the anticipation of fully expending federal and state grant programs and the inclusion of scholarship and student activity fund expenditures. Expenditures will be incurred in the next fiscal year.

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2024 the School District had \$36,657,021 invested in land, construction in progress, site improvements, buildings and building improvements, machinery and equipment and right to use leased assets. Of this amount, \$9,262,989 in depreciation/amortization has been taken over the years. We currently have a net book value of \$27,394,032. Total depreciable additions for the year were \$3,282,807 which consisted mainly of building and building improvements, machinery and equipment purchases and construction in progress. Table 4 shows fiscal year 2024 balances compared to 2023.

Additional information about the District's capital assets can be found in the notes to the basic financial statements.

**Table 4
Capital Assets at June 30, 2024 and 2023
(Net of Depreciation/Amortization)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$9,957	\$9,957	\$	\$	\$9,957	\$9,957
Construction in Progress	2,536,663				2,536,663	0
Buildings and Improvements	24,059,449	24,360,997			24,059,449	24,360,997
Land Improvements	2,267	2,499			2,267	2,499
Furniture, Equipment and Vehicles	537,828	612,506			537,828	612,506
Right to use Leased Assets	212,710	114,015	35,158	29,340	247,868	143,355
	<u>\$27,358,874</u>	<u>\$25,099,974</u>	<u>\$35,158</u>	<u>\$29,340</u>	<u>\$27,394,032</u>	<u>\$25,129,314</u>

Debt Administration

At June 30, 2024, the District had \$2,824,088 of long term debt. Of this amount, \$929,590 is for compensated absences; \$1,676,176 is for the net pension PERS liability and \$218,322 represents the lease liability for the rental of in-district copiers.

At June 30, 2024, the school district's overall legal debt margin was \$40,253,315. For more detailed information, please refer to the Notes to the Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Guttenberg Public School District is currently in good and stable financial position. Economic indicators appear to be more positive as evidenced by increased business activity, low unemployment and a decrease in property reassessments. Additionally, the District has had an uptick in State Aid and it is anticipated that this will continue under the current state administration. It has been stated that the goal is to fully fund the SFRA formula for all previously underfunded districts. The Guttenberg Public School District is committed to maintaining fiscal responsibility as well as achieving education excellence for all students of the District.

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS (continued)

The following factors were considered in preparing the 2024-2025 fiscal year budget:

- Estimated Student Enrollment
- Sources of revenue
- Cost of negotiated salaries and benefits
- Cost of fixed charges
- Mandated Programs
- Requirements for health and safety issues
- Continuation of programs initiated during the COVID-19 pandemic.

Prior to the end of fiscal 2004, S1701 was enacted. The law is meant to control public school district budgets by revising the calculation of budget caps and reducing surplus. Starting in 2005-06 the CAP will be set at 2.5% or the cost of living, whichever is greater. A number of other changes will affect the calculation of SGLA's and per pupil administrative costs. Any undesignated general fund balance in excess of 2% or \$250,000, whichever is greater must be appropriated for tax relief.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Guttenberg Board of Education's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Jolene Mantineo
School Business Administrator
Town of Guttenberg Board of Education
301 69th Street
Guttenberg, New Jersey 07093

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

GUTTENBERG BOARD OF EDUCATION
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	12,341,363	214,824	12,556,187
Receivables, net	5,588,424	38,194	5,626,618
Inventory		11,496	11,496
Restricted assets:			
Cash and cash equivalents	3,442,161		3,442,161
Capital assets:			
Land and construction in progress	2,546,620		2,546,620
Other Capital assets, net	24,599,544	35,158	24,634,702
Right to use leased assets, net of amortization	212,710		212,710
Total Assets	<u>48,730,822</u>	<u>299,672</u>	<u>49,030,494</u>
Deferred Outflow of Resources:			
Deferred outflows of resources related to PERS	347,960	-	347,960
Total Deferred Outflows	<u>347,960</u>	<u>-</u>	<u>347,960</u>
LIABILITIES			
Accounts payable and accrued liabilities	6,905,438	84,447	6,989,885
Payable to federal government	472,092		472,092
Unearned Revenue	12,052	-	12,052
Payroll Deductions & Withholdings	129,518		129,518
Noncurrent liabilities:			
Due within one year	268,675		268,675
Due beyond one year	2,555,413		2,555,413
Total liabilities	<u>10,343,188</u>	<u>84,447</u>	<u>10,427,635</u>
Deferred Inflow of Resources:			
Deferred inflows of resources related to PERS	282,699		282,699
Total Deferred Inflows	<u>282,699</u>	<u>-</u>	<u>282,699</u>
NET POSITION			
Net Investment in Capital Assets	27,358,874	35,158	27,394,032
Restricted for:			
Capital projects	7,136,001		7,136,001
Other purposes	7,892,704	32,055	7,924,759
Unrestricted (Deficit)	<u>(3,934,684)</u>	<u>148,012</u>	<u>(3,786,672)</u>
Total net position	<u>38,452,895</u>	<u>215,225</u>	<u>38,668,120</u>

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

GUTTENBERG BOARD OF EDUCATION
Statement of Activities
Fiscal Year Ended June 30, 2024

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:								
Instruction:								
Regular	7,353,167	(709,102)		2,309,780		(4,334,285)		(4,334,285)
Special education	1,533,385	(154,075)		1,189,335		(189,975)		(189,975)
Other special instruction	1,206,266	(218,745)				(987,521)		(987,521)
Other instruction	110,906	(12,510)				(98,396)		(98,396)
Support services:								
Tuition	6,187,615			35,223		(6,152,392)		(6,152,392)
Health Services	214,209	(28,665)				(185,544)		(185,544)
Student & instruction related services	4,267,829	(325,418)	44,035 *	1,326,669 *		(2,571,707)		(2,571,707)
School administrative services	245,154	(30,554)				(214,600)		(214,600)
General administrative services	620,888	(49,445)				(571,443)		(571,443)
Central Services	372,349	(60,663)				(311,686)		(311,686)
Information Technology	183,090	(22,658)				(160,432)		(160,432)
Plant operations and maintenance	3,499,739	(55,334)		603,025		(2,841,380)		(2,841,380)
Pupil transportation	1,213,766			60,762		(1,153,004)		(1,153,004)
Unallocated benefits	3,765,553			1,970,977		(1,794,576)		(1,794,576)
Transfer to Charter Schools	63,226					(63,226)		(63,226)
Capital outlay - non-depreciable	11,278					(11,278)		(11,278)
Interest on long term debt	9,621					(9,621)		(9,621)
Unallocated depreciation		905,759 (D)				(905,759)		(905,759)
Total governmental activities	30,858,041	(761,410)	44,035	7,495,771	-	(22,556,825)	-	(22,556,825)
Business-type activities:								
Food Service	706,342		41,708	532,370	-		(132,264)	(132,264)
Total business-type activities	706,342		41,708	532,370	-		(132,264)	(132,264)
Total primary government	31,564,383		85,743	8,028,141	-	(22,556,825)	(132,264)	(22,689,089)
General revenues:								
Taxes:								
Property taxes, levied for general purposes						11,321,822		11,321,822
Federal and State aid not restricted						13,282,500		13,282,500
Federal and State aid restricted for Capital Outlay						2,921,334		2,921,334
Miscellaneous Income						474,269	25,517	499,786
Total general revenues						27,999,925	25,517	28,025,442
Change in Net Position						5,443,100	(106,747)	5,336,353
Net Position - beginning						33,009,795	321,972	33,331,767
Net Position—ending						38,452,895	215,225	38,668,120

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

* - Student Activity revenue is reported as "charges for services"; scholarship revenue is reported as "operating grants and contributions"

(D) - Unallocated depreciation excludes direct depreciation expenses of the various programs

GUTTENBERG BOARD OF EDUCATION
Balance Sheet
Governmental Funds
June 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	12,179,799		12,179,799
Accounts Receivable -			
Intergovernmental - State	92,886		92,886
Intergovernmental - Federal	4,377	4,547,676	4,552,053
Intergovernmental - Other	943,485		943,485
Interfund receivables	452,533		452,533
Restricted cash and cash equivalents			
Capital reserve account	3,236,001		3,236,001
Net Payroll	9,984 *		9,984
Payroll Deductions and Withholdings	176,182 *		176,182
Scholarship accounts		7,821 *	7,821
Student activities		12,173 *	12,173
	<u>17,095,247</u>	<u>4,567,670</u>	<u>21,662,917</u>
Total assets			
LIABILITIES AND FUND BALANCES			
Liabilities:			
Unearned Revenue		12,052	12,052
Intergovernmental payable:			
Federal	90,000	382,092	472,092
Accounts payable			
Payroll deductions and withholdings	129,518 **		129,518
Other	3,019,629	3,700,999	6,720,628
Interfund payables		452,533	452,533
	<u>3,239,147</u>	<u>4,547,676</u>	<u>7,786,823</u>
Total liabilities			
Fund Balances:			
Restricted for:			
Excess Surplus - current year	4,070,847		4,070,847
Excess Surplus - prior year - designated for subsequent year's expenditures	3,247,899		3,247,899
Capital reserve	7,136,001		7,136,001
Student Groups		12,173 *	12,173
Scholarships		7,821 *	7,821
Assigned to:			
Year End Encumbrances	331,209		331,209
Designated by the Board of Education for Subsequent year's expenditures	81,185		81,185
Unassigned:			
General fund	(1,011,041)		(1,011,041)
	<u>13,856,100</u>	<u>19,994</u>	<u>13,876,094</u>
Total Fund balances			
Total liabilities and fund balances	<u>17,095,247</u>	<u>4,567,670</u>	

FUND FINANCIAL STATEMENTS

GUTTENBERG BOARD OF EDUCATION

Balance Sheet
Governmental Funds
June 30, 2024

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 \$36,094,878 and the accumulated depreciation is \$8,948,714.	27,146,164
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Right to use assets at historical cost	470,374
Accumulated amortization	(257,664)
Accounts payable for subsequent Pension payment is not a payable in the funds	(184,810)
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred outflows of resources related to PERS Pension Liability	347,960
Deferred inflows of resources related to PERS Pension Liability	(282,699)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds	(2,824,088)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net assets	161,564
Net position of governmental activities	38,452,895

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

* Includes former fiduciary fund cash and cash equivalents

** Includes payroll deductions payable

GUTTENBERG BOARD OF EDUCATION
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Local sources:			
Local tax levy	11,321,822		11,321,822
Miscellaneous	474,269		474,269
Scholarship Donations		533 **	533
Student Group Receipts		44,035 **	44,035
	<u>11,796,091</u>	<u>44,568</u>	<u>11,840,659</u>
Total - Local Sources			
State sources	18,518,580	224,349	18,742,929
Federal sources	<u>13,631</u>	<u>6,332,901</u>	<u>6,346,532</u>
Total revenues	<u>30,328,302</u>	<u>6,601,818</u>	<u>36,930,120</u>
EXPENDITURES			
Current:			
Regular instruction	4,954,374	2,309,780	7,264,154
Special education instruction	1,533,385		1,533,385
Other special instruction	1,206,266		1,206,266
School sponsored/other instructional	110,906		110,906
Support services and undistributed costs:			
Tuition	6,187,615		6,187,615
Health services	214,209		214,209
Student & instruction related services	2,892,525	1,375,304 ***	4,267,829
School administrative services	245,154		245,154
General administrative services	620,888		620,888
Central services	372,349		372,349
Information technology	183,090		183,090
Plant operations and maintenance	3,561,357		3,561,357
Pupil transportation	1,213,766		1,213,766
Unallocated benefits	158,644		158,644
On-behalf contributions	3,638,146		3,638,146
Debt Service:			
Principal	110,144		110,144
Interest and other charges	9,961		9,961
Transfer to Charter Schools	63,226		63,226
Capital outlay	<u>288,391</u>	<u>2,921,334</u>	<u>3,209,725</u>
Total expenditures	<u>27,564,396</u>	<u>6,606,418</u>	<u>34,170,814</u>

GUTTENBERG BOARD OF EDUCATION
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
Excess (Deficiency) of revenues over expenditures	<u>2,763,906</u>	<u>(4,600)</u>	<u>2,759,306</u>
OTHER FINANCING SOURCES (USES)			
Leased Assets (non-budgeted)	<u>210,233</u>	<u></u>	<u>210,233</u>
Total other financing sources and uses	<u>210,233</u>	<u>-</u>	<u>210,233</u>
Net change in fund balances	2,974,139	(4,600)	2,969,539
Fund Balance - July 1	<u>10,881,961</u>	<u>24,594</u>	<u>10,906,555</u>
Fund balance - June 30	<u><u>13,856,100</u></u>	<u><u>19,994</u></u>	<u><u>13,876,094</u></u>

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

** Special revenue fund now includes revenues from scholarships and student activities

*** Special revenue fund now includes expenditures from scholarships and student activities

GUTTENBERG BOARD OF EDUCATION
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Fiscal Year Ended June 30, 2024

Total net change in fund balances - governmental funds (from B-2) 2,969,539

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 expense	(905,759)
	Non-Depreciable Capital Outlays - Construction in Progress	2,536,663
	Depreciable Capital Outlays - Fund 12	144,680
	Depreciable Capital Outlays - Fund 20	<u>384,671</u>

2,160,255

Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Right to use assets at historical cost	210,233
Amortization	<u>(111,538)</u>

98,695

Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.

In the current year, these amounts consist of:

Lease Liability	110,144
Payment of Deferred PERS Pension Contribution	<u>1,172</u>

111,316

Leases entered into by the District are an other financing source in the Governmental Funds but the acquisition increases Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities

(210,233)

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

Lease Liability - Prior year 340

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

Increase in compensated absences payable 11,993

District pension contributions are reported as expenditures in the governmental funds when made.

However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changed in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

District Pension Contributions	154,667
Less: Pension Expense	<u>(141,357)</u>
(Increase)/Decrease in Pension Expense	296,024

GUTTENBERG BOARD OF EDUCATION
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Fiscal Year Ended June 30, 2024

Per GASB No. 68, Non-employer contributing entities are required to record any increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements.

Increase in On-behalf State Aid TPAF Pension	(1,667,169)
Increase in On-behalf TPAF Pension Expense	<u>1,667,169</u>

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.

5,171

Per GASB No. 75 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post employment medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements

Increase in On-behalf State Aid TPAF Post Employment Medical Revenue	276,780
Increase in On-behalf State Aid TPAF Post Employment Medical Expense	<u>(276,780)</u>

Change in net position of governmental activities

5,443,100

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

GUTTENBERG BOARD OF EDUCATION
Statement of Net Position
Proprietary Funds
June 30, 2024

	<u>Enterprise Fund</u> Food Service Program	<u>Internal Service Fund</u> Building Maintenance	<u>Totals</u>
ASSETS			
Current assets:			
Cash and cash equivalents	214,824	161,564	376,388
Accounts receivable:			
State	1,006		1,006
Federal	23,321		23,321
Other	13,867		13,867
Inventories	11,496		11,496
Total current assets	<u>264,514</u>	<u>161,564</u>	<u>426,078</u>
Noncurrent assets:			
Capital assets:			
Equipment	91,769		91,769
Less accumulated depreciation:			
Equipment	<u>(56,611)</u>		<u>(56,611)</u>
Total capital assets (net of accumulated depreciation)	<u>35,158</u>	<u>-</u>	<u>35,158</u>
Total assets	<u><u>299,672</u></u>	<u><u>161,564</u></u>	<u><u>461,236</u></u>
LIABILITIES			
Current liabilities:			
Accounts payable	<u>84,447</u>		<u>84,447</u>
Total current liabilities	<u>84,447</u>	<u>-</u>	<u>84,447</u>
NET POSITION			
Net Investment in Capital Assets	35,158	-	35,158
Restricted Contributed Capital	32,055		32,055
Unrestricted	<u>148,012</u>	<u>161,564</u>	<u>309,576</u>
Total net position	<u><u>215,225</u></u>	<u><u>161,564</u></u>	<u><u>376,789</u></u>

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

GUTTENBERG BOARD OF EDUCATION
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2024

	<u>Enterprise Funds</u>	<u>Internal Service Fund</u>	<u>Totals</u>
	<u>Food Service Program</u>	<u>Building Maintenance</u>	
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	34,061		34,061
Daily sales - non-reimbursable programs	7,647		7,647
Total operating revenues	<u>41,708</u>	<u>-</u>	<u>41,708</u>
Operating expenses:			
Cost of sales - reimbursable programs	240,972		240,972
Cost of sales - non-reimbursable programs	1,663		1,663
Salaries	373,965		373,965
Supplies and materials	1,129		1,129
Employee benefits	57,092		57,092
Cleaning repair & maintenance	1,184		1,184
Purchased services	29,595		29,595
Miscellaneous	-		-
Depreciation	742		742
Total Operating Expenses	<u>706,342</u>	<u>-</u>	<u>706,342</u>
Operating income (loss)	<u>(664,634)</u>	<u>-</u>	<u>(664,634)</u>
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	16,837		16,837
State school breakfast program	2,106		2,106
Federal sources:			
National school lunch program	400,833		400,833
National school breakfast program	36,709		36,709
Food distribution program	48,982		48,982
Supply Chain Assistance	26,903		26,903
Interest and investment revenue	25,517	5,171	30,688
Total nonoperating revenues (expenses)	<u>557,887</u>	<u>5,171</u>	<u>563,058</u>
Change in net position	<u>(106,747)</u>	<u>5,171</u>	<u>(101,576)</u>
Total net position—beginning	<u>321,972</u>	<u>156,393</u>	<u>478,365</u>
Total net position—ending	<u><u>215,225</u></u>	<u><u>161,564</u></u>	<u><u>376,789</u></u>

