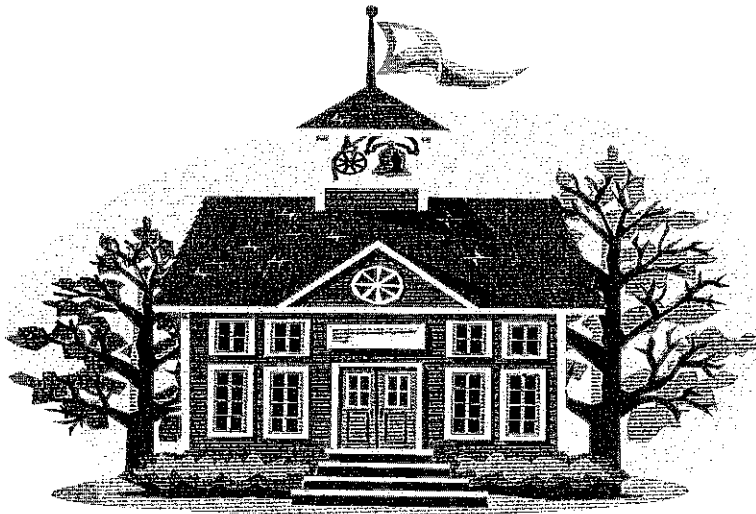


SCHOOL DISTRICT
OF
HOWELL TOWNSHIP



HOWELL TOWNSHIP BOARD OF EDUCATION
HOWELL TOWNSHIP, NEW JERSEY

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

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

OF THE

HOWELL TOWNSHIP BOARD OF EDUCATION

HOWELL TOWNSHIP, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

PREPARED BY

**HOWELL TOWNSHIP BOARD OF EDUCATION
FINANCE DEPARTMENT**

HOWELL TOWNSHIP SCHOOL DISTRICT

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INTRODUCTORY SECTION



Howell Township Public Schools

January 10, 2025

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

Dear Members of the Board of Education:

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

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

- ◆ The Introductory Section contains a table of contents, Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the School District;
- ◆ The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information;
- ◆ The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the School District, generally presented on a multi-year basis;
- ◆ The Single Audit Section – The District is required to undergo an annual audit in conformity with the provisions of the Single Audit Act of 1986, as amended, the U. S. Office of Management and Budget Title 2 Code of Federal Regulations, Part 200, "Audits of States, Local Governments and Non-Profit Organizations", and the State Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal

Grants, State Grants, and State Aid". Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

The Howell Township School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds of the District are included in this report. The Howell Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of programs and services appropriate to grades K through 8. These include regular education, programs for all students including those most in need of challenge, those who are very able students (gifted and talented), as well as special education for children with disabilities in and out of district. Two Early Learning Centers (3 and 4 yr olds), eight Elementary Schools (K-5) and two middle schools comprise the district's facilities.

Supervising district-wide goals is a district superintendent, an assistant superintendent for curriculum and personnel, an assistant superintendent of business administration/board secretary, a director of pupil services, a director of innovative and digital learning and special projects, director of human resources, three district-wide curriculum supervisors, and two supervisors of special education.

The Board of Education, comprised of nine members, each elected to three-year terms, meets monthly for the regular Board Meeting and other times each month for committee meetings or Special Board of Education meetings. All committees except Labor and Professional Learning are comprised of three Board members, one serving as chair, three appointed citizen members and if available alternate citizen members. During its meetings the board determines district goals and priorities and conducts the business of the Board of Education. Board and Board committee meetings (except Labor and Professional Learning) are open to the public.

PTAs/PTOs/SEPAC (Special Education Parents Advisory Council) are highly active in the district and provide community support for a variety of programs and activities for the children.

To maintain effective communication, the schools produce newsletters. The district also utilizes its web site to publish the board agenda in an effort to keep all interested citizens apprised of district operations and activities. Parents with email addresses can sign up for school and district news alerts. Further, parents can stay informed by signing up for the district's social media account.

Each of the schools in the district follows the district-wide goals and educational curriculum in the education of children, while maintaining a unique personality that makes up that particular school. All curricula in the district have been aligned to the New Jersey Student Learning Standards.

The mission of the Howell Township School District is to partner with the community to provide a thorough, efficient, and effective education for all students to achieve success as skillful communicators, independent thinkers, and life-long learners. In reaching their full potential, our children will develop individual, social and civic responsibility, as well as respect for themselves and others. To this end the district has developed a comprehensive curriculum for each grade and each subject area that is rich in content while focusing on the individual needs of the students.

Elementary Schools: Grades K through 5

Currently, there are two Early Learning Centers (Adelphia ELC and Newbury ELC), and eight kindergarten to grade five elementary schools (Ardena School, Aldrich School, Land O'Pines, Greenville School, Griebing School, Memorial School, Ramtown School and Taunton School) providing a comprehensive educational program.

The district's balanced literacy program focuses on the development of phonics, phonemic awareness, vocabulary, comprehension, and fluency. Literacy is taught through a writing workshop approach and is integrated throughout all disciplines. Emphasis is placed on growing joyful readers and writers through a community of collaboration.

Mathematics skills and concepts are presented using a variety of hands-on materials and activities. Technology is used as an instructional tool for the students through video tutorials, fluency practice, and problem solving. An emphasis is placed on providing real-life meaningful experiences so that students develop conceptual understanding and an appreciation for mathematics.

Inquiry and discovery are the foundations of the science program. The students develop a better understanding of the world around them by developing experiments and applying the scientific method.

The units of instruction for the social studies program are theme-based and promote literacy in the areas of geography, history, economics, and civics.

Students begin learning Spanish in second grade and continue through the fifth grade. The students learn the language through conversational techniques, as well as develop an appreciation for the cultures that speak Spanish. At the middle school level, all students participate in World Language instruction.

All elementary schools (K-5) offer enrichment cluster grouping to students identified as gifted and talented. In addition, at one elementary (K-5) school, a self-contained 4th and 5th grade program is provided to identify students who demonstrate giftedness.

Howell Township Middle Schools: Grades 6 through 8

Grades six through eight are housed at the district's two middle schools. Each school grade is organized by teams in which groups of teachers share the same students. This provides stronger

student learning communities supported by caring adults who collaborate on students' behalf. The culture and climate of the school is strongly influenced by the district goals associated with implementing restorative practices combined with the work of student leaders on the Dylan's Wings of Change program. Lastly, our academic programming is designed to provide flexible pathways for students to strive to their greatest abilities, progress based on their developmental readiness and be supported regardless of where they are on their learning journey.

Special Education

Special Education is an integral part of the educational system in the Howell Township Schools. Our school district educates approximately 946 students who receive services based on their eligibility for special education and related services. A full continuum of services is provided for students with disabilities. Class placements for students with IEPs include preschool disabled, integrated preschool, general education classes with specialized support, in-class and pull-out resource programs, and many special class programs. All students are included with typical peers to the maximum extent possible, and many students are fully included in general education classes with the appropriate supplementary aids and services. Additionally, students with disabilities are encouraged to participate in extracurricular activities, and are afforded the support of peer mentors or paraprofessionals, as needed, in order to fully benefit from the activities offered. All students' programs are individualized based on their IEPs, which are developed by a multi-disciplinary team which includes their parent/s.

New Jersey Student Learning Standards

All district curricula is aligned with the New Jersey Student Learning Standards (NJSLS)

Staff Development

The Howell Township Public Schools System provides its teaching and support staff with many opportunities for professional development.

All professional learning opportunities align to the Standards of Professional Learning. All professional learning opportunities are designed using the Principles of Adult Learning Theory. The combination of standards-aligned and research-based practices ensure impactful professional learning experiences. The district Professional Learning Plan is available on the District website.

In the beginning of the school year all newly hired teachers receive intensive in-service, encompassing training in instructional strategies, classroom management, curriculum, New Jersey Student Learning Standards, mentoring, technology, district policy and mandated trainings, such as Affirmative Action and Harassment, Intimidation and Bullying. Mentors are assigned to novice teachers to provide support throughout the school year. Additionally, all new staff are invited to participate in the New Staff Academy or the New Leadership Academy.