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

GUTTENBERG BOARD OF EDUCATION
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended June 30, 2024

	<u>Enterprise Funds</u>	<u>Internal</u>	
	<u>Food</u>	<u>Service Fund</u>	
	<u>Service</u>	<u>Building</u>	
	<u>Program</u>	<u>Maintenance</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	41,708		41,708
Refund of prior year operating expenses	-		-
Payments to employees	(183,144)		(183,144)
Payments to outside food service management company	(419,194)		(419,194)
Payments for supplies	(1,512)		(1,512)
Payments for miscellaneous expenditures	(17,141)		(17,141)
Payments for interfunds	(37,349)		(37,349)
Net cash provided by (used for) operating activities	<u>(616,632)</u>	<u>-</u>	<u>(616,632)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	19,124		19,124
Federal Sources	475,087		475,087
Net cash provided by (used for) non-capital financing activities	<u>494,211</u>	<u>-</u>	<u>494,211</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	25,517	5,171	30,688
Net cash provided by (used for) investing activities	<u>25,517</u>	<u>5,171</u>	<u>30,688</u>
Net increase (decrease) in cash and cash equivalents	(103,464)	5,171	(98,293)
Balances—beginning of year	318,288	156,393	474,681
Balances—end of year	<u>214,824</u>	<u>161,564</u>	<u>376,388</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	(664,634)	-	(664,634)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and net amortization	742		742
Food Distribution Program	48,982		48,982
(Increase) decrease in accounts receivable, net	(13,868)		(13,868)
(Increase) decrease in inventories	(1,112)		(1,112)
(Increase) decrease in interfund payables	(37,349)		(37,349)
(Increase) decrease in accounts payable	50,607		50,607
Total adjustments	<u>48,002</u>	<u>-</u>	<u>48,002</u>
Net cash provided by (used for) operating activities	<u>(616,632)</u>	<u>-</u>	<u>(616,632)</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Description of the School District and Reporting Entity:

The Board of Education ("Board") of the Town of Guttenberg School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Town of Guttenberg School District is a Type II district located in the County of Hudson, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-8. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

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

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significance) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include an elementary school and a middle school, located in the Town of Guttenberg. 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.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Presentation:

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Currently the District does not have any fiduciary funds.

District-wide Financial Statements:

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

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

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

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Fund Financial Statements:

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - *government*, *proprietary*, and *fiduciary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models. The various funds of the Board are grouped into the categories governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

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

General Fund - The General Fund is the general operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

As required by the New Jersey State Department of Education, the Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

GOVERNMENTAL FUNDS, (continued)

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

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

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service. The following is a description of the Proprietary Funds of the Board:

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

The Board's Enterprise Fund is comprised of the Food Service Program.

Internal Service Fund - The Internal Service Fund has been established to account for the income and related expenses associated with the lease of school owned property.

FIDUCIARY FUNDS

Fiduciary Fund - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. The District does not have any activities that are required to be included in the Fiduciary Fund.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Measurement Focus and Basis of Accounting:

District-wide Financial Statements

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the District-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance:

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: ad valorem property taxes, tuition, unrestricted grants and interest.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Budgets/Budgetary Control

Annual appropriated budgets are adopted in the spring of the preceding year for the general, special revenue fund and debt service funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. 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(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and 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.

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 Board has received advances, are reflected in the balance sheet as unearned revenue 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.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Cash, Cash Equivalents and Investments

Cash and cash equivalents 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. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

Additionally, the Board has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

Tuition Revenues/Receivable

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

Tuition Payable

Tuition charges were established by the receiving district. The charges are subject to adjustment when the final costs have been determined.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Inventories

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

Lease Receivable

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

Short-Term Interfund Receivables/Payables

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Capital Assets

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

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Capital Assets, (continued)

All capital assets acquired or constructed during the year are recorded at actual cost. Donated capital assets are valued at acquisition value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. The Board maintains a capitalization threshold of \$2,000. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

Compensated Absences

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

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

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 1(Encumbrances) regarding the special revenue fund.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Interfund Activity

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

Accounting and Financial Reporting for Pensions

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Accounting and Financial Reporting for Pensions, (continued)

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date-an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

Bond Discounts/Premiums

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

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pension.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies in this category, deferred amounts related to pension.

Financing Agreements

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

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

Right to Use Assets

The District has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related issue.

Subscription Assets

Intangible right-to-use subscription assets are subscription-based information technology arrangements (SBITA's) with subscription terms of more than one year. The value of subscription assets is determined by the sum of the subscription liability and payments made to the SBITA vendor, including capitalizable initial implementation costs, before the commencement date of the subscription team. The district does not have any subscription-based information technology arrangements that qualify for presentation under GASB 96.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

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

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Net Position

Net position represent the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. TPAF on-behalf contributions and changes in compensated absences have not been allocated and have been reported as unallocated benefits on the Statement of Activities. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

Recently Issued Accounting Pronouncements

The GASB has issued the following statements that will become effective for the School District for fiscal years ending June 30, 2025 and 2026:

GASB Statement No. 101, Compensated Absences, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

In December 2023, the Government Accounting Standards Board issued GASB Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the District.

In April 2024, the Government Accounting Standards Board issued GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its' effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter, though, earlier application is encouraged. Management is currently reviewing the provisions of this Statement and plans to implement, as needed, before the effective date.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2024, \$0- of the District's bank balance of \$17,441,262 was exposed to custodial credit risk.

Investments

Investment Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 18A:20-37 limits school district investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the school districts or bonds or other obligations of the local unit or units within which the school district is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 3. RECEIVABLES

Receivables at June 30, 2024, consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Enterprise Fund	District Wide Financial Statements
Other Receivables	\$943,485	\$13,867	\$957,352
State Aid	92,886	1,006	93,892
Federal Aid	4,552,053	23,321	4,575,374
Due from Other Funds	<u>452,533</u>	<u> </u>	<u> </u>
Gross Receivables	6,040,957	38,194	5,626,618
Less: Allowance for Uncollectibles	<u> </u>	<u> </u>	<u> </u>
Total Receivables, Net	<u><u>\$6,040,957</u></u>	<u><u>\$38,194</u></u>	<u><u>\$5,626,618</u></u>

NOTE 4. INTERFUND BALANCES AND ACTIVITY

Interfund balances for the year ended June 30, 2024, consisted of the following:

\$452,533 Due to the General Fund from the Special Revenue Fund for short-term loans.

It is anticipated that all interfunds will be liquidated during the fiscal year.

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 5. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	\$9,957	\$	\$	\$9,957
Construction in Progress		<u>2,536,663</u>		<u>2,536,663</u>
Total Capital Assets Not Being Depreciated	<u>9,957</u>	<u>2,536,663</u>	<u>-</u>	<u>2,546,620</u>
 Sites and Site Improvements	61,248			61,248
Buildings and Improvements	31,129,107	458,209	(28,000)	31,558,516
Machinery and Equipment	1,857,352	71,142		1,928,494
Right to use leased assets	<u>260,141</u>	<u>210,233</u>		<u>470,374</u>
Totals at Historical Cost	<u>33,307,848</u>	<u>739,584</u>	<u>(28,000)</u>	<u>34,018,632</u>
Less Accumulated Depreciation/Amortization:				
Land Improvements	(58,799)	(182)		(58,981)
Buildings and Improvements	(6,768,110)	(759,757)	28,800	(7,499,067)
Equipment	(1,244,846)	(145,820)		(1,390,666)
Right to use leased assets	<u>(146,126)</u>	<u>(111,538)</u>		<u>(257,664)</u>
Total Accumulated Depreciation	<u>(8,217,881)</u>	<u>(1,017,297)</u>	<u>28,800</u>	<u>(9,206,378)</u>
Total Capital Assets, Being Depreciated, Net of Accumulated Depreciation and Amortization	<u>25,089,967</u>	<u>(277,713)</u>	<u>-</u>	<u>24,812,254</u>
Governmental Activities Capital Assets, Net	<u>\$25,099,924</u>	<u>\$2,258,950</u>	<u>\$ -</u>	<u>\$27,358,874</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Business-Type Activity				
Equipment	<u>\$85,209</u>	<u>\$6,560</u>	<u>\$</u>	<u>\$91,769</u>
Totals at Historical Cost	<u>85,209</u>	<u>6,560</u>	<u>-</u>	<u>91,769</u>
Less Accumulated Depreciation for:				
Equipment	<u>(55,869)</u>	<u>(742)</u>	<u>-</u>	<u>(56,611)</u>
Total Accumulated Depreciation	<u>(55,869)</u>	<u>(742)</u>	<u>-</u>	<u>(56,611)</u>
Business-Type Activity Capital Assets, Net	<u>\$29,340</u>	<u>\$5,818</u>	<u>\$ -</u>	<u>\$35,158</u>

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 5. CAPITAL ASSETS

Depreciation and amortization expense was charged to governmental functions as follows:

Instruction	\$90,185
Support Services:	
Plant Operations and Maintenance	21,353
Unallocated Depreciation	905,759
Depreciation Expense	905,759
Amortization Expense	<u>111,538</u>
	<u><u>\$1,017,297</u></u>

NOTE 6. LONG-TERM OBLIGATION ACTIVITY

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

	Balance June 30, 2023	Issued	Retired	Balance June 30, 2024	Amount Due Within One Year	Long-term Portion
Deferred PERS Pension Contribution	\$1,172	\$	\$1,172	\$0	\$	\$
Compensated Absences Payable	941,583	70,757	82,750	929,590		929,590
Leases Payable	118,233	210,233	110,144	218,322	83,865	134,457
Net Pension Liability	<u>1,877,291</u>		<u>201,115</u>	<u>1,676,176</u>	<u>184,810</u>	<u>1,491,366</u>
Total Other Liabilities	<u><u>\$2,938,279</u></u>	<u><u>\$280,990</u></u>	<u><u>\$395,181</u></u>	<u><u>\$2,824,088</u></u>	<u><u>\$268,675</u></u>	<u><u>\$2,555,413</u></u>

Bonds payable are generally liquidated by the debt service fund, while compensated absences, lease purchase agreements, leases, net pension liability and deferred pension contributions are liquidated by the general fund.

Bonds Payable

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

The District has no outstanding serial bonds payable at June 30, 2024.

Bonds Authorized But Not Issued

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

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 6. LONG-TERM OBLIGATION ACTIVITY, (continued)

Lease Purchase Agreements

The District has no lease purchase agreements outstanding at June 30, 2024.

Compensated Absences

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

Net Pension Liability and Deferred PERS Contribution

For details on the net pension liability, refer to Note 7. The District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

Leases

The District has entered into multiple leases as a lessee of office space and copiers. An initial lease liability was recorded in the amount of \$260,141 in fiscal year 2022. Additional copiers were leased by the district in fiscal year 2024 totaling \$210,233. For the year ended June 30, 2024 the value of the lease liability is \$218,322. The leases have interest rates of 4.00%. The value of the right to use assets for the year ended June 30, 2024 was \$470,374, with accumulated amortization of \$257,664.

Principal and interest due on outstanding leases is as follows:

<u>Fiscal Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2025	\$94,230	\$83,865	\$10,365
2026	59,400	52,609	6,791
2027	59,400	55,926	3,474
2028	26,354	25,922	432
	<u>\$239,384</u>	<u>\$218,322</u>	<u>\$21,062</u>

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or reports can be accessed on the internet at: http://www.state.nj.us/treasury/pensions/annrpts_archive.htm.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Benefits Provided

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 fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

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

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Benefits Provided

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:

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

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

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

Defined Contribution Retirement Program

Employer Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Contributions Requirements Fund Based Statements

The Board's contribution to PERS and DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

<u>Year</u>		
<u>Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/24	\$154,667	\$127,266*
6/30/23	156,868	1,479
6/30/22	136,597	1,066

* Consists of back deductions and employer contributions from fiscal year 2017-2023.

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

<u>Year</u>	<u>Pension</u>	<u>Post-Retirement</u>	<u>NCGI</u>	<u>Long-Term</u>
<u>Ending</u>	<u>Contributions</u>	<u>Medical</u>	<u>Premium</u>	<u>Disability</u>
6/30/24	\$2,358,674	\$649,266	\$26,899	\$1,432
6/30/23	2,342,522	623,913	32,500	1,439
6/30/22	2,459,612	582,773	34,702	1,637

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$601,875 during the year ended June 30, 2024 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68

Public Employees Retirement System (PERS)

At June 30, 2024, the District had a liability of \$1,676,176 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions all participating governmental entities, actually determined. At June 30, 2023, the District's proportion was .0115723042 percent, which was a decrease of .000867190 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$(141,357). At June 30, 2024, 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	\$16,026	\$6,852
Changes of assumptions	3,682	101,583
Net difference between projected and actual earnings on pension plan investments	7,719	
Changes in proportion and differences between the District's contributions and proportionate share of contributions	135,723	174,264
District contributions subsequent to the measurement date	<u>184,810</u>	<u> </u>
Total	<u>\$347,960</u>	<u>\$282,699</u>

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

The \$184,810 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$210
2025	(88,496)
2026	(49,395)
2027	69,026
2028	(12,353)

Changes in Proportion

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

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2023 and June 30, 2022 are as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Collective deferred outflows of resources	\$1,080,204,730	\$1,660,772,008
Collective deferred inflows of resources	1,780,216,457	3,236,303,935
Collective net pension liability	14,606,489,066	15,219,184,920
Borough's Proportion	.0115723042%	.0124394946%

Actuarial Assumptions

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

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

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 Percent

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.

Mortality Rates

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

Long-Term Rate of Return

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

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

Long-Term Rate of Return, (continued)

<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%

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 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments 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:

	<u>June 30, 2023</u>		
	<u>1% Decrease</u>	<u>At Current Discount Rate</u>	<u>1% Increase</u>
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
District's proportionate share of the pension liability	\$2,186,289	\$1,676,176	\$1,242,002

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

Teachers Pensions and Annuity Fund (TPAF)

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.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2024 was as follows:

Net Pension Liability:	
District's proportionate share	\$
State's proportionate share	
associated with the District	<u>29,242,518</u>
	<u>\$29,242,518</u>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 rolled forward to June 30, 2023. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2023, the proportion of the TPAF net pension liability associated with the District was .0573015643%.

For the year ended June 30, 2024, the District recognized on-behalf pension expense and revenue of \$718,404 for contributions provided by the State in the District-Wide Financial Statements.

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

Actuarial Assumptions

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

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

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Health 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 a future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

Long-Term Expected Rate of Return

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

<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%

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 7. 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 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 Net Pension Liability to Changes in the Discount Rate

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

NOTE 8. POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

State Health Benefit State Retired Employees Plan, (continued)

contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Total OPEB Liability

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability of the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education. Note that actual numbers will be published in the NJ State ACFR on the Office of Management and Budget's Financial Publications webpage: nj.gov/treasury/omb/fr.shtml.

The portion of the OPEB Liability that was associated with the District recognized at June 30, 2024 was as follows:

OPEB Liability:	
District's proportionate share	\$
State's proportionate share	
associated with the District	<u>23,255,858</u>
	<u>\$23,255,858</u>

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

Actual Assumptions and Other Imputes

The total OPEB liability in the June 30, 2023 actuarial valuation reported by the State in the State's Report of Total Nonemployer OPEB Liability for the State Health Benefit Local Education Retired Employee's Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Total Nonemployer OPEB Liability

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

	<u>TPAF/ABP</u>	<u>PERS</u>
Salary increases:	2.75 - 4.25%	2.75 - 6.55%
	based on service years	based on service years

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

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

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

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

(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 decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

(b) Discount Rate

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

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates:

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the healthcare cost trend rates is not applicable to the District.

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**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

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

For the year ended June 30, 2024, the board of education/board of trustees recognized on-behalf OPEB expense of \$926,046 in the district-wide financial statements as determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75 and in which there is a special funding situation.

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

NOTE 9. DEFERRED COMPENSATION

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

Metropolitan Life Insurance Co.
AXA Equitable

NOTE 10. 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.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this method, the District remits all contributions directly to the State of New Jersey Unemployment Trust Fund.

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 11. INVENTORY

Inventory in the Food Service Fund at June 30, 2024 consisted of the following:

Food	\$5,694
Supplies	<u>5,802</u>
	<u><u>\$11,496</u></u>

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as deferred revenue.