Professional development days are built into the school calendar to enable teachers to attend sessions related to instructional strategies, curricular updates, content standards, data driven decision making, and district-wide grade level and department articulation meetings.

Buildings utilize Professional Learning Communities (PLC) to organize a collection of information regarding patterns of student performance. That data is synthesized by our School Improved Panels (SciP) with data regarding patterns of instructional practice.

Technology

Technology is used to enrich teaching and learning, facilitate communication among all members of the educational community, and to increase productivity and safety measures. All buildings are linked together via local and wide area voice and data networks. The district's robust technology infrastructure includes high-speed internet access, network capabilities, and hardware resources. Recent changes made to enhance technological capabilities include a wireless infrastructure upgrade and cybersecurity resources.

To assist in delivering content and collaborating with peers and colleagues, the district provides one-to-one devices for staff and students, ensuring each has access to a device for educational purposes. Digital tools and resources are available to students and staff. Use of our learning management systems, educational apps, online textbooks, and interactive multimedia content provides digital tools for centralized control over course content, communication, assessment, and analytics, while providing students with convenient access to learning materials, opportunities for interaction, feedback on the progress and personalized, self-paced learning.

All classrooms are equipped with ceiling mounted LCD projectors and/or projection devices capable of presenting content via sources such as Apple TVs and /or document cameras. Student device ratio for grades K-8 is 1:1. Students with disabilities in PreK through 8 are also assigned an augmentative communication device based on individualized needs.

The district incorporates STEM (Science, Technology, Engineering and Mathematics) education into the curriculum, including specialized programs such as robotics, coding classes, and technology-based afterschool programs. As a result of our robust technology environment, the district educates students about responsible technology use, online safety, and digital citizenship, preparing them to navigate the digital world responsibly.

Howell Township Public School District is committed to technology integration and its positive impact on teaching, learning, and student success.

Pupil Enrollment

The following details the changes in the student enrollment of the district over the last ten years. The table presents the actual historical pupil enrollment, as of October 15, for the school years 2012-2024.

<u>School Year</u>	<u>Enrollment As of October 15</u>
2012-13	6335
2013-14	6277
2014-15	6153

<u>School Year</u>	<u>Enrollment As of October 15</u>
2015-16	6004
2016-17	5949
2017-18	5923
2020-19	5611
2019-20	5611
2020-21	5600
2021-22	5340
2022-23	5513
2023-24	5716

2. ECONOMIC CONDITION AND OUTLOOK

The rate of new home construction continues to stagnate and is reflected in a continued enrollment decline. Current housing continues to turn over but the movement of young families with children has slowed.

3. MAJOR INITIATIVES

Construction

District-wide roofing projects were completed, and masonry construction initiatives began during the 2014-2015 school year with the award of the NJ School Development Authority ROD grant funds. The district implemented ESIP in the 2017-2018 school year and the project was completed in the 2020-2021 school year. The district continues to address systematic upgrades/parking lots/roofing replacement and other building components on an ongoing basis.

Pupil Services

- ❖ Multi-sensory reading programs
- ❖ Assistive and instructional technology devices for students with disabilities
- ❖ Board Certified Behavior Analysts
- ❖ Ongoing training/professional development in all areas relative to working with students with special needs
- ❖ Inclusive classrooms
- ❖ Preschool Disabled and Integrated Preschool Programs
- ❖ Life Skills classrooms and instruction
- ❖ Crisis Management certification for staff
- ❖ Crisis Response Network
- ❖ Tools of the Mind Preschool curriculum
- ❖ Community-based instruction as appropriate
- ❖ Parent outreach services

Business

The Business Office continued to be busy in the 2023-2024 school year. Accomplishment/initiatives in this school year were as follows:

- ❖ Internal review and follow up for high dollar health insurance claims resulted in savings to the district
- ❖ The expansion of the district's central purchasing system implemented in 2014-2015 continues to result in savings for the district's common purchases
- ❖ The business office provided continued training and ongoing support to users of Systems 3000 to assure the procedures are in place
- ❖ The business office provided several training sessions to Administrators and support staff for compliance with New Jersey Public School Contract Laws Title 18A:18A, et. seq
- ❖ The Assistant Superintendent of Business Administration continues as the certified purchasing agent, with a bid threshold limit of \$44,000.
- ❖ Streamlining of business functions through increased applications of technology.
- ❖ Continued compliance with State and Federal mandates while minimizing impact on other business workflow.
- ❖ The district has completed implementation of its ESIP initiative which reduces waste and makes the district's schools more energy efficient and sustainable.

Personnel

The district employed approximately 1205 people during the 2023-2024 school year. The certificated staff numbered 695 including 35 administrators and supervisors and 660 classroom teachers and educational support personnel (nurses, guidance counselors, child study team members, etc.). 510 other employees, including instructional assistants, school aides, bus drivers and attendants, secretaries and clerk-typists, and custodial and maintenance employees were also part of the staff.

One of the greatest challenges in a school district is to maintain high standards for its staff, especially, during a period when acute teacher shortages in some areas persisted. The district was able to accomplish this through a highly competitive recruitment and selection process. Additionally, an impressive array of in-service opportunities allowed staff members to stay current and to improve their instructional skills; a hallmark of a progressive and innovative school district.

The district, for example, continued its new teacher mentoring program. All newly certified teachers and most teachers new to the district were assigned mentors as well as supervisory advocates to assist them in their first year. District administrators further provided these teachers with an extensive in-service program designed to help them acclimate to their new working environment.

4. INTERNAL ACCOUNTING CONTROLS

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

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

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

5. BUDGETARY CONTROLS

In addition to internal accounting controls, the district maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the board of education. Annual appropriated budgets are adopted for the general fund, the special revenue funds, 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 item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at fiscal year-end.

6. CASH MANAGEMENT

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

7. RISK MANAGEMENT

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, fidelity bonds and worker's compensation.

8. OTHER INFORMATION

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Robert A. Hulsart & Company, CPA's, was selected by the Board to perform the audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet requirements of the Single Audit Act of 1996, as amended and the Title 2 U.S. Code of Federal Regulations, Part 200 and the New Jersey OMB Circular 04-04. The auditors' report on the basic financial statements and as well as both the required and other supplementary information is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

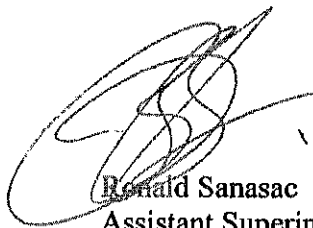
9. ACKNOWLEDGMENTS

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

Respectfully submitted,



Joseph J. Isola
Superintendent of Schools



Ronald Sanasac
Assistant Superintendent of Business
Administration/Board Secretary

HOWELL TOWNSHIP BOARD OF EDUCATION
HOWELL TOWNSHIP, NEW JERSEY

ROSTER OF OFFICIALS
2024

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Martianne Degliuomini	2027
Cristy Mangano	2026
Alexandria Langenberger	2026
Stephen Levine	2025
Denise Lowe	2027
MaryRose Malley	2025
Joseph Mauer	2026
Jennifer Okerson	2025
Ira Thor	2027

Other Officials

Mr. Joseph Isola, Superintendent

Mr. Ronald Sanasac, Assistant Superintendent of Business Administration/Board Secretary

Mr. Bruce Preston, Assistant Superintendent

HOWELL TOWNSHIP BOARD OF EDUCATION

Consultants and Advisors

Audit Firm

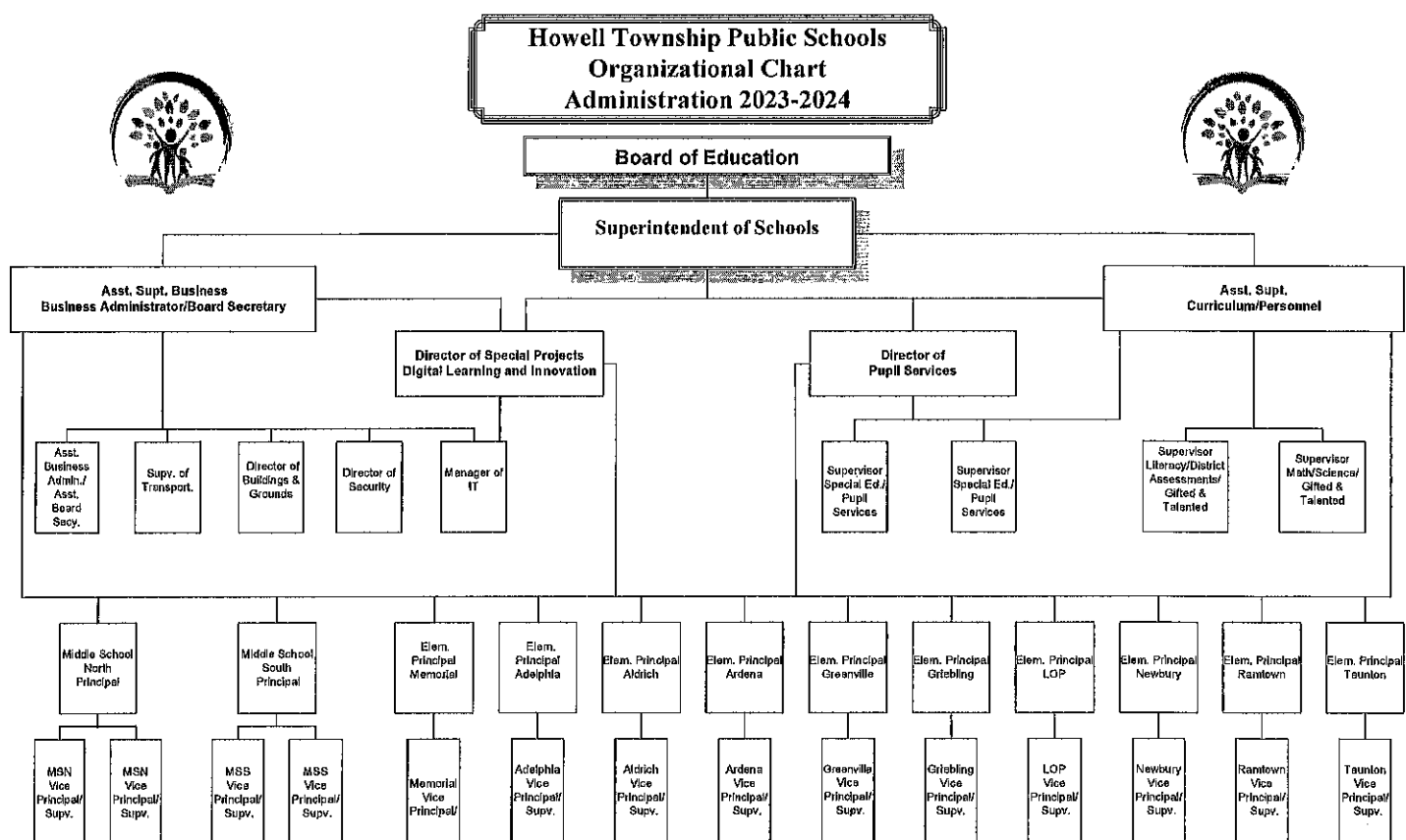
Robert A. Hulsart & Co
2807 Hurley Pond Road
Wall, New Jersey 07719

Attorney

Cleary Giacobbe Alfieri Jacobs, LLC
955 Route 34, Suite 200
Matawan, New Jersey 07747

Official Depository

TD Bank
Howell, New Jersey 07731



FINANCIAL SECTION

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

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

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Howell Township Board of Education's basic financial statements. The combining and individual non-major fund financial statements, and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

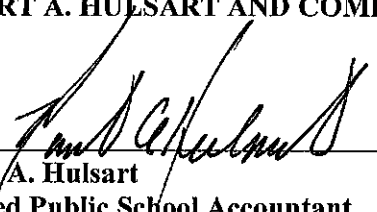
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.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

Other Reporting Required by Government Auditing Standards

In accordance with ***Government Auditing Standards***, we have also issued our report dated January 10, 2025, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** the District's internal control over financial reporting and compliance.

Respectfully submitted,

ROBERT A. HULSART AND COMPANY



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

January 10, 2025

REQUIRED SUPPLEMENTARY INFORMATION
PART I

**HOWELL TOWNSHIP PUBLIC SCHOOL DISTRICT
HOWELL TOWNSHIP**

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

UNAUDITED

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

The MD&A is a new element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – "Basic Financial Statement and Management's Discussion and Analysis – for State and Local Governments" issued in June 1999.

Financial Highlights

Key financial highlights for 2024 are as follows:

- ◆ General revenues accounted for \$140,348,279 in revenue or 91% percent of all revenues. Program specific revenue in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$13,644,933 or 9% percent to total revenues of \$153,993,212.
- ◆ The School District had \$148,757,378 in expenses; only \$13,644,933 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$140,348,279 were adequate to provide for these programs.
- ◆ The General Fund had \$139,892,158 in revenues and \$138,271,963 in expenditures.

Using this Annual Comprehensive Financial Report (ACFR)

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

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

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

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

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

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

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

Enterprise Fund

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

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

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

	2024	2023
Assets		
Current and other assets	\$ 58,532,936	\$ 55,270,495
Capital assets, net	<u>86,148,822</u>	<u>85,112,752</u>
Total assets	<u>\$144,681,758</u>	<u>\$140,383,247</u>
Deferred Outflow of Resources		
Contribution to Pension Plan	<u>\$ 2,649,064</u>	<u>\$ 3,631,375</u>
Deferred Inflows of Resources		
Pension Deferrals	<u>\$ 3,901,796</u>	<u>\$ 6,183,215</u>
Liabilities		
Long-term liabilities	\$ 42,240,008	\$ 45,914,520
Other liabilities	<u>8,719,217</u>	<u>4,682,920</u>
Total liabilities	<u>\$ 50,959,225</u>	<u>\$ 50,597,440</u>
Net Position		
Invested in capital assets, net of debt	\$ 72,983,822	\$ 69,795,752
Restricted	48,531,049	48,404,604
Unrestricted	<u>(29,045,070)</u>	<u>(30,966,389)</u>
Total Net Position	<u>\$ 92,469,801</u>	<u>\$ 87,233,967</u>

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 55% percent of revenues for governmental activities for the Howell Township Public School District for fiscal year 2024. Federal, state and local grants accounted for another 45%.

Business-Type Activities

Revenues for the District's business-type activities (food service program) were comprised of charges for services and federal and state reimbursements.

- ◆ Food service expenditures exceeded revenue by \$1,172,182.
- ◆ Charges for services represent \$1,127,321 of revenue. This represents amount paid by patrons for daily food services.
- ◆ Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities were \$1,294,008.

Governmental Activities

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

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

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

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

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

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

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

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

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

Other includes unallocated depreciation and amortization.

The School District's Funds

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

As the School Board completed the fiscal year ending June 30, 2024, it reported a combined net position balance of \$92,469,801. The reconciliation of the Statement of Revenue Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities present the reader with a detailed explanation to the differences between the net change in fund balances and changes in net position.

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

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

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

The excesses will be carried forward into the beginning fund balance for the 2023-2024 fiscal year and will be used to fund the 2023-2024 fiscal budget.

The increase in debt service is attributed to additional construction programs.

Capital Assets

At the June 30, 2024 the School District had approximately \$86,065,821 invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, instructional equipment and other equipment. This amount is net of accumulated depreciation to date. Table 2 below shows the net book value of capital assets at the end of the 2024 and 2023 fiscal years.

Table 2
Capital Assets (Net of Depreciation) at June 30

	2024	2023
Land	\$ 5,348,018	\$ 5,348,018
Building and improvements	69,533,475	68,741,273
Machinery and equipment	11,184,328	10,978,628
Totals	<u>\$ 86,065,821</u>	<u>\$ 85,067,919</u>

Debt Administration

At June 30, 2024, the School district had \$43,346,008 as outstanding debt. Of this amount, \$3,845,982 is for compensated absences, \$2,123,000 for capital leases, \$24,212,026 of pension obligations and the balance \$13,165,000 for bonds for school construction.