NOTE 12. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Town of Guttenberg Board of Education by inclusion of \$1 on October 4, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning Balance, July 1, 2023	\$3,236,001
Increased by:	
Board Approved Transfer	<u>3,900,000</u>
Ending Balance, June 30, 2024	<u><u>\$7,136,001</u></u>

The Board designated and appropriated \$ -0- in the 2024/2025 original budget certified for taxes.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 13. FUND BALANCE APPROPRIATED

General Fund [Exhibit B-1] - Of the \$13,856,100 General Fund fund balance at June 30, 2024, \$331,209 is reserved for encumbrances; \$7,318,746 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7 (\$3,247,899 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2025); \$7,136,001 has been reserved in the Capital Reserve Account; \$81,185 is designated by the BOE for subsequent year's expenditures; and \$(1,011,041) is unreserved and undesignated.

Special Revenue Fund - Of the \$19,994 Special Revenue Fund balance at June 30, 2024, \$19,994 is reserved for Student Groups and Scholarships.

NOTE 14. DEFICIT FUND BALANCES

The District has a deficit fund balance of \$1,011,041 in the General Fund as of June 30, 2024 as reported in the fund statements (modified accrual basis). *N.J.S.A.* 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General Fund balance deficit does not alone indicate that the District is facing financial difficulties.

Pursuant to *N.J.S.A.* 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP funds statements of \$1,011,041 is less than the last state aid payment.

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7 as amended, the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2024 is \$7,318,746. Of this amount, \$4,070,847 is the result of current year's operations.

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 16. RIGHT TO USE LEASED ASSETS

The District has recorded right to use leased assets for the rental of various in-district copiers and the rental of office space for the Board of Education. The leases were initiated during fiscal year 2021-2022 for various terms that expire in fiscal years 2025 and 2028. The right to use leased assets are amortized on a straight-line basis over the terms of the related lease.

	<u>Balance</u> <u>July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2024</u>
Right to use assets				
Copiers	\$196,082	\$210,233	\$	\$406,315
Leased Building	<u>64,059</u>	<u> </u>	<u> </u>	<u>64,059</u>
Total right to use assets	<u>260,141</u>	<u>210,233</u>	<u>0</u>	<u>470,374</u>
Less accumulated amortization for:				
Copiers	103,420	90,185		193,605
Leased Building	<u>42,706</u>	<u>21,353</u>	<u> </u>	<u>64,059</u>
Total Accumulated Amortization	<u>146,126</u>	<u>111,538</u>	<u>0</u>	<u>257,664</u>
Right to use leased asset, net	<u>\$114,015</u>	<u>\$98,695</u>	<u>\$ 0</u>	<u>\$212,710</u>

NOTE 17. CONTINGENT LIABILITIES

Grant Programs - The school district participates in federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is aware of the following material items of noncompliance which would result in the disallowance of program expenditures.

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

Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 18. RELATED PARTY TRANSACTION

The District approved a new agreement for the rental of office space from the estate of a family member of the Business Administrator. The new lease was approved for the time frame of July 1, 2024 through June 30, 2025 at a cost of \$25,200 with a renewal option and no price increase for fiscal years ending June 30, 2026 and June 30, 2027.

NOTE 19. SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 27, 2024, the date which the financial statements were available to be issued and the following item was noted for disclosure.

**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

BUDGETARY COMPARISON SCHEDULES

GUTTENBERG BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

Exhibit C-1

Page 1 of 5

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final To Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 11,321,822		11,321,822	11,321,822	
Miscellaneous				474,269	474,269
Total - Local Sources	11,321,822		11,321,822	11,796,091	474,269
State Sources:					
Transportation Aid	60,778		60,778	60,778	
Special Education Aid	1,189,648		1,189,648	1,189,648	
Equalization Aid	13,332,262		13,332,262	13,332,262	
Security Aid	603,184		603,184	603,184	
Extraordinary Aid		35,223	35,223	35,223	
TPAF Pension Contributions (On-Behalf - Non Budgeted)				2,358,674	2,358,674
TPAF Postretirement Medical Contributions (On-Behalf - Non Budgeted)				649,266	649,266
TPAF LTDI (On-Behalf - Non Budgeted)				1,432	1,432
TPAF Non-Contributory Insurance (On-Behalf - Non Budgeted)				26,899	26,899
TPAF Social Security (Reimbursed - Non-Budgeted)				601,875	601,875
Total - State Sources	15,185,872	35,223	15,221,095	18,859,241	3,638,146
Federal Sources:					
Medicaid Administrative Claiming (MAC)				4,377	4,377
Medical Assistance Program (SEMI)	32,811		32,811	9,254	(23,557)
Total - Federal Sources	32,811		32,811	13,631	(19,180)
TOTAL REVENUES	26,540,505	35,223	26,575,728	30,668,963	4,093,235
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Salaries of Teachers:					
Preschool - Salaries of Teachers					
Kindergarten - Salaries of Teachers	381,144	750	381,894	381,894	
Grades 1-5 - Salaries of Teachers	1,784,094	(750)	1,783,344	1,615,118	168,226
Grades 6-8 - Salaries of Teachers	1,680,285		1,680,285	1,608,568	71,717
Regular Programs - Home Instruction:					
Salaries of Teachers	50,000		50,000	38,030	11,970
Other Purchased Services	20,000		20,000		20,000
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	236,017	32,148	268,165	264,543	3,622
Other Purchased Services (400-500 series)	80,000	11,931	91,931	8,945	82,986
General Supplies	379,677	(44,079)	335,598	105,992	229,606
Textbooks	150,000		150,000		150,000
TOTAL REGULAR PROGRAMS - INSTRUCTION	4,761,217		4,761,217	4,023,090	738,127
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities - Mild/Moderate					
Salaries of Teachers	208,093	(25,000)	183,093	182,952	141
Total Learning and/or Language Disabilities Mild/Moderate	208,093	(25,000)	183,093	182,952	141
Multiple Disabilities					
Salaries of Teachers	144,762		144,762	144,762	
Total Multiple Disabilities	144,762		144,762	144,762	
Resource Room/Resource Center:					
Salaries of Teachers	525,749	(52,549)	473,200	371,396	101,804
Total Resource Room/Resource Center	525,749	(52,549)	473,200	371,396	101,804
Autism:					
Salaries of Teachers	68,781		68,781	68,781	
Total Autism	68,781		68,781	68,781	
Preschool Disabilities - Full-Time:					
Salaries of Teachers	81,281		81,281	81,281	
Total Preschool Disabilities - Full-Time	81,281		81,281	81,281	
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,028,666	(77,549)	951,117	849,172	101,945
Basic Skills/Remedial-Instruction					
Salaries of Teachers	297,099	77,549	374,648	374,648	
Total Basic Skills/Remedial-Instruction	297,099	77,549	374,648	374,648	

GUTTENBERG BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final To Actual
Bilingual Education - Instruction					
Other Salaries	839,047		839,047	830,947	8,100
General Supplies	10,000		10,000	671	9,329
Textbooks	10,000		10,000		10,000
Total Bilingual Education - Instruction	859,047		859,047	831,618	27,429
School-Sponsored Cocurricular Activities - Instruction					
Salaries	95,000		95,000	68,945	26,055
Other Purchased Services (300-500 series)	50,000		50,000	41,961	8,039
Total School-Sponsored Cocurricular Activities - Instruction	145,000		145,000	110,906	34,094
Total Distributed Expenditures	7,091,029		7,091,029	6,189,434	901,595
Undistributed Expenditures - Instruction					
Tuition to Other LEAs within the State - Regular	6,300,000	(1,320,660)	4,979,340	4,979,340	
Tuition to Other LEAs within the State - Special	367,522	(166)	367,356	367,356	
Tuition to CSSD & Regional Day Schools	430,322	(105,270)	325,052	325,052	
Tuition to Priv.Sch. For the Disabled W/I State	966,428	(477,958)	488,470	453,923	34,547
Tuition to State Facilities	61,944		61,944	61,944	
Total Undistributed Expenditures - Instruction	8,126,216	(1,904,054)	6,222,162	6,187,615	34,547
Undist. Expend. - Health Services					
Salaries	177,618		177,618	157,982	19,636
Purchased Professional and Technical Services	15,000		15,000	4,970	10,030
Supplies and Materials	15,000		15,000	13,941	1,059
Total Undistributed Expenditures - Health Services	207,618		207,618	176,893	30,725
Undist. Expenditures - Speech, OT, PT & Related Serv.					
Salaries	214,518		214,518	67,081	147,437
Purchased Professional - Educational Services	501,100		501,100	490,029	11,071
Total Undist. Expend. - Speech, OT, PT & Related Serv.	715,618		715,618	557,110	158,508
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	157,227		157,227	76,177	81,050
Salaries of Secretarial and Clerical Assistants	75,513		75,513	72,695	2,818
Total Undist. Expend. - Guidance	232,740		232,740	148,872	83,868
Undistributed Expenditures - Child Study Teams					
Salaries of Other Professional Staff	300,565		300,565	297,947	2,618
Salaries of Secretarial and Clerical Assistants	24,907	3,511	28,418	28,418	
Other Salaries	604,048	(3,511)	600,537	565,757	34,780
Purchased Professional - Educational Services		35,223	35,223		35,223
Total Undistributed Expenditures - Child Study Teams	929,520	35,223	964,743	892,122	72,621
Undist. Expend. - Improvement of Instructional Services					
Salaries of Other Professional Staff	195,000		195,000	142,453	52,547
Total Undist. Expend. - Improvement of Instructional Services	195,000		195,000	142,453	52,547
Undist. Expend. - Instructional Staff Training Services					
Salaries - Supervisors of Instruction	438,129	(2,935)	435,194	434,969	225
Salaries - Secretarial and Clerical Assistant	105,086	2,935	108,021	108,021	
Purchased Professional - Educational Services	65,000	5,178	70,178	68,178	2,000
Other Purchased Prof & Tech Services	45,000	(5,178)	39,822	27,477	12,345
Other Purchased Services (400-500 Series)	30,000		30,000	24,021	5,979
Total Undist. Expend. - Instructional Staff Training Services	683,215		683,215	662,666	20,549
Undist. Expend. - Support Serv. - General Administration					
Salaries	272,330	180	272,510	272,510	
Legal Services	51,000		51,000	51,000	
Audit Fees	38,000	1,000	39,000	39,000	
Internal Control Audit Fees	30,000		30,000	30,000	
Architectural/Engineering Services	33,112	(22,141)	10,971		10,971
Purchased Technical Services	8,000	400	8,400	8,400	
Communications/Telephone	64,000	(35,822)	28,178	27,424	754
BOE Other Purchased Services	500	1,006	1,506	465	1,041
Misc. Purchase 400-500 (Other 530 & 385)	2,465	(2,101)	364	363	1
General Supplies	5,000	5,541	10,541	6,306	4,235
BOE In-House Training/Meeting Supplies	3,500	1,650	5,150	3,708	1,442
Miscellaneous Expenditures	47,000	50,287	97,287	95,851	1,436
BOE Membership Dues and Fees	6,446		6,446	6,446	
Total Undist. Expend. - Supp. Serv. - General Administration	561,353		561,353	541,473	19,880

GUTTENBERG BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final To Actual
Undist. Expend. - Support Serv. - School Administration					
Salaries - Principal & Asst. Principal	139,868		139,868	138,859	1,009
Salaries of Secretarial and Clerical Assistants	37,206		37,206	29,536	7,670
Purchased Professional and Technical Services	20,000	2,066	22,066	11,866	10,200
Other Purchased Services	3,000	(2,066)	934		934
Total Undist. Expend. - Support Serv. - School Administration	200,074		200,074	180,261	19,813
Undistributed Expenditures - Central Services					
Salaries	330,204	4,137	334,341	334,340	1
Supplies and Materials	5,000		5,000	4,819	181
Total Undists Expend. - Central Services	335,204	4,137	339,341	339,159	182
Undist. Expend. - Admin. Info. Tech.					
Salaries	124,176	699	124,875	124,875	
Purchased Technical Services	30,000	(4,836)	25,164	12,094	13,070
Total Undist. Expend. - Admin. Info. Technology	154,176	(4,137)	150,039	136,969	13,070
Undist. Expend. - Required Maint. for School Facilities					
Salaries	80,324		80,324	79,744	580
Cleaning, Repair and Maintenance Services	309,476	111,217	420,693	397,360	23,333
Lead Testing	2,500	(1,535)	965		965
Total Undist. Expend. - Required Maint. for School Facilities	392,300	109,682	501,982	477,104	23,913
Undist. Expend. - Custodial Services					
Salaries	134,052	2,296	136,348	136,348	
Salaries of Non-Instructional Aides	160,000	(160,000)			
Contracted Maintenance - Cleaning	320,000	44,855	364,855	364,855	
Rental of Land & Bldg. Other than Lease Purch Agreement	23,000	1,200,000	1,223,000	1,215,373	7,627
Other Purchased Property Services	370,000	(233,724)	136,276	124,135	12,141
Insurance	285,000	21,221	306,221	306,221	
Miscellaneous Purchased Services	10,000	65,671	75,671	70,814	4,857
General Supplies	131,134		131,134	52,093	79,041
Energy (Natural Gas)	250,000	(50,000)	200,000	158,344	41,656
Energy (Electricity)	260,000	(30,000)	230,000	227,609	2,391
Total Undist. Expend. - Other Oper. & Maint. of Plant Svcs.	1,943,186	860,319	2,803,505	2,655,792	147,713
Undist. Expend. - Security					
Salaries	109,368		109,368	88,877	20,491
Purchased Professional and Technical Services	250,000		250,000	250,000	
Total Undistributed Expenditures - Security	359,368		359,368	338,877	20,491
Total Undistributed Expend.-Oper & Maint of Plant Svcs.	2,694,854	970,001	3,664,855	3,471,773	171,626
Undistributed Expenditures - Student Transportation Svcs.					
Contract Serv. (Spec Ed Stds) - Joint Agreements	350,000	881,382	1,231,382	1,213,766	17,616
Total Undist. Expend. - Student Transportation Svcs.	350,000	881,382	1,231,382	1,213,766	17,616
TOTAL UNDISTRIBUTED EXPENDITURES	15,385,588	(17,448)	15,368,140	14,651,132	716,043
ALLOCATED BENEFITS					
Regular Programs - Instruction - Employee Benefits					
Social Security Contributions	115,000		115,000	106,893	8,107
T.P.A.F. Contributions - ERIP	10,000	9,766	19,766	10,735	9,031
Unemployment Compensation	42,000		42,000	38,975	3,025
Health Benefits	1,070,962	(100,594)	970,368	778,531	191,837
Tuition Reimbursement	40,000	49,696	89,696	89,696	
Other Employee Benefits	10,000		10,000	3,562	6,438
Total Regular Programs - Instruction	1,287,962	(41,132)	1,246,830	1,028,392	218,438
Special Programs - Instruction - Employee Benefits					
Social Security Contributions					
Health Benefits	766,168	(66,500)	699,668	682,413	17,255
Other Employee Benefits	5,000		5,000	1,800	3,200
Unused Sick Payment to Terminated/Retired Staff	9,268		9,268		9,268
Total Special Programs - Instruction - Employee Benfits	780,436	(66,500)	713,936	684,213	29,723
Health Services - Employee Benefits					
Social Security Contributions	2,400		2,400		2,400
Health Benefits	64,620	(15,706)	48,914	37,316	11,598
Other Employee Benefits	2,000		2,000		2,000
Total Health Services - Employee Benefits	69,020	(15,706)	53,314	37,316	15,998
Other Support Serv. - Speech, OT, PT, & Rel. Svc - Employee Benefits					
Social Security Contributions	15,200		15,200		15,200
Health Benefits	89,855	(10,525)	79,330	12,843	66,487
Other Employee Benefits	1,000		1,000		1,000
Total Other Support Services- Employee Benefits	106,055	(10,525)	95,530	12,843	82,687
Other Support Services - Guidance - Employee Benefits:					
Social Security Contributions	9,900		9,900		9,900
Health Benefits	106,941		106,941	69,751	37,190
Other Employee Benefits	4,000		4,000	300	3,700
Total Other Support Services - Guidance - Employee Benefits	120,841		120,841	70,051	50,790
Other Support Services - Child Study Team - Employee Benefits					
Social Security Contributions	8,500	(8,500)			
Health Benefits	84,786	(13,574)	71,212	51,910	19,302
Other Employee Benefits	3,000	137,852	140,852	134,018	6,834