Economic Factors and Next Year's Budget

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

The Township of Howell is primarily a residential community, with very few ratables, and is presently experiencing a slowing of what little ratable growth had been experienced. The majority of revenues needed to operate the District are derived from homeowners through property tax assessments and collections, which are voted by the residents annually.

The (\$29,202,433) in unrestricted net position for all governmental activities represents the accumulated results of all past years' operations. This means that if the School Board had to pay off all bills today, including all of the School Board's non concurrent liabilities such as compensated absences, the School Board would have a deficit of (\$29,202,433).

At this time, the most important factor affecting the budget is the unsettled situation with State Aid and Tax Levy caps. Since expenses continue to increase due to inflationary and legislative pressures and revenues are fixed, the district must reduce expenses to compensate.

The School Board cannot accurately forecast future enrollment, but presently is experiencing a reversal of the past growth trend.

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

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School district's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or require additional information contact Ronald Sanasac, Business Administrator/Board Secretary at Howell Township Board of Education, P.O. Box 579, Howell, New Jersey 07731.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS – A

HOWELL TOWNSHIP SCHOOL DISTRICT**STATEMENT OF NET POSITION****JUNE 30, 2024****Exhibit A-1
Sheet 1 of 2**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 47,535,268	997,815	48,533,083
Receivables, Net	9,256,248	132,355	9,388,603
Inventory		6,707	6,707
Restricted Assets:			
Cash and Cash Equivalents	604,543		604,543
Capital Assets-Non-Depreciable	5,348,018		5,348,018
Capital Assets, Net	80,717,803	83,001	80,800,804
Total Assets	<u>143,461,880</u>	<u>1,219,878</u>	<u>144,681,758</u>
<u>Deferred Outflow of Resources</u>			
Contribution to Pension Plan	<u>2,649,064</u>		<u>2,649,064</u>
<u>Deferred Inflow of Resources</u>			
Pension Deferrals	<u>3,901,796</u>		<u>3,901,796</u>
<u>Liabilities</u>			
Accounts Payable	5,054,564	979,514	6,034,078
Accrued Interest	308,929		308,929
Deferred Revenue	1,270,210		1,270,210
Noncurrent Liabilities:			
Due Within One Year	1,106,000		1,106,000
Due Beyond One Year	42,240,008		42,240,008
Total Liabilities	<u>49,979,711</u>	<u>979,514</u>	<u>50,959,225</u>

HOWELL TOWNSHIP SCHOOL DISTRICT**STATEMENT OF NET POSITION****JUNE 30, 2024****Exhibit A-1
Sheet 2 of 2**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Net Positions</u>			
Invested in Capital Assets, Net of Related Debt	72,900,821	83,001	72,983,822
Restricted For:			
Debt Service	(1,089)		(1,089)
Capital Projects	25,335		25,335
Special Revenue	835,549		835,549
Other Purposes	47,671,254		47,671,254
Unrestricted	<u>(29,202,433)</u>	<u>157,363</u>	<u>(29,045,070)</u>
Total Net Position	<u>\$ 92,229,437</u>	<u>240,364</u>	<u>92,469,801</u>

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

HOWELL TOWNSHIP SCHOOL DISTRICT

Exhibit A-2

Sheet 1 of 2

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

		Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs	Expenses					
Governmental Activities:						
Instruction:						
Regular	\$ 29,696,788	1,365,076		(28,331,712)		(28,331,712)
Special Education	22,238,645		7,393,991	(14,844,654)		(14,844,654)
Other Instruction	3,456,415			(3,456,415)		(3,456,415)
Support Services:						
Tuition	85,100			(85,100)		(85,100)
Student & Instruction Related Services	15,498,217		2,321,191	(13,177,026)		(13,177,026)
School Administrative Services	4,479,393			(4,479,393)		(4,479,393)
General and Business Administrative Services	3,181,714			(3,181,714)		(3,181,714)
Plant Operations and Maintenance	6,099,590			(6,099,590)		(6,099,590)
Pupil Transportation	10,432,615			(10,432,615)		(10,432,615)
Unallocated Benefits	42,879,571			(42,879,571)		(42,879,571)
Special Schools	229,789			(229,789)		(229,789)
Interest on Long-Term Debt	16,340			(16,340)		(16,340)
Capital Outlay	3,620,715		143,346	(3,477,369)		(3,477,369)
Unallocated Depreciation	3,248,975			(3,248,975)		(3,248,975)
Total Government Activities	145,163,867	1,365,076	9,858,528	(133,940,263)	-	(133,940,263)
Business-Type Activities:						
Food Service	3,593,511	1,127,321	1,294,008		(1,172,182)	(1,172,182)
Total Primary Government	148,757,378	2,492,397	11,152,536	(133,940,263)	(1,172,182)	(135,112,445)

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

HOWELL TOWNSHIP SCHOOL DISTRICT

Exhibit A-2

Sheet 2 of 2

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

	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Revenues:					
Taxes:					
Property Taxes, Levied for General Purpose, Net			\$ 84,330,972		84,330,972
Taxes Levied for Debt Service			62,342		62,342
Federal and State Aid Not Restricted			50,671,196		50,671,196
Miscellaneous Income			5,245,601	38,168	5,283,769
Total General Revenues, Special Items, Extraordinary Items and Transfers			140,310,111	38,168	140,348,279
Change in Net Position			6,369,848	(1,134,014)	5,235,834
Net Position - Beginning			85,859,589	1,374,378	87,233,967
Net Position - Ending			\$ 92,229,437	240,364	92,469,801

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

FUND FINANCIAL STATEMENTS – B

BALANCE SHEETGOVERNMENTAL FUNDSJUNE 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<u>Assets</u>					
Cash - Unrestricted	\$ 46,233,245	1,302,023			47,535,268
Cash - Restricted	396,689		208,943	(1,089)	604,543
Receivables from Other Governments	1,792,206	2,097,346	292,067		4,181,619
Accounts Receivable	821,189	1,480,347			2,301,536
Interfund Receivable	2,773,093				2,773,093
Total Assets	<u>\$ 52,016,422</u>	<u>4,879,716</u>	<u>501,010</u>	<u>(1,089)</u>	<u>57,396,059</u>
<u>Liabilities and Fund Balance</u>					
<u>Liabilities:</u>					
Accounts Payable	\$ 1,542,230	864	475,675		2,018,769
Interfund Payable		2,773,093			2,773,093
Payroll Withholdings and Deductions	262,702				262,702
Deferred Revenue		1,270,210			1,270,210
Total Liabilities	<u>1,804,932</u>	<u>4,044,167</u>	<u>475,675</u>	<u>-</u>	<u>6,324,774</u>
<u>Fund Balance:</u>					
Restricted for:					
Unemployment	396,689				396,689
Designated for Subsequent Years Expenditures -					
Excess Surplus	3,000,000				3,000,000
Excess Surplus - Current Year	3,000,000				3,000,000
Maintenance Reserve	7,214,779				7,214,779
Designated for Subsequent Years Expenditures - Maintenance Reserve	3,120,763				3,120,763
Capital Reserve Account	17,430,177				17,430,177
Designated for Subsequent Years Expenditures - Capital Reserve	7,853,704				7,853,704
Designated for Subsequent Years Expenditures - BOE	1,091,515				1,091,515
Student Activities		1,302,023			1,302,023
Assigned To:					
Other Purposes	4,563,627				4,563,627
Unassigned:					
General Fund	2,540,236				2,540,236
Special Revenue Fund		(466,474)			(466,474)
Capital Projects Fund			25,335		25,335
Debt Service Fund				(1,089)	(1,089)
Total Fund Balances	<u>50,211,490</u>	<u>835,549</u>	<u>25,335</u>	<u>(1,089)</u>	<u>51,071,285</u>
Total Liabilities and Fund Balance	<u>\$ 52,016,422</u>	<u>4,879,716</u>	<u>501,010</u>	<u>(1,089)</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$182,142,634 and the accumulated depreciation is \$96,076,813. 86,065,821

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. (43,346,008)

Deferred outflow of resources - contributions to the pension plan 2,649,064

Deferred inflow of resources - acquisition of assets applicable to future reporting periods (3,901,796)

Accrued Interest (308,929)