GUTTENBERG BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final To Actual
Total Other Support Svcs - Child Study Team - Employee Benefits	96,286	115,778	212,064	185,928	26,136
Instructional Staff Training Services - Employee Benefits					
Social Security Contributions	4,800		4,800		4,800
Health Benefits	217,809	2,599	220,408	220,408	
Other Employee Benefits	6,800		6,800	450	6,350
Total Instructional Staff Training Services - Employee Benefits	229,409	2,599	232,008	220,858	11,150
Support Services - General Admin - Employee Benefits					
Social Security Contributions	4,800		4,800	4,435	365
Health Benefits	75,745		75,745	74,435	1,310
Other Employee Benefits	2,200		2,200	545	1,655
Total Support Services - General Admin - Employee Benefits	82,745		82,745	79,415	3,330
Support Services - School Admin - Employee Benefits					
Social Security Contributions	5,200		5,200	2,217	2,983
Health Benefits	50,407	12,123	62,530	62,530	
Other Employee Benefits	800		800	146	654
Total Support Services - School Admin - Employee Benefits	56,407	12,123	68,530	64,893	3,637
Support Services - Central Services - Employee Benefits					
Social Security Contributions	20,000		20,000	11,486	8,514
Health Benefits	45,465		45,465	44,925	540
Other Employee Benefits	2,000		2,000	(602)	2,602
Total Support Services - Central Services - Employee Benefits	67,465		67,465	55,809	11,656
Support Services - Admin. Info. Tech. - Employee Benefits					
Social Security Contributions	4,000	5,470	9,470	9,470	
Health Benefits	45,468	(8,816)	36,652	36,651	1
Other Employee Benefits	1,400	(419)	981		981
Total Support Services - Admin. Info. Tech. - Employee Benefits	50,868	(3,765)	47,103	46,121	982
Custodial Services - Employee Benefits					
Social Security Contributions	4,200	5,750	9,950	9,950	
Health Benefits	64,932		64,932	64,846	86
Other Employee Benefits	2,200	(366)	1,834	150	1,684
Total Custodial Services - Employee Benefits	71,332	5,384	76,716	74,946	1,770
Support Services - Security - Employee Benefits					
Social Security Contributions	2,200		2,200		2,200
Health Benefits	12,895	1,743	14,638	14,638	
Total Security - Employee Benefits	15,095	1,743	16,838	14,638	2,200
TOTAL ALLOCATED BENEFITS	3,033,921	(1)	3,033,920	2,575,423	458,497
UNALLOCATED BENEFITS					
Unallocated Benefits - Employee Benefits					
Other Retirement Contributions - PERS	168,000		168,000	158,644	9,356
Total Unallocated Benefits - Employee Benefits	168,000		168,000	158,644	9,356
Total Personal Services - Employee Benefits	3,201,921	(1)	3,201,920	2,734,067	467,853
On-behalf TPAF Pension Contributions (On-Behalf - Non Budgeted)				2,358,674	(2,358,674)
On-behalf TPAF Postretirement Medical Contributions (On-Behalf - Non Budgeted)				649,266	(649,266)
On-behalf TPAF Long Term Disability Insurance (non-budgeted)				1,432	(1,432)
On-behalf TPAF Non-Contributory Insurance (non-budgeted)				26,899	(26,899)
Reimbursed TPAF Social Security Contributions (non-budgeted)				601,875	(601,875)
TOTAL ON-BEHALF CONTRIBUTIONS				3,638,146	(3,638,146)
TOTAL UNDISTRIBUTED EXPENDITURES	18,587,509	(17,449)	18,570,060	21,023,345	(2,453,285)
TOTAL GENERAL CURRENT EXPENSE	25,678,538	(17,449)	25,661,089	27,212,779	(1,551,690)

GUTTENBERG BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

Exhibit C-1

Page 5 of 5

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CAPITAL OUTLAY					
Equipment:					
Autism		3,241	3,241		3,241
Total Equipment		3,241	3,241		3,241
Undist. Expenditures - Facilities Acquisition and Construction Services:					
Legal Services					
Architectural/Engineering Services	183,762	(3,241)	180,521	15,271	165,250
Construction Services	5,752,493		5,752,493	62,887	5,689,606
Total Facilities Acquisition and Construction Services	5,936,255	(3,241)	5,933,014	78,158	5,854,856
Assets Acquired under Leases (Non-Budgeted):					
Instruction - Copiers				205,012	(205,012)
Undistributed Expend. - Guidance - Copier				5,221	(5,221)
Total Assets Acquired under Leases (Non-Budgeted)				210,233	(210,233)
TOTAL CAPITAL OUTLAY	5,936,255		5,936,255	288,391	5,647,864
GENERAL FUND					
Transfer of Funds to Charter Schools	10,554	52,672	63,226	63,226	
TOTAL EXPENDITURES	31,625,347	35,223	31,660,570	27,564,396	4,096,174
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(5,084,842)		(5,084,842)	3,104,567	8,189,409
Other Financing Sources/(Uses):					
Leases (Non-Budgeted)				210,233	210,233
Total Other Financing Sources/(Uses):				210,233	210,233
Excess (Deficiency) of Revenues and Other Financing Sources					
Over (Under) Expenditures and Other Financing Sources (Uses)	(5,084,842)		(5,084,842)	3,314,800	8,399,642
Fund Balance, July 1			12,026,661	12,026,661	
Fund Balance, June 30	(5,084,842)		6,941,819	15,341,461	8,399,642
Recapitulation of excess (deficiency) of revenues under expenditures					
Adjustment for Prior Year Encumbrances	(288,626)		(288,626)	(288,626)	
Budgeted Fund Balance	(4,796,216)		(4,796,216)	3,603,426	8,399,642
	(5,084,842)		(5,084,842)	3,314,800	8,399,642
Recapitulation					
Restricted Fund Balance:					
Capital Reserve				7,136,001	
Excess Surplus - Designated for					
Subsequent year's expenditures				3,247,899	
Excess Surplus - Current Year				4,070,847	
Assigned Fund Balance:					
Year-End Encumbrances				331,209	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				81,185	
Unassigned Fund Balance				474,320	
Reconciliation to Governmental Funds Statement (GAAP):				15,341,461	
Less: Last State Aid Payment not recognized, GAAP Basis				(1,485,361)	
Fund Balance per Governmental Funds (GAAP)				13,856,100	

GUTTENBERG BOARD OF EDUCATION
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual	
REVENUES:						
Local Sources	9,100	-	9,100	44,568	35,468	Note (1)
State Sources	221,046	20,548	241,594	224,349	(17,245)	
Federal Sources	4,999,191	1,890,441	6,889,632	6,332,901	(556,731)	
Total Revenues	5,229,337	1,910,989	7,140,326	6,601,818	(538,508)	
EXPENDITURES:						
Instruction:						
Salaries of Teachers	160,762	499,685	660,447	631,099	29,348	
Other Salaries for Instruction		424,068	424,068	275,767	148,301	
Purchased Professional - Educational Services		72,278	72,278	71,360	918	
# Other Purchased Services (400-500 series)	4,999,191	(4,799,191)	200,000	200,000	-	
General Supplies	30,222	1,289,111	1,319,333	1,131,554	187,779	
Total instruction	5,190,175	(2,514,049)	2,676,126	2,309,780	366,346	
Support services:						
Salaries of Program Directors		2,400	2,400	2,225	175	
Salaries of Other Professional Staff		353,838	353,838	282,826	71,012	
Personal Services - Employee Benefits	30,062	635,164	665,226	555,686	109,540	
Purchased Professional - Educational Services		17,475	17,475	17,475	-	
Purchased Professional and Technical Services		294,751	294,751	280,343	14,408	
Purchased Property Services		112,838	112,838	112,838	-	
Other Purchased Professional Services		45,472	45,472	33,685	11,787	
Supplies & Materials		50,866	50,866	41,058	9,808	
Student Activities	7,000	(7,000)		48,038	(48,038)	
Scholarships and Awards	2,100	(2,100)		1,130	(1,130)	
Total support services	39,162	1,503,704	1,542,866	1,375,304	167,562	
Facilities acquisition and const. serv.:						
Buildings/Renovations		2,911,178	2,911,178	2,911,178	-	
Instructional Equipment		2,102	2,102	2,102	-	
Non-Instructional Equipment		8,054	8,054	8,054	-	
Total facilities acquisition and const. serv.	-	2,921,334	2,921,334	2,921,334	-	
Total Expenditures	5,229,337	1,910,989	7,140,326	6,606,418	533,908	
Excess (Deficiency) of Revenues Over (Under)						
Expenditures and Other Financing Sources (Uses)	-	-	-	(4,600)	(4,600)	
Fund Balance, July 1				24,594		
Fund Balance, June 30				19,994		
Recapitulation:						
Restricted:						
Scholarships				7,821		
Student Activities				12,173		
Total Fund Balance				19,994		

Note 1 - Not Required to budget for these funds.

GUTTENBERG BOARD OF EDUCATION
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information - Part II
Fiscal Year Ended June 30, 2024

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

		General Fund	Special Revenue Fund
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule	[C-1]&[C-2]	30,668,963	6,601,818
Differences - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that			
encumbrances are recognized as expenditures, and the related			
2024			
Prior Year			
Current Year			
State aid payment recognized for GAAP statements in the			
current year, previously recognized for budgetary purposes.		1,144,700	(18,229)
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).		(1,485,361)	18,229
Total revenues as reported on the statement of revenues, expenditures			
and changes in fund balances - governmental funds.	[B-2]	<u>30,328,302</u>	<u>6,601,818</u>
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the	[C-1]&[C-2]	27,564,396	6,606,418
budgetary comparison schedule			
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 the in year the supplies are received			
for financial reporting purposes.			
Prior Year			
Current Year			
Total expenditures as reported on the statement of revenues,			
expenditures, and changes in fund balances - governmental funds	[B-2]	<u>27,564,396</u>	<u>6,606,418</u>

**REQUIRED SUPPLEMENTARY
INFORMATION - PART III**

GUTTENBERG BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability - Public Employees Retirement System
Last 10 Fiscal Years

Fiscal Year Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered Payroll - PERS Employee's	District's		Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
				Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of the Total Pension Liability	
2015	0.0126369266%	\$	\$	1,105,455	214.03%	52.08%
2016	0.0150120072%		1,017,583	993,558	331.17%	47.93%
2017	0.0163373900%	4,838,666	897,879	803,989	487.00%	59.86%
2018	0.0149705330%	3,484,901	876,767	904,632	388.13%	48.10%
2019	0.0139232100%	2,741,412	898,518	1,046,763	340.98%	53.60%
2020	0.0119393802%	2,151,295	1,123,169	149.24%	245.37%	56.27%
2021	0.0111477717%	1,817,910			200.96%	58.32%
2022	0.0116638295%	1,381,755			153.78%	70.33%
2023	0.0124394946%	1,877,291			179.34%	62.91%
2024	0.0115723042%	1,676,176				65.23%

GUTTENBERG BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of the District's Contributions - Public Employees Retirement System
Last 10 Fiscal Years

Fiscal Year Ending June 30,	Contractually Required Contribution	Contributions in Relation to the		Contribution Deficiency (Excess)	District's PERS Covered- Employee Payroll	Contributions as a Percentage of PERS Covered- Employee Payroll
		Contractually Required Contributions	Contractually Required Contributions			
2015	\$ 104,177	\$	(213,991)	\$ (109,814)	\$ 1,105,455	9.42%
2016	129,063		(208,873)	(79,810)	1,017,583	12.68%
2017	145,139		(217,018)	(71,879)	993,558	14.61%
2018	138,686		(138,686)	-	897,879	15.45%
2019	138,491		(138,491)	-	803,989	17.23%
2020	116,135		(116,135)	-	876,767	13.25%
2021	121,951		(121,951)	-	904,632	13.48%
2022	136,597		(136,597)	-	898,518	15.20%
2023	156,868		(156,868)	-	1,046,763	14.99%
2024	154,667		(154,667)	-	1,123,169	13.77%

GUTTENBERG BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability - Teacher's Pension & Annuity Fund
Last 10 Fiscal Years

Fiscal Year Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	State's		District's Covered Payroll - TPAF Employee's	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
			Share of the Net Pension Liability Associated with the District (Asset)	Proportionate Share of the Net Pension Liability			
2015	0.0426297375%		\$ 24,744,440		\$ 5,690,343	0.00%	33.64%
2016	0.0497211990%		31,425,921		5,641,459	0.00%	28.71%
2017	0.0542707916%		42,692,860		5,795,976	0.00%	22.33%
2018	0.0563326534%		37,981,506		5,978,912	0.00%	25.41%
2019	0.0537065888%		34,166,978		6,197,942	0.00%	26.49%
2020	0.0555920406%		34,117,360		6,581,803	0.00%	26.95%
2021	0.0562468390%		37,037,867		6,612,057	0.00%	24.60%
2024	0.0573729520%		27,582,155		6,789,473	0.00%	35.52%
2023	0.0597478248%		30,826,541		7,500,275	0.00%	32.29%
2024	0.0573015643%		29,242,518		7,926,678	0.00%	34.68%

GUTTENBERG BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of the School District's Contribution
Teachers' Pension and Annuity Fund (TPAF)
Last 10 Fiscal Years

This schedule is not applicable.

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

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

2024

GUTTENBERG BOARD OF EDUCATION
Note to Required Schedules of Supplementary Information - Part III
Fiscal Year Ended June 30, 2024

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms: None

Change in assumptions: Assumptions used in calculating the net pension liability and
statutorily required employer contribution are presented in
Note 7 of the Notes to the Financial Statements.

2024

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms: None

Change in assumptions: Assumptions used in calculating the net pension liability and
statutorily required employer contribution are presented in
Note 7 of the Notes to the Financial Statements.

GUTTENBERG BOARD OF EDUCATION
Schedule of Required Supplementary Information
Schedule of Changes in the District's Proportionate Share of the State OPEB Liability
*Last 10 Fiscal Years**

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service Costs	1,248,826	1,744,745	1,949,391	1,123,892	989,377	\$ 1,117,421	\$ 1,358,037
Interest on Total OPEB Liability	819,043	604,956	689,490	654,007	779,452	883,699	760,681
Changes of Benefit Terms			(28,290)				
Difference between Expected and Actual Experiences	(1,068,992)	602,466	(4,871,777)	4,890,088	(3,110,567)	(3,673,130)	(3,368,446)
Changes in Assumptions	46,874	(6,123,702)	26,222	5,359,332	265,512	(2,227,878)	(551,613)
Gross Benefit Payments	(638,457)	(599,227)	(543,125)	(510,778)	(546,639)	(519,129)	(519,129)
Contribution from the Member	20,989	19,223	17,627	15,482	16,204	17,942	20,312
Net Changes in total Share of OPEB Liability	<u>428,283</u>	<u>(3,751,539)</u>	<u>(2,760,462)</u>	<u>11,532,023</u>	<u>(1,606,661)</u>	<u>(4,401,075)</u>	<u>(1,781,029)</u>
Total OPEB Liability - Beginning	<u>22,827,575</u>	<u>26,579,114</u>	<u>29,339,576</u>	<u>17,807,553</u>	<u>19,414,214</u>	<u>23,815,289</u>	<u>25,596,318</u>
Total OPEB Liability - Ending	<u>\$ 23,255,858</u>	<u>\$ 22,827,575</u>	<u>\$ 26,579,114</u>	<u>\$ 29,339,576</u>	<u>\$ 17,807,553</u>	<u>\$ 19,414,214</u>	<u>\$ 23,815,289</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	23,255,858	22,827,575	26,579,114	29,339,576	17,807,553	19,414,214	23,815,289
Total OPEB Liability - Ending	<u>\$ 23,255,858</u>	<u>\$ 22,827,575</u>	<u>\$ 26,579,114</u>	<u>\$ 29,339,576</u>	<u>\$ 17,807,553</u>	<u>\$ 19,414,214</u>	<u>\$ 23,815,289</u>
District's Covered Employee Payroll	<u>\$ 9,049,847</u>	<u>\$ 8,547,038</u>	<u>\$ 7,687,991</u>	<u>\$ 7,516,689</u>	<u>\$ 7,458,570</u>	<u>\$ 7,001,931</u>	<u>\$ 6,876,791</u>
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%

Notes to Schedule:

*This schedule does not contain ten years of information as GASB No. 75 was implemented during fiscal year ended June 30, 2018

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

Change in benefit terms Decrease in liability due to employers adopting provisions of Chapter 44.

Change in assumptions Assumptions used in calculating the OPEB liability are presented in Note 8.

Other Supplementary Information

SPECIAL REVENUE FUND

GUTTENBERG BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
June 30, 2024

	Total Brought Forward (Ex. E-1a)	Title I, Improving Basic Skills	Title I, SLA School Improvement Award	Title II, Part A Teacher and Principal Training and Recruiting Fund	Title III, English Language Acquisition and Language Enhancement	Title III - Immigrant	Totals 2024
REVENUES							
Local Sources	44,568						44,568
State Sources	224,349						224,349
Federal Sources	5,031,012	1,130,930	32,604	79,577	27,623	31,155	6,332,901
Total Revenues	5,299,929	1,130,930	32,604	79,577	27,623	31,155	6,601,818
EXPENDITURES:							
Instruction:							
Salaries of Teachers	223,575	342,409	11,811	34,296		19,008	631,099
Other Salaries for Instruction	140,348	110,220	3,960		21,239		275,767
Purchased Professional - Educational Services	70,966	394					71,360
Other Purchased Services (400-500 series)	200,000						200,000
General Supplies	985,525	126,692	13,092		906	5,339	1,131,554
Total instruction	1,620,414	579,715	28,863	34,296	22,145	24,347	2,309,780
Support services:							
Salaries of Program Directors	-	2,225					2,225
Salaries of Other Professional Staff	189,341	93,485					282,826
Personal Services - Employee Benefits	135,159	371,896	609	45,281	1,625	1,116	555,686
Purchased Professional - Educational Services	17,475						17,475
Purchased Professional and Technical Services	201,764	70,529	2,650		3,853	1,547	280,343
Purchased Property Services	112,838						112,838
Other Purchased Professional Services	28,845	3,213	482			1,145	33,685
Supplies & Materials	28,191	9,867				3,000	41,058
Student Activities	48,038						48,038
Scholarships and Awards	1,130						1,130
Total support services	762,781	551,215	3,741	45,281	5,478	6,808	1,375,304
Facilities acquisition and const. serv.:							
Buildings/Renovations	2,911,178						2,911,178
Instructional Equipment	2,102						2,102
Non-Instructional Equipment	8,054						8,054
Total facilities acquisition and const. serv.	2,921,334	-	-	-	-	-	2,921,334
Total Expenditures	5,304,529	1,130,930	32,604	79,577	27,623	31,155	6,606,418
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(4,600)	-	-	-	-	-	(4,600)
Fund Balance, July 1	24,594						24,594
Fund Balance, June 30	19,994	-	-	-	-	-	19,994

GUTTENBERG BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures – Budgetary Basis
Fiscal Year Ended June 30, 2024

	Total Brought Forward (Ex. E-1b)	Title IV	LD E.A. Part B, Basic	LDE A. Part B Preschool	Preschool Education Aid	SDA Emergent Needs	Total Carried Forward
REVENUES							
Local Sources	44,568						44,568
State Sources	-	21,408	267,406	10,549	203,799	20,550	224,349
Federal Sources	4,731,649						5,031,012
Total Revenues	4,776,217	21,408	267,406	10,549	203,799	20,550	5,299,929
EXPENDITURES:							
Instruction:							
Salaries of Teachers	67,313				156,262		223,575
Other Salaries for Instruction	140,348						140,348
Purchased Professional - Educational Services	-		60,900	10,066			70,966
Other Purchased Services (400-500 series)	-		200,000				200,000
General Supplies	978,459	4,160	2,506	400			985,525
Total Instruction	1,186,120	4,160	263,406	10,466	156,262	-	1,620,414
Support services:							
Salaries of Program Directors	-						-
Salaries of Other Professional Staff	179,441	9,900					189,341
Personal Services - Employee Benefits	104,279	818			30,062		135,159
Purchased Professional - Educational Services	-				17,475		17,475
Purchased Professional and Technical Services	195,234	6,530					201,764
Purchased Property Services	92,288					20,550	112,838
Other Purchased Professional Services	28,845						28,845
Supplies & Materials	24,108		4,000	83			28,191
Student Activities	48,038						48,038
Scholarships and Awards	1,130						1,130
Total support services	673,363	17,248	4,000	83	47,537	20,550	762,781
Facilities acquisition and const. serv.:							
Buildings/Renovations	2,911,178						2,911,178
Instructional Equipment	2,102						2,102
Non-Instructional Equipment	8,054						8,054
Total facilities acquisition and const. serv.	2,921,334	-	-	-	-	-	2,921,334
Total Expenditures	4,780,817	21,408	267,406	10,549	203,799	20,550	5,304,529
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(4,600)	-	-	-	-	-	(4,600)
Fund Balance, July 1	24,594						24,594
Fund Balance, June 30	19,994	-	-	-	-	-	19,994

GUTTENBERG BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2024

	Total Brought Forward (Ex. E-1c)	ESSER II	ARP ESSER III	ARP, ESSER III - Late Liquidation	ARP, ESSER III Accelerated Learning, Coach & Educator Support	ARP, ESSER III Evidence Based Summer Learning & Enrichment	Total Carried Forward
Local Sources	44,568						44,568
State Sources	-						-
Federal Sources	38,618	223,316	1,834,085	2,500,000	130,198	5,432	4,731,649
Total Revenues	83,186	223,316	1,834,085	2,500,000	130,198	5,432	4,776,217
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-	79,983	44,028		67,313	5,100	67,313
Other Salaries for Instruction	-						140,348
Purchased Professional - Educational Services	-						-
Other Purchased Services (400-500 series)	-						-
General Supplies	1,312	109,775	867,372				978,459
Total Instruction	12,549	189,758	911,400	-	67,313	5,100	1,186,120
Support services:							
Salaries of Program Directors	-						-
Salaries of Other Professional Staff	-	19,393	160,048				179,441
Personal Services - Employee Benefits	860		40,202		62,885	332	104,279
Purchased Professional - Educational Services	-						-
Purchased Professional and Technical Services	14,056	14,165	167,013				195,234
Purchased Property Services	-		92,288				92,288
Other Purchased Professional Services	6,131		22,714				28,845
Supplies & Materials	5,022		19,086				24,108
Student Activities	48,038						48,038
Scholarships and Awards	1,130						1,130
Total support services	75,237	33,558	501,351	-	62,885	332	673,363
Facilities acquisition and const. serv.:							
Buildings/Renovations	-		411,178	2,500,000			2,911,178
Instructional Equipment	-		2,102				2,102
Non-Instructional Equipment	-		8,054				8,054
Total facilities acquisition and const. serv.	-	-	421,334	2,500,000	-	-	2,921,334
Total Expenditures	87,786	223,316	1,834,085	2,500,000	130,198	5,432	4,780,817
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(4,600)	-	-	-	-	-	(4,600)
Fund Balance, July 1	24,594						24,594
Fund Balance, June 30	19,994	-	-	-	-	-	19,994

GUTTENBERG BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures – Budgetary Basis
Fiscal Year Ended June 30, 2024

	Total Brought Forward (Ex. E-1d)	ARP, ESSER III Beyond the School Day	ARP, ESSER III NJTSS Mental Health Support	ARP, ESSER III Homeless Children & Youth II	Anna L. Klein School Fund	Anna L. Klein Student Activity Fund	Total Carried Forward
REVENUES							
Local Sources	35,467				1,902	7,199	44,568
State Sources	-	19,982	11,763	6,873			38,618
Federal Sources	-						-
Total Revenues	35,467	19,982	11,763	6,873	1,902	7,199	83,186
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-						-
Other Salaries for Instruction	-	11,237					11,237
Purchased Professional - Educational Services	-						-
Other Purchased Services (400-500 series)	-	1,312					1,312
General Supplies	-						-
Total instruction	-	12,549	-	-	-	-	12,549
Support services:							
Salaries of Program Directors	-						-
Salaries of Other Professional Staff	-						-
Personal Services - Employee Benefits	-	860					860
Purchased Professional - Educational Services	-						-
Purchased Professional and Technical Services	-	2,293	11,763				14,056
Purchased Property Services	-						-
Other Purchased Professional Services	-			6,131			6,131
Supplies & Materials	-	4,280		742			5,022
Student Activities	34,727				2,379	10,932	48,038
Scholarships and Awards	1,130						1,130
Total support services	35,857	7,433	11,763	6,873	2,379	10,932	75,237
Facilities acquisition and const. serv.:							
Buildings/Renovations	-						-
Instructional Equipment	-						-
Non-Instructional Equipment	-						-
Total facilities acquisition and const. serv.	-	-	-	-	-	-	-
Total Expenditures	35,857	19,982	11,763	6,873	2,379	10,932	87,786
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(390)	-	-	-	(477)	(3,733)	(4,600)
Fund Balance, July 1	17,049				2,538	5,007	24,594
Fund Balance, June 30	16,659	-	-	-	2,061	1,274	19,994

GUTTENBERG BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2024

	Graduating Class Fund	Student Council Account	Anna L. Klein Yearbook Account	Mauro Scholarship Account	Total Carried Forward
REVENUES					
Local Sources	31,694	639	2,601	533	35,467
State Sources					-
Federal Sources					-
Total Revenues	31,694	639	2,601	533	35,467
EXPENDITURES:					
Instruction:					
Salaries of Teachers					-
Other Salaries for Instruction					-
Purchased Professional - Educational Services					-
Other Purchased Services (400-500 series)					-
General Supplies					-
Total instruction	-	-	-	-	-
Support services:					
Salaries of Program Directors					-
Salaries of Other Professional Staff					-
Personal Services - Employee Benefits					-
Purchased Professional - Educational Services					-
Purchased Professional and Technical Services					-
Purchased Property Services					-
Other Purchased Professional Services					-
Supplies & Materials					-
Student Activities	31,291	842	2,594	1,130	34,727
Scholarships and Awards					1,130
Total support services	31,291	842	2,594	1,130	35,857
Facilities acquisition and const. serv.:					
Buildings/Renovations					-
Instructional Equipment					-
Non-Instructional Improvements					-
Total facilities acquisition and const. serv.	-	-	-	-	-
Total Expenditures	31,291	842	2,594	1,130	35,857
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	403	(203)	7	(597)	-
Fund Balance, July 1	4,114	3,533	984	8,418	17,049
Fund Balance, June 30	4,517	3,330	991	7,821	16,659

GUTTENBERG BOARD OF EDUCATION
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
Fiscal Year Ended June 30, 2024

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	160,762	156,262	4,500
General Supplies	12,745	-	12,745
Total instruction	<u>173,507</u>	<u>156,262</u>	<u>17,245</u>
Support services:			
Personal Services - Employee Benefits	30,062	30,062	-
Purchased Professional - Educational Services	17,475	17,475	-
Total support services	<u>47,537</u>	<u>47,537</u>	<u>-</u>
Total expenditures	<u><u>221,044</u></u>	<u><u>203,799</u></u>	<u><u>17,245</u></u>

Calculation of Budget and Carryover

Total Revised 2023-24 Preschool Education Aid Allocation	182,291
ECPA/ELLI Conversion to Preschool Education Aid Project	25,000
Add: Actual ECPA/PEA Carryover (June 30, 2023)	43,814
Add: Budgeted transfer from General Fund 2023-24	-
Total Preschool Education Funds Available for 2023-24 Budget	251,105
Less: 2022-23 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>(221,044)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2024	30,061
Add: Prior Year Accounts Payable Cancelled	7,975
Add: June 30, 2024 Unexpended Preschool Education Aid	17,245
2023-24 Actual Carryover - Preschool Education Aid Programs	<u><u>55,281</u></u>
2023-24 Preschool Education Aid Carryover Budgeted for Preschool Programs 2024-25	<u><u>43,814</u></u>

<p>PROPRIETARY FUNDS</p>

GUTTENBERG BOARD OF EDUCATION
Combining Statement of Net Position
Enterprise Funds
June 30, 2024

	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>	
	Food Service Program	Building Maintenance	<u>Totals</u>
ASSETS			
Current assets:			
Cash and cash equivalents	214,824	161,564	376,388
Accounts receivable:			
State	1,006		1,006
Federal	23,321		23,321
Other	13,867		13,867
Inventories	11,496		11,496
Total current assets	<u>264,514</u>	<u>161,564</u>	<u>426,078</u>
Noncurrent assets:			
Capital assets:			
Equipment	91,769		91,769
Less accumulated depreciation:			
Equipment	<u>(56,611)</u>		<u>(56,611)</u>
Total capital assets (net of accumulated depreciation)	<u>35,158</u>	<u>-</u>	<u>35,158</u>
Total assets	<u>299,672</u>	<u>161,564</u>	<u>461,236</u>
LIABILITIES			
Current liabilities:			
Accounts payable	84,447		84,447
Total current liabilities	<u>84,447</u>	<u>-</u>	<u>84,447</u>
NET POSITION			
Net Investment in Capital Assets	35,158	-	35,158
Restricted contributed capital	32,055		32,055
Unrestricted	148,012	161,564	309,576
Total net position	<u>215,225</u>	<u>161,564</u>	<u>376,789</u>

GUTTENBERG BOARD OF EDUCATION
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds
Fiscal Year Ended June 30, 2024

	<u>Enterprise Funds</u> Food Service Program	Internal Service Fund Building Maintenance	<u>Totals</u>
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	34,061		34,061
Daily sales - non-reimbursable programs	7,647		7,647
Total operating revenues	<u>41,708</u>	<u>-</u>	<u>41,708</u>
Operating expenses:			
Cost of sales - reimbursable programs	240,972		240,972
Cost of sales - non-reimbursable programs	1,663		1,663
Salaries	373,965		373,965
Supplies and materials	1,129		1,129
Employee benefits	57,092		57,092
Cleaning repair & maintenance	1,184		1,184
Purchased services	29,595		29,595
Depreciation	742		742
Total Operating Expenses	<u>706,342</u>	<u>-</u>	<u>706,342</u>
Operating income (loss)	<u>(664,634)</u>	<u>-</u>	<u>(664,634)</u>
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	16,837		16,837
State school breakfast program	2,106		2,106
Federal sources:			
National school lunch program	400,833		400,833
National school breakfast program	36,709		36,709
Food distribution program	48,982		48,982
Supply Chain Assistance	26,903		26,903
Interest and investment revenue	25,517	5,171	30,688
Total nonoperating revenues (expenses)	<u>557,887</u>	<u>5,171</u>	<u>563,058</u>
Income (loss) before contributions & transfers	<u>(106,747)</u>	<u>5,171</u>	<u>(101,576)</u>
Change in net position	(106,747)	5,171	(101,576)
Total net position—beginning	<u>321,972</u>	<u>156,393</u>	<u>478,365</u>
Total net position—ending	<u><u>215,225</u></u>	<u><u>161,564</u></u>	<u><u>376,789</u></u>

GUTTENBERG BOARD OF EDUCATION
Combining Statement of Cash Flows
Enterprise Funds
Fiscal Year Ended June 30, 2024

	<u>Enterprise Funds</u> Food Service Program	<u>Internal Service Fund</u> Building Maintenance	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	41,708	-	41,708
Payments to employees	(183,144)	-	(183,144)
Payments to outside food service management company	(419,194)	-	(419,194)
Payments for supplies	(1,512)	-	(1,512)
Payments for miscellaneous expenditures	(17,141)	-	(17,141)
Payments for interfunds	(37,349)	-	(37,349)
Net cash provided by (used for) operating activities	<u>(616,632)</u>	<u>-</u>	<u>(579,283)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	19,124		19,124
Federal Sources	475,087		475,087
Net cash provided by (used for) non-capital financing activities	<u>494,211</u>	<u>-</u>	<u>494,211</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(6,560)		(6,560)
Net cash provided by (used for) capital and related financing activities	<u>(6,560)</u>	<u>-</u>	<u>(6,560)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	25,517	5,171	30,688
Net cash provided by (used for) investing activities	<u>25,517</u>	<u>5,171</u>	<u>30,688</u>
Net increase (decrease) in cash and cash equivalents	(103,464)	5,171	(60,944)
Balances—beginning of year	318,288	156,393	474,681
Balances—end of year	<u>214,824</u>	<u>161,564</u>	<u>413,737</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	(664,634)	-	(664,634)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and net amortization	742		742
Food Distribution Program	48,982		48,982
(Increase) decrease in accounts receivable, net	(13,868)		(13,868)
(Increase) decrease in inventories	(1,112)		(1,112)
Increase (decrease) in interfunds payable	(37,349)		(37,349)
Increase (decrease) in accounts payable	50,607		50,607
Total adjustments	<u>48,002</u>	<u>-</u>	<u>48,002</u>
Net cash provided by (used for) operating activities	<u>(616,632)</u>	<u>-</u>	<u>(616,632)</u>

LONG-TERM DEBT

GUTTENBERG BOARD OF EDUCATION
General Long Term Debt Account Group
Schedule of Obligations Under Leases Payable
June 30, 2024

Description	Amount of Original Issues	Interest Rate Payable	Amount Outstanding on July 1, 2023	Issued in Current Year	Retired in Current Year	Amount Outstanding on June 30, 2024
Board of Education Office Space	64,059	4.00%	22,137		22,137	-
Copiers	205,011	4.00%		210,233	26,287	183,946
Copiers	196,736	4.000%	96,096		61,720	34,376
TOTAL			\$ 118,233	210,233	110,144	218,322

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

Financial Trends

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- J-2 Changes in Net Assets/Position
- J-3 Fund Balances - Governmental Funds
- J-4 Changes in Fund Balances - Governmental Funds
- J-5 General Fund Other Local Revenue by Source

Revenue Capacity

- J-6 Assessed Value and Estimated Actual Value of Taxable Property
- J-7 Direct and Overlapping Property Tax Rates
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Debt Capacity

- J-10 Ratios of Outstanding Debt by Type
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Demographic and Economic Information

- J-14 Demographic and Economic Statistics
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- J-16 Full-time Equivalent District Employees by Function/Program
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- J-18 School Building Information*
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STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

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Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time.	J-1 to J-5
Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.	J-6 to J-9
Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20
Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports (ACFR) for the relevant year.	