Net position of governmental activities \$ 92,229,437

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

HOWELL TOWNSHIP SCHOOL DISTRICT

Exhibit B-2

Sheet 1 of 2

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>					
Local Sources:					
Local Tax Levy	\$ 84,330,972			62,342	84,393,314
Tuition Charges	1,365,076				1,365,076
Miscellaneous - Building Use	90,058				90,058
Miscellaneous - Restricted	201,192	1,720,687			1,921,879
Miscellaneous - Unrestricted	3,233,664				3,233,664
Total Local Sources	89,220,962	1,720,687	-	62,342	91,003,991
State Sources	50,579,562	4,619,776			55,199,338
Federal Sources	91,634	5,238,752			5,330,386
Total Revenues	139,892,158	11,579,215	-	62,342	151,533,715
<u>Expenditures</u>					
Current:					
Regular Instruction	29,696,788				29,696,788
Special Education Instruction	14,844,654	7,393,991			22,238,645
Other Special Instruction	2,679,472				2,679,472
Other Instruction	776,943				776,943
Support Services and Undistributed Costs:					
Tuition	85,100				85,100
Student and Instruction Related Services	11,344,468	4,153,749			15,498,217
School Administrative Services	4,479,393				4,479,393
Other Administrative Services	3,181,714				3,181,714
Plant Operations and Maintenance	10,816,467				10,816,467
Pupil Transportation	10,432,615				10,432,615
Unallocated Benefits	46,718,191				46,718,191
Special Schools	229,789				229,789
Debt Service:					
Principal				50,000	50,000
Interest and Other Charges				12,342	12,342
Capital Outlay	2,986,369	143,346			3,129,715
Total Expenditures	138,271,963	11,691,086	-	62,342	150,025,391

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

HOWELL TOWNSHIP SCHOOL DISTRICT

Exhibit B-2

Sheet 2 of 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,620,195</u>	<u>(111,871)</u>	<u>-</u>	<u>-</u>	<u>1,508,324</u>
Net Change in Fund Balances	<u>1,620,195</u>	<u>(111,871)</u>	<u>-</u>	<u>-</u>	<u>1,508,324</u>
Fund Balance - July 1	<u>48,591,295</u>	<u>947,420</u>	<u>25,335</u>	<u>(1,089)</u>	<u>49,562,961</u>
Fund Balance - June 30	<u><u>\$ 50,211,490</u></u>	<u><u>835,549</u></u>	<u><u>25,335</u></u>	<u><u>(1,089)</u></u>	<u><u>51,071,285</u></u>

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

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

Exhibit B-3

TO THE STATEMENT OF ACTIVITIESFOR THE YEAR ENDED JUNE 30, 2024

Total Net Change in Fund Balances - Governmental Funds (From B-2)	\$ 1,508,324
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Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:

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

Depreciation Expense	(3,248,975)	
Capital Outlays	<u>3,755,877</u>	506,902

Repayment of bond principal is 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.	520,000
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In the statement of activities certain operating expenses, compensated absences are measured by the amount earned during the year. In the government funds however, expenditures for these items are reported in the amount of financial resources paid.	79,329
--	--------

Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position	(982,311)
--	-----------

Pension Related Deferrals	2,281,419
---------------------------	-----------

Net Pension Liability	2,460,183
-----------------------	-----------

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental fund, interest is reported when due.	<u>(3,998)</u>
--	----------------

Change in Net Position of Governmental Activities (A-2)	<u>\$ 6,369,848</u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

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

	<u>Enterprise Fund</u>
<u>Assets</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 997,815
Accounts Receivable:	
State	3,492
Federal	66,980
Other	61,883
Inventory	6,707
Total Current Assets	<u>1,136,877</u>
Noncurrent Assets:	
Equipment	1,211,695
Accumulated Depreciation	<u>(1,128,694)</u>
Total Fixed Assets	<u>83,001</u>
Total Assets	<u><u>\$ 1,219,878</u></u>
 <u>Liabilities</u>	
Accounts Payable	<u><u>\$ 979,514</u></u>
 <u>Net Position</u>	
Investment in Capital Assets	\$ 83,001
Unrestricted	<u>157,363</u>
Total Net Position	<u><u>\$ 240,364</u></u>

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

HOWELL TOWNSHIP SCHOOL DISTRICT**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN ACTIVITIES****Exhibit B-5****PROPRIETARY FUNDS****JUNE 30, 2024**

	Enterprise Fund
Operating Revenues:	
Daily Sales-Reimbursable Programs	\$ 753,458
Daily Sales-Non-Reimbursable Programs	344,351
Miscellaneous	29,512
Total Operating Revenues	<u>1,127,321</u>
Operating Expenses:	
Salaries & Benefits	1,473,355
Cost of Sales-Reimbursable Programs	608,637
Cost of Sales-Non-Reimbursable Programs	260,844
Management Fee	119,156
Other Purchased Services	797,043
Repairs	31,157
Utilities	73,840
Miscellaneous	229,479
Operating Expenses	<u>3,593,511</u>
Operating Gain/(Loss)	(2,466,190)
Non-Operating Revenues:	
Interest	37,556
State Sources:	
State School Lunch Program	43,787
State Breakfast Program	4,973
Federal Sources:	
National School Lunch Program	705,394
Breakfast Program	164,674
HHFKA Program	29,102
Supply Chain Grant	128,909
PEBT	3,256
Food Distribution Program	176,357
Total Non-Operating Revenues	<u>1,294,008</u>
Change in Net Position	(1,172,182)
Adjustment for Fixed Assets	38,168
Net Position - July 1	<u>1,374,378</u>
Net Position - June 30	<u><u>\$ 240,364</u></u>

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

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

	Enterprise Fund
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 1,127,321
Payments to Employees & Benefits	(1,473,355)
Payments to Supplies	(1,507,617)
Net Provided (Used) by Operating Activities	<u>(1,853,651)</u>
Cash Flows from Noncapital Financing Activities:	
State Sources	48,760
Federal Sources	1,031,335
Net Cash Provided by Noncapital Financing Activities	<u>1,080,095</u>
Cash Flows from Investing Activities:	
Interest	37,556
Net Cash Provided Investing Activities	<u>37,556</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(736,000)
Balance - July 1	<u>1,733,815</u>
Balance - June 30	<u><u>\$ 997,815</u></u>
Reconciliation of Operating Income (Loss) to Net Cash	
Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (2,466,190)
Federal Commodities	176,357
Adjustments to Reconcile Operating Income (Loss)	
to Cash Provided (Used) by Operating Activities:	
Decrease/(Increase) in Inventory	(3,357)
(Decrease)/Increase in Accounts Payable	427,195
Decrease/(Increase) in Accounts Receivable	<u>12,344</u>
Net Provided (Used) by Operating Activities	<u><u>\$ (1,853,651)</u></u>

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

NOTES TO FINANCIAL STATEMENTS

BOARD OF EDUCATION
HOWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE 1: Summary of Significant Accounting Policies

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

A. Reporting Entity:

The Howell Township School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-8. The Howell Township School District had an approximate enrollment at June 30, 2024 of 6,137 students.

The students Grades 9-12 are educated by the Freehold Regional High School District of which Howell Township is a member.

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

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

B. Government-Wide Financial Statements

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

D. Fund Accounting:

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

Governmental Fund Types

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

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

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

Debt Services 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 Fund Type

Enterprise Fund: To account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the District is that the costs of providing goods or services to the District on a continuing basis be financed or recovered primarily through user charges.

Fiduciary Fund Types

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

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

E. Budgets/Budgetary Control:

Budgets are prepared using the modified accrual basis of accounting; the legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(g)1. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2024 are shown on Exhibit C-1.

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

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

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

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The following presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General, Special Revenues and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Fund Types. Note that the District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment.

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

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

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

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

G. Short-Term Interfund Receivables/Payables:

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

H. Inventories and Prepaid Expenses

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2024.