Guttenberg Board of Education
Net Position by Component
Last Ten Fiscal Years
Guttenberg Board of Education

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets										
Restricted	\$ 3,761,335	\$ 8,877,172	\$ 17,357,797	\$ 25,027,092	26,663,442	26,494,678	25,906,672	25,647,262	25,099,924	27,358,874
Unrestricted	3,404,521	3,602,582	3,501,923	3,226,924	3,292,282	3,123,691	5,403,612	8,303,871	11,725,135	15,028,705
	<u>(3,535,225)</u>	<u>(3,658,745)</u>	<u>(3,999,207)</u>	<u>(4,175,396)</u>	<u>(4,213,129)</u>	<u>(4,136,009)</u>	<u>(3,642,039)</u>	<u>(3,476,206)</u>	<u>(3,815,264)</u>	<u>(3,934,684)</u>
Total governmental activities net position	<u>\$ 3,630,631</u>	<u>\$ 8,821,009</u>	<u>\$ 16,860,513</u>	<u>\$ 24,078,620</u>	<u>\$ 25,742,595</u>	<u>\$ 25,482,360</u>	<u>\$ 27,668,245</u>	<u>\$ 30,474,927</u>	<u>\$ 33,009,795</u>	<u>\$ 38,452,895</u>
Business-type activities										
Net investment in capital assets										
Restricted	\$ 16,156	\$ 58,450	\$ 58,961	\$ 31,634	41,452	37,707	34,747	32,300	29,340	35,158
Unrestricted	32,055	32,055	32,055	32,055	32,055	32,055	32,055	32,055	32,055	32,055
	<u>132,551</u>	<u>70,055</u>	<u>38,498</u>	<u>37,062</u>	<u>75,170</u>	<u>96,995</u>	<u>124,620</u>	<u>266,219</u>	<u>260,577</u>	<u>148,012</u>
Total business-type activities net position	<u>\$ 180,762</u>	<u>\$ 160,560</u>	<u>\$ 129,514</u>	<u>\$ 100,751</u>	<u>\$ 148,677</u>	<u>\$ 166,757</u>	<u>\$ 191,422</u>	<u>\$ 330,574</u>	<u>\$ 321,972</u>	<u>\$ 215,225</u>
District-wide										
Net investment in capital assets										
Restricted	\$ 3,777,491	\$ 8,935,622	\$ 17,416,758	\$ 25,058,726	\$ 26,704,894	\$ 26,532,385	\$ 25,941,419	\$ 25,679,562	\$ 25,129,264	\$ 27,394,032
Unrestricted	3,436,576	3,634,637	3,533,978	3,258,979	3,324,337	3,155,746	5,435,667	8,335,926	11,757,190	15,060,760
	<u>(3,402,674)</u>	<u>(3,588,690)</u>	<u>(3,960,709)</u>	<u>(4,138,334)</u>	<u>(4,137,959)</u>	<u>(4,039,014)</u>	<u>(3,517,419)</u>	<u>(3,209,987)</u>	<u>(3,554,687)</u>	<u>(3,786,672)</u>
Total district net position	<u>\$ 3,811,393</u>	<u>\$ 8,981,569</u>	<u>\$ 16,990,027</u>	<u>\$ 24,179,371</u>	<u>\$ 25,891,272</u>	<u>\$ 25,649,117</u>	<u>\$ 27,859,667</u>	<u>\$ 30,805,501</u>	<u>\$ 33,331,767</u>	<u>\$ 38,668,120</u>

Source: ACFR Schedule A-1

Guttenberg Board of Education
Changes in Net Position, Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
Instruction										
Regular	\$ 5,365,573	\$ 5,398,563	\$ 5,248,694	\$ 4,905,189	5,612,540	5,846,606	5,390,160	5,331,404	5,689,000	6,644,065
Special education	730,823	761,361	806,906	1,176,342	1,503,573	1,321,154	781,428	628,445	1,325,434	1,842,415
Other special education	936,955	691,013	894,821	979,383	927,622	923,708	1,398,277	1,455,201	1,232,848	987,521
Other instruction	179,549	71,727	73,178	65,655	85,122	70,618	49,208	79,533	89,441	98,396
Support Services:										
Tuition	5,115,833	5,039,443	5,339,656	5,846,445	6,063,454	6,475,842	5,679,991	5,514,815	5,129,522	6,187,615
Health Services			176,215	183,929	193,902	186,620	166,954	66,261	139,013	185,544
Student & instruction related services	2,255,474	2,496,387	2,375,964	2,523,399	2,777,214	2,456,327	3,036,060	3,790,752	3,765,774	3,345,588
General administrative services	451,504	436,067	461,485	305,469	766,951	595,080	563,445	174,568	516,379	214,600
School administrative services	139,430	146,756	276,839	514,009	327,729	258,079	241,614	497,731	286,212	571,443
Central Services	386,608	387,689	397,748	366,742	404,622	355,337	341,072	368,222	311,112	311,686
Business administrative services	-									
Administrative Information Technology	129,376	134,825	141,314	139,557	146,199	168,501	173,848	53,591	148,734	160,432
Plant operations and maintenance	823,904	889,641	883,228	916,960	1,249,596	1,197,318	999,333	1,397,768	2,111,944	3,444,405
Pupil transportation	182,233	286,834	225,753	252,183	217,093	197,460	279,190	275,513	546,593	1,213,766
Business and other support services										
Unallocated Benefits	2,299,526	3,170,724	4,701,242	5,136,687	2,683,829	3,137,967	4,485,095	4,564,455	4,275,026	3,899,271
Charter Schools										
Debt Service:										
Interest and other charges	13,444							7,594	6,255	9,621
Unallocated depreciation	229,134	208,550	179,259	431,989	757,450	819,324	848,397	900,750	934,469	905,759
Capital Outlay - nondepreciable	33,482	26,556		187,021	135,411	47,758	5,267	21,454	181,855	11,278
Total governmental activities expenses	19,272,848	20,146,136	22,182,302	23,930,959	23,896,772	24,057,699	24,439,339	25,205,158	26,770,756	30,096,631
Business-type activities:										
Food service	480,218	516,641	523,843	450,833	407,086	356,155	239,866	379,204	687,168	706,342
Child Care	-	-	-	-	-	-	-	-	-	-
Total business-type activities expense	480,218	516,641	523,843	450,833	407,086	356,155	239,866	379,204	687,168	706,342
Total district expenses	\$ 19,753,066	\$ 20,662,777	\$ 22,706,145	\$ 24,381,792	\$ 24,303,858	\$ 24,413,854	\$ 24,679,205	\$ 25,584,362	\$ 27,457,924	\$ 30,802,973

Guttenberg Board of Education
Changes in Net Position, Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Program Revenues										
Governmental activities:										
Charges for services:										
Student activity revenue							14,686	31,031	36,648	44,035
Operating grants and contributions	1,162,137	1,238,800	1,206,158	1,416,220	1,539,464	1,334,731	1,958,306	3,558,150	3,013,660	7,495,771
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>1,162,137</u>	<u>1,238,800</u>	<u>1,206,158</u>	<u>1,416,220</u>	<u>1,539,464</u>	<u>1,334,731</u>	<u>1,972,992</u>	<u>3,589,181</u>	<u>3,050,308</u>	<u>7,539,806</u>
Business-type activities:										
Charges for services:										
Food service	54,623	45,836	44,706	56,994	56,878	42,023	63	305	36,295	41,708
Child care										
Operating grants and contributions	432,761	448,381	445,632	386,316	390,558	319,746	256,461	514,288	622,587	532,370
Capital grants and contributions										
Total business-type activities program revenues	<u>487,384</u>	<u>494,217</u>	<u>490,338</u>	<u>443,310</u>	<u>447,436</u>	<u>361,769</u>	<u>256,524</u>	<u>514,593</u>	<u>658,882</u>	<u>574,078</u>
Total district program revenues	<u>\$ 1,649,521</u>	<u>\$ 1,733,017</u>	<u>\$ 1,696,496</u>	<u>\$ 1,859,530</u>	<u>\$ 1,986,900</u>	<u>\$ 1,696,500</u>	<u>\$ 2,229,516</u>	<u>\$ 4,103,774</u>	<u>\$ 3,709,190</u>	<u>\$ 8,113,884</u>
Net (Expense)/Revenue										
Governmental activities	\$ (18,110,711)	\$ (18,907,336)	\$ (20,976,144)	\$ (22,514,739)	\$ (22,357,308)	\$ (22,722,968)	\$ (22,466,347)	\$ (21,615,977)	\$ (23,720,448)	\$ (22,556,825)
Business-type activities	7,166	(22,424)	(33,505)	(7,523)	40,350	5,614	16,658	135,389	(28,286)	(132,264)
Total district-wide net expense	<u>\$ (18,103,545)</u>	<u>\$ (18,929,760)</u>	<u>\$ (21,009,649)</u>	<u>\$ (22,522,262)</u>	<u>\$ (22,316,958)</u>	<u>\$ (22,717,354)</u>	<u>\$ (22,449,689)</u>	<u>\$ (21,480,588)</u>	<u>\$ (23,748,734)</u>	<u>\$ (22,689,089)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 10,668,805	\$ 10,882,182	\$ 11,099,825	\$ 11,099,825	11,321,822	11,321,822	11,321,822	11,321,822	11,321,822	11,321,822
Taxes levied for debt service	243,377	229,841	-	-	-	-	-	-	-	-
Local share, Capital Projects Fund	1,036,546	3,903,246	7,076,902	4,610,288	1,448,830					
Unrestricted grants and contributions	7,233,297	7,950,297	9,337,671	10,649,013	10,989,449	11,189,886	13,002,180	12,919,454	14,291,352	13,282,500
Restricted grants and contributions	365,174	1,095,521	1,460,695	730,348	182,587		230,766	9,135	327,808	2,921,334
Investment earnings										
Miscellaneous income	232,635	36,627	40,555	66,682	78,595	69,701	58,616	172,248	314,334	474,269
Other Financing sources (uses)						(118,676)				
Total governmental activities	<u>19,779,834</u>	<u>24,097,714</u>	<u>29,015,648</u>	<u>27,156,156</u>	<u>24,021,283</u>	<u>22,462,733</u>	<u>24,613,384</u>	<u>24,422,659</u>	<u>26,255,316</u>	<u>27,999,925</u>
Business-type activities:										
Other Financing sources (uses)	1,505	2,222	2,459	4,112	7,576	12,466	8,007	3,763	19,684	25,517
Total business-type activities	<u>1,505</u>	<u>2,222</u>	<u>2,459</u>	<u>4,112</u>	<u>7,576</u>	<u>12,466</u>	<u>8,007</u>	<u>3,763</u>	<u>19,684</u>	<u>25,517</u>
Total district-wide	<u>\$ 19,781,339</u>	<u>\$ 24,099,936</u>	<u>\$ 29,018,107</u>	<u>\$ 27,160,268</u>	<u>\$ 24,028,859</u>	<u>\$ 22,475,199</u>	<u>\$ 24,621,391</u>	<u>\$ 24,426,422</u>	<u>\$ 26,275,000</u>	<u>\$ 28,025,442</u>
Change in Net Position										
Governmental activities	\$ 1,669,123	\$ 5,190,378	\$ 8,039,504	\$ 4,641,417	\$ 1,663,975	\$ (260,235)	\$ 2,147,037	\$ 2,806,682	\$ 2,534,868	\$ 5,443,100
Business-type activities	8,671	(20,202)	(31,046)	47,926	18,080	24,665	24,665	139,152	(8,602)	(106,747)
Total district	<u>\$ 1,677,794</u>	<u>\$ 5,170,176</u>	<u>\$ 8,008,458</u>	<u>\$ 4,638,006</u>	<u>\$ 1,711,901</u>	<u>\$ (242,155)</u>	<u>\$ 2,171,702</u>	<u>\$ 2,945,834</u>	<u>\$ 2,526,266</u>	<u>\$ 5,336,353</u>

Source: ACFR Schedule A-2

Guttenberg Board of Education
Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	3,148,264	3,438,046	3,347,121	2,674,046	2,429,347	2,891,232	5,188,130	8,034,321	11,015,528	14,454,747
Committed										
Assigned	113,749	21,303	10,843	407,878	716,097	82,803	64,088	117,342	553,214	412,394
Unassigned	(164,723)	(116,945)	(78,566)	(144,101)	(293,597)	(320,756)	(52,862)	(153,216)	(686,781)	(1,011,041)
Total general fund	\$ 3,097,290	\$ 3,342,404	\$ 3,279,398	\$ 2,937,823	\$ 2,851,847	\$ 2,653,279	\$ 5,199,356	\$ 7,998,447	\$ 10,881,961	\$ 13,856,100
All Other Governmental Funds										
Restricted										
Assigned, reported in:										
Special revenue fund										19,994
Capital projects fund										
Debt service fund										
Permanent fund										
Total all other governmental funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,994

Source: ACFR Schedule B-1

Guttenberg Board of Education
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Guttenberg Board of Education

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax levy	\$ 10,912,182	\$ 11,112,023	\$ 11,099,825	\$ 11,099,825	\$ 11,321,822	\$ 11,321,822	\$ 11,321,822	\$ 11,321,822	\$ 11,321,822	\$ 11,321,822
Miscellaneous	232,635	36,627	40,555	66,682	78,595	69,701	58,616	39,186	314,334	474,269
Local Share	1,036,546	3,903,246	7,076,902	4,660,288	1,448,830	31,031	14,868	31,031	36,899	44,568
State sources	6,665,138	7,733,609	8,365,499	8,455,636	9,907,584	10,460,267	11,356,143	13,365,995	15,292,771	18,742,929
Federal sources	1,032,798	1,066,687	1,064,882	1,201,937	1,393,549	1,190,978	2,031,863	3,530,397	3,229,615	6,346,532
Total revenue	19,879,299	23,852,192	27,647,663	25,484,368	24,150,380	23,042,768	24,783,312	28,288,431	30,195,441	36,930,120
Expenditures										
Instruction										
Regular instruction	5,385,615	5,418,605	5,268,736	4,925,074	5,229,766	5,946,516	5,403,194	6,063,984	6,317,982	7,264,154
Special education instruction	730,823	761,361	806,906	1,176,342	1,421,587	1,321,154	781,428	826,146	1,465,897	2,099,142
Other special instruction	936,955	691,013	894,821	979,383	824,723	923,708	1,398,277	1,680,905	1,400,104	1,206,266
Other instruction	179,549	71,727	73,178	65,655	79,069	70,618	49,208	92,563	99,652	110,906
Support Services:										
Tuition	5,115,833	5,039,443	5,339,656	5,846,445	6,063,454	6,475,842	5,679,991	5,514,815	5,129,522	6,187,615
Health Services			176,215	183,929	176,783	186,620	166,954	66,261	163,075	214,209
Student & instruction related services	2,255,474	2,496,387	2,375,964	2,512,758	2,631,763	2,444,897	3,036,060	4,098,462	4,059,416	3,568,354
General administrative services	451,504	436,067	461,485	514,009	736,643	595,080	563,445	558,469	561,131	620,888
School Administrative services	139,430	146,756	276,839	305,469	303,276	258,079	241,614	216,449	333,061	245,154
Central administrative services	386,608	387,689	397,748	366,742	370,150	355,337	341,072	470,238	364,684	372,349
Administrative Information Technology	129,376	134,825	141,314	139,557	134,640	168,501	173,848	53,591	168,893	183,090
Plant operations and maintenance	824,385	890,366	883,954	914,573	1,220,526	1,250,179	1,030,696	1,869,857	2,149,334	3,561,357
Pupil transportation	182,233	286,834	225,753	252,183	217,093	197,460	279,190	275,513	546,593	1,213,766
Unallocated employee benefits	108,164	132,909	150,984	146,311	143,341	120,823	125,955	141,029	160,796	292,362
On-behalf contributions	1,107,025	1,355,431	1,577,232	1,771,829	2,097,566	2,228,249	2,738,591	3,596,685	3,575,982	3,638,146
Special Schools				44,465				77,101	81,145	63,226
Charter Schools								21,454	651,227	3,209,725
Capital outlay									81,761	110,144
Debt service:									6,485	9,961
Principal	240,000	239,000	-	-	-	-	-	-	-	-
Interest and other charges	20,194	6,722	-	-	-	-	-	-	-	-
Total expenditures	18,193,168	18,495,135	19,050,785	20,100,259	21,694,845	22,543,063	22,009,523	25,623,522	27,316,740	34,170,814
Excess (Deficiency) of revenues over (under) expenditures	1,686,131	5,357,057	8,596,878	5,384,109	2,455,535	499,705	2,773,789	2,664,909	2,878,701	2,759,306
Other Financing sources (uses)										
Leased assets (non-budgeted)						(118,676)				210,233
On-behalf/TPAF Reimbursed Social Security										
Insurance Recovery related to										
Impaired Capital Asset								133,062		
Total other financing sources (uses)	-	-	-	-	-	(118,676)	-	133,062	-	210,233
Net change in fund balances	\$ 1,686,131	\$ 5,357,057	\$ 8,596,878	\$ 5,384,109	\$ 2,455,535	\$ 381,029	\$ 2,773,789	\$ 2,797,971	\$ 2,878,701	\$ 2,969,539
Debt service as a percentage of noncapital expenditures	1.4%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.4%

NOTE: Capital Projects Fund is not included as these expenditures vary substantially from year to year. The financial data presented would not be as meaningful for comparative purposes if these were included.

Source: ACFR Schedule B-2

Guttenberg Board of Education
General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Guttenberg Board of Education

Fiscal Year Ended June 30,	Interest on Investments	Tuition Refunds	Refunds	Reimb - ursement	P/Y Payables		Total
					Cancelled/ Void Checks	Misc.	
2015	555	136,861	18,077	39,151	4,745	33,246	232,635
2016	17,971	2,726	9,980			5,950	36,627
2017	22,922		17,629			4	40,555
2018	33,868		4,419		25,995	2,400	66,682
2019	69,406		6,605			2,584	78,595
2020	55,466		8,793	1,215		4,227	69,701
2021	42,106		240			16,270	58,616
2022	27,801		258			11,127	39,186
2023	276,353		1,560			36,421	314,334
2024	459,972		430			13,867	474,269

Source: District Records

Guttenberg Board of Education
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Year Ended Dec. 31,	Vacant Land	Residential	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)	% of Net Assessed to Estimated Full Cash Valuations
2015	2,145,700	601,229,600		80,909,200	21,591,400	90,909,500	796,785,400	51,090,000	133,508	745,828,908	1.402	915,819,614	81.44%
2016	2,218,700	599,683,560		81,539,100	20,489,100	89,659,000	793,589,460	51,143,900	617,530	743,063,090	1.412	949,695,676	78.24%
2017	2,078,600	598,369,776		80,678,100	19,282,800	88,882,800	789,292,076	51,821,700	594,331	738,064,707	1.416	1,043,946,918	70.70%
2018	2,078,600	596,879,176		80,867,100	18,733,000	88,578,100	787,135,976	52,700,700	641,964	735,077,240	1.407	1,094,836,656	67.14%
2019	2,385,400	594,522,276		77,587,600	17,751,100	97,614,800	789,861,176	61,935,400	542,343	728,468,119	1.433	1,193,325,756	61.05%
2020	3,346,999	592,447,376		77,233,800	17,319,500	94,253,800	784,601,475	67,856,502	506,232	717,251,205	1.433	1,189,147,371	60.32%
2021	3,685,199	590,624,276		76,923,700	17,320,800	94,253,800	782,807,775	67,819,202	507,541	715,496,114	1.446	1,198,786,792	59.69%
2022	3,846,499	592,261,376		76,803,600	17,320,800	93,353,800	783,586,075	67,819,202	507,541	716,274,414	1.444	1,190,251,406	60.18%
2023	3,768,899	592,242,676		76,372,400	17,320,800	93,275,100	782,979,875	71,808,002	513,346	711,685,219	1.446	1,190,251,406	59.79%
2024	3,843,899	592,217,976		75,494,100	17,320,800	93,105,100	781,981,875	77,807,402	513,346	704,687,819	1.447	1,343,532,000	52.45%

Sources: Municipal Tax Assessor (Tax List District Summary - Table of Aggregates); Abstract of Ratables

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

^a - Revaluation conducted

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

Guttenberg Board of Education
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
Guttenberg Board of Education

Fiscal Year Ended June 30,	Guttenberg Board of Education		Overlapping Rates		
	General		Town of Guttenberg	Hudson County	Total Direct and Overlapping Tax Rate
	Basic Rate ^a	Obligation Debt Service ^b			
2015	1.382	0.020	1.402	0.611	3.620
2016	1.412	0.000	1.412	0.607	3.650
2017	1.416	0.000	1.416	0.592	3.675
2018	1.407	0.000	1.407	0.603	3.727
2019	1.433	0.000	1.433	0.598	3.830
2020	1.433	0.000	1.433	0.598	3.830
2021	1.446	0.000	1.446	0.589	3.882
2022	1.444	0.000	1.444	0.563	3.877
2023	1.446	0.000	1.446	0.560	3.994
2024	1.447	0.000	1.447	0.635	4.128

Source: District Records and Municipal Tax Collector (Tax Computation Summary)

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

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

b Rates for debt service are based on each year's requirements.

**Guttenberg Board of Education
Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Summit House Co-op	\$ 21,000,000	1	2.69%			
RM Holdings	5,445,800	2	0.70%			
68 West Utopia	4,840,000	3	0.62%			
6803 Boulevard East LLC	3,918,900	5	0.50%			
Guttenberg S&L	3,094,300	4	0.40%			
AM 68th Street, LLC	2,690,500	8	0.34%			
7014 Jackson Street	2,600,000	6	0.33%			
Polk St, LLC	2,500,000	7	0.32%			
AL2 Properties	2,138,600	9	0.27%			
63-67 69th St LLC	1,844,500	10	0.24%			
Summit House				\$ 25,400,000	1	3.41%
Palisades Operations LLC				5,445,800	2	0.73%
422-30 68th Street, LLC				4,840,000	3	0.65%
6803 Boulevard East LLC				4,068,900	4	0.55%
AM 68th St. LLC				2,690,500	5	0.36%
Guttenberg Savings and Loan				2,177,000	6	0.29%
AL-Z Properties Corp.				2,538,600	7	0.34%
63-67 69th St. Assoc. LLC				1,884,500	8	0.25%
Lagattuta Partners, L.P.				1,614,400	9	0.22%
J and N Kinkella				1,459,300	10	0.20%
Total	\$ 50,072,600		6.40%	\$ 52,119,000		6.99%

Net Assessed Valuation: 781,981,875

745,251,430

Source: Municipal Tax Assessor (Principal Property Taxpayers List)

**Guttenberg Board of Education
Property Tax Levies and Collections
Last Ten Fiscal Years**

Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	10,912,182	10,912,182	100.00%	
2016	11,112,023	10,186,021	91.67%	926,002
2017	11,099,825	11,099,825	100.00%	
2018	11,099,825	11,145,954	100.42%	(46,129)
2019	11,321,822	11,321,822	100.00%	-
2020	11,321,822	10,434,946	92.17%	886,876
2021	11,321,822	10,409,786	91.94%	912,036
2022	11,321,822	11,321,822	100.00%	-
2023	11,321,822	10,378,337	91.67%	943,485
2024	11,321,822	10,378,337	91.67%	943,485

Source: Municipal Tax Collector (School's Anticipated Budget)

Guttenberg Board of Education
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income ^a		Per Capita ^a
	General Obligation Bonds ^b	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		Personal Income ^a	Per Capita ^a	
2015	351,690	-	-	-	351,690	0.05%	6.22		
2016	92,648	-	-	-	92,648	0.01%	1.58		
2017	72,606	-	-	-	72,606	0.01%	1.16		
2018	52,721	-	-	-	52,721	0.01%	0.79		
2019	32,836	-	-	-	32,836	0.00%	0.47		
2020	13,034	-	-	-	13,034	0.00%	0.18		
2021	-	-	-	-	-	0.00%	-		
2022	-	-	-	-	-	0.00%	-		
2023	-	-	-	-	-	Not Available	Not Available	Not Available	
2024	-	-	-	-	-	Not Available	Not Available	Not Available	

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

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

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

b Includes Early Retirement Incentive Plan (ERIP) refunding

Guttenberg Board of Education
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2015	351,690	-	351,690	0.05%	6.22
2016	92,648	-	92,648	0.01%	1.58
2017	72,606	-	72,606	0.01%	1.16
2018	52,721	-	52,721	0.01%	0.79
2019	32,836	-	32,836	0.00%	0.47
2020	13,034	-	13,034	0.00%	0.18
2021	-	-	-	0.00%	-
2022	-	-	-	0.00%	-
2023	-	-	-	0.00%	Not Available
2024	-	-	-	0.00%	Not Available

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

a See Exhibit J-6 for property tax data.

b Population data can be found in Exhibit J-13.

Guttenberg Board of Education
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2024

<u>Governmental Unit</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Debt Outstanding</u>	<u>Estimated Share of Overlapping Debt</u>
Direct Debt of School District as of June 30, 2024			\$ -
Net overlapping debt of School District:			
Guttenberg Town - as of Dec. 31, 2023	100.000%	\$ 28,689,628	
County of Hudson - as of Dec. 31, 2023	1.025%	\$ 5,708,969	
Subtotal, overlapping debt			\$ 34,398,597
Total direct and overlapping debt			<u>\$ 34,398,597</u>

Sources: Hudson County Treasurer's Office (2023 Abstract of Ratables, Annual Debt Stmt - County, Annual Debt Stmt - Town)

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 Guttenberg. 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.

**Guttenberg Board of Education
Legal Debt Margin Information
Last Ten Fiscal Years**

Legal Debt Margin Calculation for Fiscal Year 2024

Equalized valuation basis

2024	1,343,018,654
2023	1,343,018,654
2022	1,339,294,163

[A] \$ 4,025,331,471

Average equalized valuation of taxable property

[A/3] 1,341,777,157

Debt limit (3 % of average equalization value)

[B] 40,253,315 ^a

Net bonded school debt

[C] -

Legal debt margin

[B-C] \$ 40,253,315

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 26,825,123	\$ 26,834,020	\$ 27,574,547	\$ 28,178,867	\$ 33,321,093	\$ 34,773,098	\$ 35,812,599	\$ 35,781,856	\$ 35,707,542	\$ 40,253,315
Total net debt applicable to limit	239,000								-	-
Legal debt margin	\$ 26,586,123	\$ 26,834,020	\$ 27,574,547	\$ 28,178,867	\$ 33,321,093	\$ 34,773,098	\$ 35,812,599	\$ 35,781,856	\$ 35,707,542	\$ 40,253,315
Total net debt applicable to the limit as a percentage of debt limit	0.89%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Abstract of Rates and District Records ACFR Schedule J-7

^a Limit set by NJS A 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

**Guttenberg Board of Education
Demographic and Economic Statistics
Last Ten Fiscal Years**

Year	Population ^a	Personal Income (thousands of dollars)	Per Capita		Unemployment Rate ^d
			Personal Income ^c		
2015	11,505	650,964,405	56,581		4.80%
2016	11,476	671,759,136	58,536		4.00%
2017	11,403	711,011,259	62,353		4.00%
2018	11,275	752,098,875	66,705		3.30%
2019	11,185	776,306,110	69,406		2.80%
2020	11,015	789,577,230	71,682		10.00%
2021	11,502	828,673,092	72,046		6.20%
2022	11,446	824,638,516	72,046		6.20%
2023	11,365	Not Available	Not Available		4.40%
2024	Not Available	Not Available	Not Available		Not Available

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income - Hudson County - provided by NJ Dept of Labor and Workforce Development

^c Per Capita Personal Income - Hudson County - provided by NJ Dept of Labor and Workforce Development

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

**Guttenberg Board of Education
Principal Employers
Current Year and Nine Years Ago**

Source: Town of Guttenberg

Guttenberg Board of Education
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Instruction										
Regular	59.0	59.0	62.0	57.0	63.0	59.0	60.0	68.0	69.0	73.0
Special education	12.0	12.0	12.0	11.0	11.0	11.0	12.0	13.0	13.0	12.0
Other special education				5.0	5.0	5.0	5.0	4.0	4.0	4.0
Vocational										
Other instruction	10.0	10.0	14.0	6.0	7.0	9.0	10.0	10.0	10.0	18.0
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related services	18.0		23.5	23.0	23.0	24.0	29.0	30.0	30.0	43.0
General administrative services	6.0	6.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
School administrative services	4.0	4.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Business administrative services	0.0	0.0	4.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Plant operations and maintenance	6.0	6.0	7.0	3.5	3.0	3.0	3.0	4.0	4.0	4.0
Total	<u>115.0</u>	<u>97.0</u>	<u>128.0</u>	<u>113.5</u>	<u>120.0</u>	<u>119.0</u>	<u>127.0</u>	<u>137.0</u>	<u>138.0</u>	<u>162.0</u>

Source: District Personnel Records

**Guttenberg Board of Education
Operating Statistics
Last Ten Fiscal Years**

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2015	982.0	17,932,974	18,262	10.74%	81	1:12	N/A	N/A	983	934	*	95.02%
2016	972.0	18,249,413	18,775	2.81%	91	1:12	N/A	N/A	1007	956.98	2.49%	94.99%
2017	1,015.0	19,050,785	18,769	-0.03%	98	1:10	N/A	N/A	1011.9	959.94	0.49%	94.87%
2018	1,000.0	20,100,259	20,100	7.09%	102	1:10	N/A	N/A	983.39	931.34	-2.82%	94.71%
2019	991.0	21,694,845	21,892	8.91%	109	1:09	N/A	N/A	959.29	912.39	-2.45%	95.11%
2020	982.0	22,543,063	22,956	4.86%	108	1:09	N/A	N/A	977.47	945.53	1.90%	96.73%
2021	909.0	25,524,967	28,080	22.32%	116	1:08	N/A	N/A	911.56	876.47	-6.74%	96.15%
2022	912.0	26,496,122	29,053	3.46%	100	1:09	N/A	N/A	936	876	2.68%	93.59%
2023	949.0	30,777,758	32,432	11.63%	101	1:09	N/A	N/A	947.85	887.63	1.27%	93.65%
2024	972.0	30,840,984	31,729	-2.17%	101	1:09	N/A	N/A	987.28	929.72	4.16%	94.17%

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

* - Information not provided by District

a Operating expenditures equal total general fund and special revenue fund expenditures less debt service and capital outlay; Schedule 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).

Guttenberg Board of Education
School Building Information
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>District Buildings</u>										
<u>Elementary</u>										
Anna L. Klein School	90,487	90,487	90,487	138,002	138,002	138,002	138,002	138,002	138,002	138,002
Square Feet	872	872	872	1,326	1,326	1,326	1,326	1,326	1,326	1,326
Capacity (students)	982	982	982	1,000	991	982	909	909	949	972
Enrollment										

Number of Schools at June 30, 2024
Elementary = 1

Sources: District records, ASSA

Note: Enrollment is based on students' enrolled within the District --- out of district students have not been included

Guttenberg Board of Education
General Fund
Last Ten Fiscal Years
Unaudited

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

School Facilities	Project # (s)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Anna L. Klein School	N/A	477,104	100,762	264,159	158,925	619,295	259,241	326,059	137,814	167,380	111,447
Total School Facilities		477,104	100,762	264,159	158,925	619,295	259,241	326,059	137,814	167,380	111,447
Grand Total		\$ 477,104	\$ 100,762	\$ 264,159	\$ 158,925	\$ 619,295	\$ 259,241	\$ 326,059	\$ 137,814	\$ 167,380	\$ 111,447

Source: C-1

**Guttenberg Board of Education
Insurance Schedule
June 30, 2024**

Type of Coverage	Coverage	Deductible
School Alliance Insurance Fund		
Workers' Compensation	\$ 5,000,000	
General and Automobile Liability	5,000,000/occurrence 100,000,000 aggregate	1,000
Employee Benefits	5,000,000/occurrence	
Excess General and Auto Liability	5,000,000/occurrence 5,000,000 aggregate	
Sexual Abuse and Molestation	10,000,000/occurrence 30,000,000 aggregate	
Property, Inland Marine	500,000,000/occurrence	5,000
Flood :		
Zones A or V	25,000,000/occurrence 50,000,000 aggregate	500,000
All Other Zones	10,000,000/occurrence 100,000,000 aggregate	
Boiler and Machinery	100,000,000/occurrence	5,000
Employee Dishonesty	500,000/loss	
Money and Securities	2,500,000	1,000
Environmental Impairment Liability	1,000,000/occurrence 25,000,000 aggregate	10,000
Critical Incident Management	25,000	
School Leaders Professional Liability	5,000,000/claim/aggregate	5,000
Excess School Leaders' Professional Liability	5,000,000/claim/aggregate	
QBE Insurance Corp		
Accidental Death and Dismemberment	500,000 aggregate	
Loss of Life		
Loss of Two or More Hands or Feet	50,000	
Loss of Sight of Both Eyes	50,000	
Loss of One Hand or Foot and Sight in One Eye	50,000	
Loss of Speech and Hearing	50,000	
Loss of One Hand or Foot	25,000	
Loss of Sight in One Eye	25,000	
Loss of Speech	25,000	
Loss of Hearing in Both Ears	25,000	
Loss of Thumb and Index Finger on the Same Hand	12,500	
Accident Medical Excess Benefit	25,000	
US Fire Insurance Company		
Excess Medical	5,000,000	25,000

Sources:

Insurance Declaration Pages

SINGLE AUDIT SECTION



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

Honorable President and
Members of the Board of Education
Town of Guttenberg School District
County of Hudson, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; 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 and each major fund and the aggregate remaining fund information of the Board of Education of the Town of Guttenberg School District, in the County of Hudson, New Jersey, 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, and have issued our report thereon dated December 27, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit on the financial statements, we considered the Town of Guttenberg Board of Education'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 on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Guttenberg Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Guttenberg Board of Education's internal control.