I. Capital Assets and Depreciation

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

The District maintains reports with a comprehensive detail of capital assets and depreciation. The report included capital assets purchased during the 2023-2024 fiscal year and prior with a historical cost of \$2,000 or more. The records have been updated to June 30, 2024. The costs of normal maintenance and repairs that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts. Estimated useful lives, in years, for depreciable assets are as follows:

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

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

	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Adj.</u>	<u>Retirements</u>	<u>Balance June 30, 2024</u>
Governmental Activities:					
Capital Assets That Are Not Being Depreciated:					
Land	\$ 5,348,018	_____	_____	_____	5,348,018
Total Capital Assets Not Being Depreciated	<u>5,348,018</u>	_____	_____	_____	<u>5,348,018</u>
Depreciable Assets:					
Site Improvements	11,485,165	41,238			11,526,403
Buildings	128,430,322	1,544,967			129,975,289
Machinery & Equip.	<u>34,643,823</u>	<u>649,101</u>	_____	_____	<u>35,292,924</u>
Total	<u>174,559,310</u>	<u>2,235,306</u>	_____	_____	<u>176,794,616</u>
Less: Accumulated Depreciation:					
Sites	(7,370,030)	(250,123)	223,660		(7,396,493)
Buildings	(63,804,184)	(2,183,585)	1,416,045		(64,571,724)
Machinery & Equip.	<u>(23,665,195)</u>	<u>(815,267)</u>	<u>371,866</u>	_____	<u>(24,108,596)</u>
Total Accumulated Depreciation	<u>(94,839,409)</u>	<u>(3,248,975)</u>	<u>2,011,571</u>	_____	<u>(96,076,813)</u>
Net Depreciable Assets	<u>79,719,901</u>	<u>(1,013,669)</u>	<u>2,011,571</u>	_____	<u>80,717,803</u>
Governmental Activities Capital Assets (Net)	<u>\$ 85,067,919</u>	<u>(1,013,669)</u>	<u>2,011,571</u>	_____	<u>86,065,821</u>

Depreciations expense was charged to governmental functions as follows:

Unallocated	<u>\$ 3,248,975</u>
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	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Balance June 30, 2024</u>
Business-Type Activities:				
Equipment	\$ 1,211,695			1,211,695
Less: Accumulated Depreciation:				
Equipment	<u>(1,128,694)</u>	_____	_____	<u>(1,128,694)</u>
Business-Type Capital Assets (Net)	<u>\$ 83,001</u>	_____	_____	<u>83,001</u>

NOTE 1: Summary of Significant Accounting Policies (Continued)

J. Compensated Absences

District employees are permitted, within certain limitations, to accrue vacation and sick leave in varying amounts under the Districts personnel policies and may be paid at a later date according to contractual agreements.

The liability for vested compensated absences of the governmental fund types is recorded in the government-wide financial statements as a non-current liability. Governmental funds report only matured compensated absences payable to currently terminating employees and are included in wages and benefits payable

K. Deferred Revenue

Deferred revenue in the general and special revenue funds represent cash which has been received but not yet earned. Deferred revenue in the general fund represents monies received for fiscal year 2020. See Note 1(F) regarding the special revenue fund.

L. Fund Equity

The governmental fund financial statements report reserved fund balance for amounts not available for appropriation or legally restricted for specified purposes. The general fund reserve for restricted purposes includes net assets relating to capital reserve (See Note 9).

M. Net Position

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

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

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

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

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

Fund Balance

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

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

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

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

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

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

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

NOTE 2: Cash and Cash Equivalents and Investments

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

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

Deposits

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

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

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

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

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

Investments

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

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

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

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

	Cash and Cash Equivalents
Checking and Money Market Accounts	<u>\$ 49,137,626</u>

The carrying amount of the District's cash and cash equivalents at June 30, 2024 was \$49,137,626 and the bank balance was \$53,295,974. Of the bank balance, \$250,000 was covered by federal depository insurance and \$53,045,974 was covered by a collateral pool maintained by the banks as required by New Jersey statutes.

Credit Risk Categories

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

	Bank Balance	
<u>Depository Account</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Insured:		
FDIC	\$ 250,000	250,000
GUDPA	<u>53,045,974</u>	<u>52,226,774</u>
	<u>\$ 53,295,974</u>	<u>52,476,774</u>

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 does not have a formal policy for custodial credit risk.

The District had no uninsured deposits.

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

NOTE 3: General Long-Term Debt

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

	<u>Balance</u> <u>June 30, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2024</u>	<u>Long-Term</u> <u>Portion</u>	<u>2024-25</u> <u>Payment</u>
Pension Liability	\$ 26,672,209		(2,460,183)	24,212,026	24,212,026	
Compensated Absences Payable	3,925,311		(79,329)	3,845,982	3,845,982	
Capital Leases Payable	1,632,000	978,000	(487,000)	2,123,000	1,437,000	686,000
Bonds Payable	<u>13,685,000</u>	<u> </u>	<u>(520,000)</u>	<u>13,165,000</u>	<u>12,745,000</u>	<u>420,000</u>
	<u>\$ 45,914,520</u>	<u>978,000</u>	<u>(3,546,512)</u>	<u>43,346,008</u>	<u>42,240,008</u>	<u>1,106,000</u>

A. Bonds Payable

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

<u>School</u>	<u>Date of</u> <u>Issue</u>	<u>Interest</u> <u>Rate</u>	<u>Balance</u> <u>June 30, 2024</u>
ERIP (Refunded)	02-19-03	2.00% to 5.875%	\$ 230,000
ESIP 2018 Revenue Bonds	07-10-18	4.00% to 5.00%	<u>12,935,000</u>
			<u>\$ 13,165,000</u>

Maturity Schedule

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year Ending June 30,			
2025	\$ 420,000	592,226	1,012,226
2026	460,000	570,314	1,030,314
2027	510,000	546,156	1,056,156
2028	560,000	519,502	1,079,502
2029	550,000	491,800	1,041,800
2030-2034	3,610,000	1,975,675	5,585,675
2035-2039	<u>7,055,000</u>	<u>800,000</u>	<u>7,855,000</u>
	<u>\$ 13,165,000</u>	<u>5,495,673</u>	<u>18,660,673</u>

NOTE 3: General Long-Term Debt (Continued)**B. Capital Leases**

2019 equipment lease @ 5.00% interest for 7 years maturing 10/1/2026 with a balance of \$282,000 at June 30, 2024.

2021 equipment lease @ 4.00% to 5.00% interest for 5 years maturing 10/1/2026 with a balance of \$863,000 at June 30, 2024.

2023 equipment lease @ 5.00% interest for 5 years maturing 10/1/2028 with a balance of \$978,000 at June 30, 2024.

Future Minimum Lease Payments

2024-2025	\$ 790,453
2025-2026	553,405
2026-2027	554,440
2027-2028	219,800
2028-2029	<u>219,350</u>
	2,337,448
Less: Interest	<u>(214,448)</u>
Lease Payments	<u>\$ 2,123,000</u>

NOTE 4: 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 Teacher's 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.

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.

NOTE 4: Pension Plans (Continued)

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.

Vesting and Benefit Provisions – The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provide for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provision of the System.

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

Significant Legislation - During the year ended June 30, 1997, legislation was enacted Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997), changed the asset valuation method from market related value to full-market value. This legislation also contains a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

Funding Policy – The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.06% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

NOTE 4: Pension Plans (Continued)

Legislation enacted during 1993 provides early retirement incentives for certain members of TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1994 fiscal year. The early retirement incentives included: (a) an additional five years of service credit for employees at least age 50 with a minimum of 25 years of service; (b) free health benefits for employees at least 60 years old with at least 20 years of service; and (c) an additional \$500 per month for two years for employees at least age 60 with 10 years but less than 20 years of service. The Board will assume the increased cost for the early retirement as it affects their districts.