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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Guttenberg Board of Education's financial statements are free of 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 or the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

We noted certain matters that were required to be reported to the Board of Education of the Town of Guttenberg School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated December 27, 2024.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 27, 2024





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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE
AND N.J. OMB CIRCULAR 15-08**

Honorable President and
Members of the Board of Education
Town of Guttenberg School District
County of Hudson, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

In our opinion, the Town of Guttenberg 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 federal and state programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; 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 N.J. OMB Circular 15-08. Our



responsibilities under those standards and the Uniform Guidance and N.J. OMB Circular 15-08 are described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town of Guttenberg 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 N.J. OMB Circular 15-08, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional 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 Town of Guttenberg Board of Education's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and N.J. OMB Circular 15-08, 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 Town of Guttenberg 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 Town of Guttenberg 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 N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Town of Guttenberg 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.

Report on Internal Control Over Compliance

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

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

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

Honorable President and
Members of the Board of Education

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Page 4 of 4

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 N.J. OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Steven D. Wielkatz

Steven D. Wielkatz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkatz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 27, 2024

**TOWN OF GUTTENBERG
BOARD OF EDUCATION**

Schedule of Expenditures of Federal Awards

Year ended June 30, 2024

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2023	Carryover/ (Waiver) Amount	Cash Received	Budgetary Expenditures	Adjustments PY A/P Cancelled/ Deobligated	(Accounts Receivable) at June 30, 2024	Due to Grantor at June 30, 2024
U.S. Department of Agriculture												
Passed-through State Department of Agriculture:												
Enterprise Fund:												
USDA Commodities Program	10.550	241N1304N1096		7/1/23-6/30/24	\$ 48,982			48,982	48,982			
National School Lunch Program	10.555	231N1304N1099		7/1/22-6/30/23	381,949	(26,709)		26,709	26,709			
National School Lunch Program	10.555	241N1304N1099		7/1/23-6/30/24	400,833			379,455	400,833		(21,378)	
National School Breakfast Program	10.553	231N1304N1099		7/1/22-6/30/23	105,672	(7,185)		7,185	7,185			
National School Breakfast Program	10.553	241N1304N1099		7/1/23-6/30/24	36,709			34,766	36,709		(1,943)	
Supply Chain Assistance Funding (3rd Round)	10.555	211N1304N1099		10/1/22-9/30/24	13,060	584			584			
Supply Chain Assistance Funding (4th Round)	10.555	211N1304N1099		10/1/22-9/30/24	26,319			26,319	26,319			
P-EBT Administrative Cost	10.649	2022225900941	N/A	7/1/22-6/30/23	653	(653)		653				
Total Enterprise Fund						(33,963)		524,069	513,427		(23,321)	
U.S. Department of Health and Human Services												
General Fund:												
Medicaid Administrative Claiming (MAC)	93.778	2005N15MAP		7/1/23-6/30/24	4,377				4,377		(4,377)	
Medical Assistance Program (SEMI)	93.778	2005N15MAP		7/1/23-6/30/24	9,254			9,254	9,254			
Total General Fund								9,254	13,631		(4,377)	
U.S. Department of Education												
Passed-through State Department of Education:												
Special Revenue Fund:												
Title I, Improving Basic Programs	84.010	S010A220030	ESEA185023	7/1/22-9/30/23	718,637	(286,207)	286,207	969,850	1,130,930		(447,287)	99
Title I, Improving Basic Programs	84.010	S010A230030	ESEA185024	7/1/23-9/30/24	1,113,675	99						
Title I, Improving Basic Programs	84.010	S010A200030	ESEA185021	7/1/20-9/30/21	10,000			10,000	10,000			
Title I, SIA	84.010	S010A220030	ESEA185023	7/1/22-9/30/23	25,000			17,710	22,604		(4,894)	99
Title I, SIA	84.010	S010A220030	ESEA185024	7/1/23-9/30/24		(286,108)		997,560	1,163,534		(452,181)	
Title II, Part A - Teacher/Principal Training and Recruiting												
Title II, Part A - Teacher/Principal Training and Recruiting	84.367A	S367A220029	ESEA185023	7/1/22-9/30/23	82,740	(29,050)	29,050					
Title II, Part A - Teacher/Principal Training and Recruiting	84.367A	S367A230029	ESEA185024	7/1/23-9/30/24	105,081	(29,050)		87,317	79,577		(21,310)	
Title III - English Language Acquisition and Language Enhancement												
Title III - English Language Acquisition and Language Enhancement	84.365A	S365A220030	ESEA185023	7/1/22-9/30/23	43,895	(7,005)	7,005					
Title III - English Language Acquisition and Language Enhancement	84.365A	S365A230030	ESEA185024	7/1/23-9/30/24	43,925	(36)		34,720	27,623	906	998	
Title III - Immigrant	84.365A	S365A220030	ESEA185023	7/1/22-9/30/23	19,468	(36)	36	22,618	31,155		(8,573)	
Title III - Immigrant	84.365A	S365A230030	ESEA185024	7/1/23-9/30/24	24,217	(7,041)	(36)	57,338	58,778	906	(7,575)	
Title IV, Student Support/Academic Enrichment												
Title IV, Student Support/Academic Enrichment	84.424A	S424A220031	ESEA185023	7/1/22-9/30/23	62,852	(34,246)	34,246			693	(7,085)	693
Title IV, Student Support/Academic Enrichment	84.424A	S424A230031	ESEA185024	7/1/23-9/30/24	54,449	(34,246)	(34,246)	48,569	21,408	693	(7,085)	693

**TOWN OF GUTTENBERG
BOARD OF EDUCATION**

Schedule of Expenditures of Federal Awards

Year ended June 30, 2024

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2023	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments PY A/P Cancelled/ Deobligated	(Accounts Receivable) at June 30, 2024	Due to Grantor at June 30, 2024
IDE.A. Part B, Basic Regular	84.027A	H027A220100	IDEA185023	7/1/22-9/30/23	236,144	(8,949)	8,949	271,384	267,406	3,971	(1,000)	
IDE.A. Part B, Basic Regular	84.027A	H027A230100	IDEA185024	7/1/23-9/30/24	267,927		(8,949)					
IDE.A. Part B, Preschool	84.173	H173A220114	IDEA185023	7/1/22-9/30/23	10,433	(748)	748					
IDE.A. Part B, Preschool	84.173	H173A230114	IDEA185024	7/1/23-9/30/24	10,666		(748)	11,281	10,549	(9)	(25)	
						(9,697)		282,665	277,955	3,962	(1,025)	
CRRSA-ESSER II	84.425D	S425D210027		3/13/20-9/30/23	2,877,299	(469,076)		697,448	223,316	9,314		14,370
American Rescue Plan:												
ARP - ESSER III	84.425U	S425U210027		3/13/20-9/30/24	3,481,545	(405,825)		738,955	1,834,085	366,930	(1,500,955)	366,930
ARP - ESSER III (Late Liquidation)	84.425U	V048A170030		3/1/22-8/31/24	2,500,000				2,500,000		(2,500,000)	
ARP - Accelerated Learning Coach and Educator Support	84.425U	S425U210027		3/13/20-9/30/24	148,281			88,184	130,198		(42,014)	
ARP - Evidence Based Summer Learning and Enrichment	84.425U	S425U210027		3/13/20-9/30/24	40,000			1,969	5,432		(3,463)	
ARP - Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027		3/13/20-9/30/24	40,000	(3,212)		18,791	19,982		(4,403)	
ARP - NJTSS Mental Health Support Staffing	84.425U	S425U210027		3/13/20-9/30/24	45,000			11,013	11,763		(750)	
ARP - Homeless Children & Youth II	84.425W	215064233E		4/23/21-9/30/24	17,106	(703)		661	6,873		(6,915)	
						(878,816)		1,557,021	4,731,649	376,244	(4,058,500)	381,300
Total U.S. Department of Education						(1,244,958)		3,030,470	6,332,901	381,805	(4,547,676)	382,092
Total Federal Financial Assistance						(1,278,921)		3,563,793	6,859,959	381,805	(4,575,374)	382,092

See accompanying notes to schedules of expenditures of federal and state awards.

**TOWN OF GUTTENBERG
BOARD OF EDUCATION**

Schedule of Expenditures of State Awards

Year ended June 30, 2024

State Grantor/Program Title	Grant or State Project Numbers	Grant Period	Program or Award Amount	Balance June 30, 2023		Cash Received	Budgetary Expenditures	Adjustment	Balance at June 30, 2024		MEMO		
				Deferred Revenue (Accounts Receivable)	Carryover/ (Walkover) Amount				(Accounts Receivable)	Deferred Revenue	Budgetary Receivable	Cumulative Total Expenditures	
State Department of Education:													
General Fund:													
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	13,332,262	\$		12,028,207	13,332,262			*	(1,304,055)	13,332,262	
Special Education Categorical Aid	24-495-034-5120-089	7/1/23-6/30/24	1,189,648			1,073,286	1,189,648			*	(116,362)	1,189,648	
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	603,184			544,185	603,184			*	(58,999)	603,184	
Total State Aid - Public Cluster						13,645,678	15,125,094			*	(1,479,416)	15,125,094	
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	60,778			54,833	60,778			*	(5,945)	60,778	
Extraordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	35,223				35,223		(35,223)	*	*	35,223	
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	50,762	(50,762)		50,762				*	*	50,762	
Social Security Aid - Non Budget	24-495-034-5094-003	7/1/23-6/30/24	601,875			544,212	601,875		(57,663)	*	*	601,875	
Social Security Aid - Non Budget	23-495-034-5094-003	7/1/22-6/30/23	575,608	(57,310)		57,310				*	*	517,961	
On-Behalf TPAF Payments										*	*		
Post Retirement Medical Contribution	24-495-034-5094-001	7/1/23-6/30/24	649,266			649,266	649,266			*	*	649,266	
NCGI Premium	24-495-034-5094-004	7/1/23-6/30/24	26,899			26,899	26,899			*	*	26,899	
Long-Term Disability Insurance Contributions	24-495-034-5094-002	7/1/23-6/30/24	1,432			1,432	1,432			*	*	1,432	
Normal Costs	24-495-034-5094-002	7/1/23-6/30/24	2,358,674			2,358,674	2,358,674			*	*	2,358,674	
Total General Fund				(108,072)		17,389,066	18,859,241		(92,886)	*	(1,485,361)	19,427,964	
Special Revenue Fund:													
SDA Emergent & Capital Maintenance Needs	24-495-034-5120-128	7/1/23-6/30/24	21,047							*	*		
SDA Emergent & Capital Maintenance Needs	23-495-034-5120-128	7/1/22-6/30/23	20,550			20,550	20,550			*	*	20,550	
Preschool Education Aid	23-495-034-5120-086	7/1/22-6/30/23	131,677	30,646	(30,646)					*	*	126,618	
Preschool Education Aid	24-495-034-5120-086	7/1/23-6/30/24	207,291			177,230	203,799	7,975		12,052	*	(18,229)	203,799
Total Special Revenue Fund				30,646		197,780	224,349	7,975		12,052	*	(18,229)	350,967

**TOWN OF GUTTENBERG
BOARD OF EDUCATION**

**Schedule of Expenditures of State Awards
Year ended June 30, 2024**

	State Grantor/Program Title	Grant or State Project Numbers	Grant Period	Program or Award Amount	Balance June 30, 2023		Cash Received	Budgetary Expenditures	Adjustment	Balance at June 30, 2024		MEMO	
					Deferred Revenue (Accounts Receivable)	Carryover/ (Walkover) Amount				(Accounts Receivable)	Deferred Revenue	Budgetary Receivable	Cumulative Total Expenditures
State Department of Agriculture	Enterprise Fund:												
	State Share:												
	State School Breakfast Program (Breakfast After Bell)	24-100-010-3350-023	7/1/23-6/30/24	1,434			1,360	1,434		(74)			1,434
	State School Breakfast Program	24-100-010-3350-023	7/1/23-6/30/24	536			505	536		(31)			536
	State School Breakfast Program (NJIE)	24-100-010-3350-023	7/1/23-6/30/24	136			136	136					136
	State School Breakfast Program	24-100-010-3350-023	7/1/22-6/30/23	1,728	(100)		100						1,728
	State School Breakfast Program	23-100-010-3350-023	7/1/22-6/30/23	4,392	(290)		290						4,392
	State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	5,818	(797)		797						5,818
State School Lunch Program	24-100-010-3350-023	7/1/23-6/30/24	13,306			12,598	13,306		(708)			13,306	
State School Lunch Program (NJIE)	24-100-010-3350-023	7/1/23-6/30/24	3,531	(1,187)		3,338	3,531		(193)			3,531	
						19,124	18,943		(1,006)			30,881	
Total State Financial Assistance					\$	(78,613)	17,605,970	19,102,533	7,975	(93,892)	12,052	(1,503,590)	19,809,812

Less: On-Behalf TPAF Pension System Contributions

Post Retirement Medical Contribution	24-495-034-5094-001	7/1/23-6/30/24	649,266
NCGI Premium	24-495-034-5094-004	7/1/23-6/30/24	26,899
Long-Term Disability Insurance Contributions	24-495-034-5094-002	7/1/23-6/30/24	1,432
Normal Costs	24-495-034-5094-002	7/1/23-6/30/24	2,358,674
			3,036,271

Total for State Financial Assistance - Major Program Determination

16,066,262

See accompanying notes to schedules of expenditures for federal and state awards.

NOTE 1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include the activity of all federal and state award programs of the Board of Education, Town of Guttenberg School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies is included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(D) and 1(E) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of 2 *CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ in amounts presented in or used in the preparation of the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and the 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 last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$340,661) for the general fund and \$-0- for the special revenue fund. See Notes to Required Supplemental Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$13,631	\$18,518,580	\$18,532,211
Special Revenue Fund	6,332,901	224,349	6,557,250
Food Service Fund	<u>513,427</u>	<u>18,943</u>	<u>532,370</u>
Total Awards and Financial Assistance	<u>\$6,859,959</u>	<u>\$18,761,872</u>	<u>\$25,621,831</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the U.S.D.A. Commodities Program represent current year value received and current year distributions respectively.

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2024. The amount reported as 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.

NOTE 6. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, the amount of \$3,036,271 of on-behalf payments is excluded from major program determination.

NOTE 7. INDIRECT COST RATE

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

NOTE 8. SCHOOLWIDE PROGRAM FUNDS

Schoolwide programs are not separate federal programs as defined in *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance); amounts used in schoolwide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditures of Federal Awards. The following funds by program are included in schoolwide programs in the school district:

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$1,163,534
Title II, Part A: <i>Improving Teacher Quality State Grants</i>	79,577
Title III: <i>English Language Acquisition State Grants</i>	27,623
Title III: <i>Immigrant</i>	31,155
Title IV: <i>Student Support and Academic Enrichment Grants</i>	<u>21,408</u>
Total	<u><u>\$1,323,297</u></u>

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- | | | | |
|---|-----------|------------------------------------|--|
| 1. Material 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	
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Federal Awards

Internal Control over major programs:

- | | | | |
|---|-----------|-------------------------|--|
| 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> _____ no | |

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of the Uniform Guidance?	_____ yes	_____ <u>X</u> _____ no	
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Identification of major programs:

<u>CFDA Number(s)</u>	<u>FEIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027A/ 84.173 (B)	H027A230100/0114	IDEA PART B Basic Regular/ Preschool
84.425 D/U/W (A)	S425D200027	Coronavirus Response and Relief Supplemental Act
10.553/10.555/10.550 (B)	24INJ304W1096/1099	Child Nutrition Cluster

(A) Tested as a major Type A Program
(B) Tested as a major Type B Program

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

Auditee qualified as low-risk auditee?	_____ <u>X</u> _____ yes	_____ _____ no	
--	--------------------------	----------------	--

**TOWN OF GUTTENBERG SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(continued)**

***Section I - Summary of Auditor's Results
(continued)***

State Awards

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

Auditee qualified as low-risk auditee? X yes no

Type of auditor's report issued: unmodified

Internal control over financial reporting:

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

2. Significant deficiencies identified that are
not considered to be material weaknesses? yes X no

Any audit findings disclosed that are required to be reported
in accordance with NJ OMB Circular Letter 15-08? yes X no

State Grant/Project Number(s)

Name of State Program

<u>24-495-034-5120-078</u>	(A)
<u>24-495-034-5120-089</u>	(A)
<u>24-495-034-5120-084</u>	(A)
<u>24-495-034-5120-086</u>	(B)

State Aid Public Cluster:

<u>Equalization Aid</u>
<u>Special Education Categorical Aid</u>
<u>Security Aid</u>
<u>Preschool Education Aid</u>

(A) Tested as a Major Type A Program

(B) Tested as a Major Type B Program

**TOWN OF GUTTENBERG BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(continued)**

Section II – Financial Statement Findings

NONE

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

STATE AWARDS

NONE

FEDERAL AWARDS

NONE

**TOWN OF GUTTENBERG BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(continued)**

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

STATUS OF PRIOR YEAR FINDINGS

This section identifies the status of prior year audit findings related to the general purpose financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. OMB Circular A-133 (Section .315 (a)(b)) and New Jersey OMB's Circular 15-08, as amended.

NONE