During the year ended June 30, 2024, the State of New Jersey contributed \$23,491,171 to the TPAF for post-retirement medical benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$3,902,424 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. These amounts have been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditure in accordance with GASB 24.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/24	\$ 2,239,620	100%	0
6/30/23	2,234,670	100%	0
6/30/22	2,090,208	100%	0

Three-Year Trend Information for TPAF (Paid On-Behalf of the District)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/24	\$ 23,491,171	100%	0
6/30/23	23,186,341	100%	0
6/30/22	23,426,060	100%	0

Public Employees' Retirement System (PERS)**Plan Description**

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

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

NOTE 4: Pension Plans (Continued)

The following represents the membership tiers for PERS:

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

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

Basis of Presentation

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

Allocation Methodology and Reconciliation to Financial Statements

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

NOTE 4: Pension Plans (Continued)

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

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

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

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

NOTE 4: Pension Plans (Continued)

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

For the year ended June 30, 2024, the District recognized pension expense of \$2,239,620. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 231,498	98,971
Changes of Assumptions	53,189	1,467,353
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	111,500	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	13,257	2,335,472
District Contributions Subsequent to the Measurement Date	<u>2,239,620</u>	
Total	<u>\$ 2,649,064</u>	<u>3,901,796</u>

\$2,239,620 reported as deferred outflows of resources related to pensions resulting from school district, project contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2024, the plan measurement date is June 30, 2023) will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year Ending
June 30,**

2024	\$ (1,267,617)
2025	(707,535)
2026	988,733
2027	(176,944)
2028	<u>3,009</u>
	<u>\$ (1,160,354)</u>

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

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

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Collective Deferred Outflows of Resources	\$ 2,649,064	3,631,375
Collective Deferred Inflows of Resources	3,901,796	6,183,215
Collective Net Pension Liability	24,212,026	26,672,209
District's Proportion	.16576%	.17525%

Components of Net Pension Liability

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

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

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

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

NOTE 4: Pension Plans (Continued)

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

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

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

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

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

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

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

	2023		
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
School District's Proportionate Share Of the Net Pension Liability	<u>\$ 31,518,906</u>	<u>24,212,026</u>	<u>17,992,905</u>

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

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

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

NOTE 4: Pension Plans (Continued)

The following represents the membership tiers for TPAF:

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

Basis of Presentation

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

Allocation Methodology

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

NOTE 4: Pension Plans (Continued)

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

Special Funding Situation

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

Components of Net Pension Liability

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

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

State Proportionate Share of Net Pension Liability Attributable to District

	<u>2023</u>	<u>2022</u>
District's Liability	<u>\$ 226,050,004</u>	<u>234,646,616</u>
District's Proportion	.44228%	.45407%

NOTE 4: Pension Plans (Continued)

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

Year Ending June 30:

2024	\$ (17,331,590)
2025	(15,241,098)
2026	(7,095,478)
2027	(7,707,386)
2028	(7,398,519)
Thereafter	<u>250,360</u>

Total	<u>\$ (54,523,711)</u>
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The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

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

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

NOTE 4: 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. 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%

Discount Rate

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

NOTE 4: Pension Plans (Continued)**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

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

	2023		
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
School District's Proportionate Share Of the Net Pension Liability	\$ 0	0	0
State of New Jersey's Proportionate Share Of the District's Net Pension Liability	<u>266,553,975</u>	<u>226,050,004</u>	<u>191,936,034</u>
	<u>\$ 266,553,975</u>	<u>226,050,004</u>	<u>191,936,034</u>

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

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefit for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other than Pension*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

NOTE 5: Post-Retirement Benefits (Continued)

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

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

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

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

Total OPEB Liability

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

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

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

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

NOTE 5: Post-Retirement Benefits (Continued)

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

(a) Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreased to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

(b) Discount Rate

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

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

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

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

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

NOTE 5: Post-Retirement Benefits (Continued)

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

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

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

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
State of New Jersey's Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 43,468,257,358</u>	<u>52,361,668,239</u>	<u>63,998,719,320</u>

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

For the year ended June 30, 2023, the Board of Education recognized OPEB expense of \$5,537,074 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

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

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

NOTE 5: Post-Retirement Benefits (Continued)

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

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

NOTE 6: Compensated Absences

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

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

In the district-wide *Statement of Net Position*, the liabilities whose average maturities are greater than one year should be reported in two components -- the amount due within one year and the amount due in more than one year.

NOTE 7: Capital Reserve Account

A capital reserve account was established by the Township of Howell Board of Education by inclusion of \$1 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). 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. 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. 6:23A-5.1(d) 7*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

NOTE 7: Capital Reserve Account (Continued)

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

Beginning Balance July 1, 2023	\$ 23,196,921
Interest Earned	789,248
Increase Per Board of Education	11,297,712
Decreased Per Budget Appropriation 2023-2024	<u>(10,000,000)</u>
Ending Balance June 30, 2024	<u>\$ 25,283,881</u>

\$7,853,704 has been designated for use in the 2024-25 budget.

NOTE 8: Inventory

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

Food	\$ 6,182
Supplies	<u>525</u>
	<u>\$ 6,707</u>

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

NOTE 9: Fund Balance Appropriated

General Fund – Of the \$52,252,941 General Fund fund balance at June 30, 2024, \$4,563,627 is reserved for encumbrances; \$17,430,177 is capital reserve; \$7,853,704 is capital reserve designated for subsequent years expenditures; \$3,000,000 is excess surplus designated for subsequent year's expenditures; \$3,120,763 is Maintenance Reserve designated for subsequent year's expenditures; \$7,214,779 is maintenance reserve; \$4,581,687 is unreserved and undesignated; unemployment is \$396,689; \$1,091,515 is designated for subsequent years expenditures by the BOE; and \$3,000,000 is excess surplus – current year.

NOTE 10: Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, 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. There was no excess fund balance at June 30, 2024.

NOTE 11: Contingent Liabilities

The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect of the financial position of the District.

NOTE 12: Tuition Adjustments

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

NOTE 13: Economic Dependency

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

NOTE 14: 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.

New Jersey Unemployment Compensation Insurance – The District elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>	<u>Reimbursed</u>	<u>Balance</u>
2023-2024	\$	201,192	134,346	396,689
2022-2023		74,038	173,235	329,843
2021-2022		237,214	5,722	429,040

NOTE 15: Contingent Liabilities

The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect of the financial position of the District.

NOTE 16: Equity Balance

At June 30, 2024 the General Fund equity balance was as follows:

Capital Reserve – Designated for Subsequent Years Expenditures	\$ 7,853,704
Committed Fund Balance:	
Maintenance Reserve	7,214,779
Maintenance Reserve – Designated for Subsequent Year’s Expenditures	3,120,763
Capital Reserve	17,430,177
Excess Surplus – Current Year	3,000,000
Excess Surplus – Designated for Subsequent Years Expenditures	3,000,000
Designated for Subsequent Year’s Expenditures – BOE	1,091,515
Unemployment	396,689
Assigned Fund Balances – Year-End Encumbrances	4,563,627
Unassigned Fund Balance	<u>4,581,687</u>
	<u>\$ 52,252,941</u>

2% Calculation of Excess Surplus

2023-24 Total General Fund Expenditures Per the ACFR	\$ 137,271,963
Decreased by:	
On-Behalf TPAF Pension & Social Security	<u>(27,393,595)</u>
Adjusted 2023-24 General Fund Expenditures	<u>\$ 109,878,368</u>
2% of Adjusted 2023-24 General Fund Expenditures	<u>\$ 2,197,567</u>
Enter Greater of Above or \$250,000	\$ 2,197,567
Increased by Allowable Adjustment	<u>2,384,120</u>
Maximum Unassigned Fund Balance	<u>\$ 4,581,687</u>

Section 2

Total General Fund – Fund Balance @ 6-30-24	\$ 52,252,941
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Decreased by:	
Reserved by Encumbrances	(4,563,627)
Designated for Subsequent Year’s Expenditures – Excess Surplus	(3,000,000)
Designated for Subsequent Year’s Expenditures – Capital Reserve	(7,853,704)
Designated for Subsequent Year’s Expenditures – Maintenance Reserve	(3,120,763)
Designated for Subsequent Year’s Expenditures – BOE	(1,091,515)
Reserve for Unemployment	(396,689)
Other Reserves	<u>(24,644,956)</u>

Total Unassigned Fund Balance	<u>\$ 7,581,687</u>
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Reserved Fund Balance – Excess Surplus	<u>\$ 3,000,000</u>
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NOTE 16: Equity Balance (Continued)**Section 3**

Reserved Fund Balance -- Excess Surplus Designated for Subsequent Expenditures	\$ 3,000,000
Reserved Excess Surplus	<u>3,000,000</u>
	<u>\$ 6,000,000</u>

Detail of Allowable Adjustments

Non Public Transportation	\$ 236,736
Supplementary Stabilization Aid	591,914
Extraordinary Aid	<u>1,555,470</u>
	<u>\$ 2,384,120</u>

Detail of Other Reserved Fund Balances

Capital Reserve	\$ 17,430,177
Maintenance Reserve	<u>7,214,779</u>
	<u>\$ 24,644,956</u>

NOTE 17: Interfund Receivables and Payables

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

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

	<u>From</u>	<u>To</u>
General Fund	\$	2,773,093
Special Revenue Fund	<u>2,773,093</u>	<u> </u>
	<u>\$ 2,773,093</u>	<u>2,773,093</u>

These interfund loans are due to the Special Revenue Fund awaiting State and Federal reimbursements. Once received, the interfunds will be eliminated, which is expected to be within one year.

NOTE 18: Subsequent Events

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

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES – C

HOWELL TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

Sheet 1 of 14

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 84,330,972		84,330,972	84,330,972	-
Tuition	505,430		505,430	1,365,076	859,646
Interest	2,700		2,700	1,194,725	1,192,025
Miscellaneous - Building Use	150,000		150,000	90,058	(59,942)
Miscellaneous	1,428,169		1,428,169	2,038,939	610,770
Other Restricted Miscellaneous Revenues			-	201,192	201,192
Total Local Sources	<u>86,417,271</u>	<u>-</u>	<u>86,417,271</u>	<u>89,220,962</u>	<u>2,803,691</u>
State Sources:					
Special Education Aid	3,740,074		3,740,074	3,740,074	-
Equalization Aid	15,439,995		15,439,995	15,439,995	-
Extraordinary Aid			-	1,555,470	1,555,470
Security Aid	517,479		517,479	517,479	-
Transportation Aid	903,761		903,761	903,761	-
Supplemental Stabilization Aid			-	591,914	591,914
Non Public Transportation			-	236,736	236,736
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)			-	5,024,719	5,024,719
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)			-	18,462,142	18,462,142
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability			-	4,310	4,310
Reimbursed TPAF Social Security Contributions (Non-Budgeted)			-	3,902,424	3,902,424
Total State Sources	<u>20,601,309</u>	<u>-</u>	<u>20,601,309</u>	<u>50,379,024</u>	<u>29,777,715</u>
Federal Sources					
Medicaid	75,783		75,783	91,634	15,851
Total Federal Sources	<u>75,783</u>	<u>-</u>	<u>75,783</u>	<u>91,634</u>	<u>15,851</u>
Total Revenues	<u>107,094,363</u>	<u>-</u>	<u>107,094,363</u>	<u>139,691,620</u>	<u>32,597,257</u>

HOWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit C-1
Sheet 2 of 14

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Distributed Expenditures:					
Current Expense:					
Instruction - Regular Programs:					
Preschool/Kindergarten	1,810,802	(252,630)	1,558,172	1,503,380	54,792
Grades 1-5	15,337,376	130,211	15,467,587	15,437,914	29,673
Grades 6-8	10,092,845	123,478	10,216,323	10,216,323	-
Regular Programs - Undistributed					
Instruction:					
Other Salaries for Instruction		115	115	115	-
General Supplies	494,642	37,306	531,948	360,976	170,972
Textbooks	650,362	(11,630)	638,732	541,315	97,417
Other Objects	188,045	3,094	191,139	156,418	34,721
Home Instruction	2,500		2,500		2,500
Total Regular Programs	<u>28,576,572</u>	<u>29,944</u>	<u>28,606,516</u>	<u>28,216,441</u>	<u>390,075</u>
Special Education:					
Cognitive - Mild:					
Instruction:					
Salaries of Teachers	166,820	535	167,355	167,355	-
Other Salaries for Instruction	36,325	19,425	55,750	55,750	-
General Supplies	1,500	(1,500)	-		-
Total Cognitive - Mild	<u>204,645</u>	<u>18,460</u>	<u>223,105</u>	<u>223,105</u>	<u>-</u>

HOWELL TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

Sheet 3 of 14

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Learning and/or Language Disabilities - Instruction:					
Salaries of Teachers	520,705	118,658	639,363	639,363	-
Other Salaries for Instruction	146,937	21,018	167,955	167,955	-
General Supplies	100	(100)	-	-	-
Total Learning/Language Disabilities	<u>667,742</u>	<u>139,576</u>	<u>807,318</u>	<u>807,318</u>	<u>-</u>
Emotional Regulation Impairment - Instruction:					
Salaries of Teachers	272,995	106,565	379,560	379,560	-
Other Salaries for Instruction	141,806	2,462	144,268	144,268	-
Purchased Professional Educational Services	264,270	4,411	268,681	268,681	-
Other Objects	3,000	(42)	2,958	2,958	-
Total Emotional Regulation Impairment	<u>682,071</u>	<u>113,396</u>	<u>795,467</u>	<u>795,467</u>	<u>-</u>
Multiple Disabilities - Instruction:					
Salaries of Teachers	1,155,935	(2,619)	1,153,316	1,153,316	-
Other Salaries for Instruction	362,918	(21,835)	341,083	341,083	-
General Supplies	10,445	(8,203)	2,242	1,325	917
Other Objects	2,000	(2,000)	-	-	-
Total Multiple Disabilities	<u>1,531,298</u>	<u>(34,657)</u>	<u>1,496,641</u>	<u>1,495,724</u>	<u>917</u>
Resource Room/Resource Center - Instruction:					
Salaries of Teachers	6,752,535	224,764	6,977,299	6,977,299	-
Other Salaries for Instruction	1,472,517	231,946	1,704,463	1,703,923	540
General Supplies		388	388	388	-
Total Resource Room/Resource Center	<u>8,225,052</u>	<u>457,098</u>	<u>8,682,150</u>	<u>8,681,610</u>	<u>540</u>

HOWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit C-1
Sheet 4 of 14

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Autism - Instruction:					
Salaries of Teachers	500,950	26,661	527,611	527,611	-
Other Salaries for Instruction	378,802	4,115	382,917	382,917	-
General Supplies	6,300	(4,500)	1,800	1,800	-
Other Objects	2,000	(500)	1,500	1,500	-
Total Autism	<u>888,052</u>	<u>25,776</u>	<u>913,828</u>	<u>913,828</u>	<u>-</u>
Preschool Disabilities - Part-Time - Instruction:					
Salaries of Teachers	58,300	(19,822)	38,478	38,478	-
Other Salaries for Instruction	189,787	(57,623)	132,164	132,164	-
Total Preschool Disabilities - Part-Time	<u>248,087</u>	<u>(77,445)</u>	<u>170,642</u>	<u>170,642</u>	<u>-</u>
Preschool Disabilities-Full Time-Instruction:					
Salaries of Teachers	739,600	(1,901)	737,699	737,699	-
Other Salaries for Instruction	925,987	93,274	1,019,261	1,019,261	-
Total Preschool Disabilities-Full time	<u>1,665,587</u>	<u>91,373</u>	<u>1,756,960</u>	<u>1,756,960</u>	<u>-</u>
Total Special Education - Instruction	<u>14,112,534</u>	<u>733,577</u>	<u>14,846,111</u>	<u>14,844,654</u>	<u>1,457</u>
Basic Skills/Remedial Instruction:					
Salaries of Teachers	2,217,235	(117,884)	2,099,351	2,099,351	-
Other Salaries for Instruction	55,168	(55,168)	-	-	-
Total Basic Skills/Remedial	<u>2,272,403</u>	<u>(173,052)</u>	<u>2,099,351</u>	<u>2,099,351</u>	<u>-</u>

HOWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit C-1
Sheet 5 of 14

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Bilingual Education - Instruction:					
Salaries of Teachers	553,375	26,747	580,122	580,121	1
Total Bilingual Education	553,375	26,747	580,122	580,121	1
School Sponsored Co-Curricular Activities - Instruction:					
Purchased Services (300-500 Series)	304,000	540	304,540	150,921	153,619
General Supplies	2,000	127,250	129,250	111,484	17,766
Total School Sponsored Co-Curricular Activities	306,000	127,790	433,790	262,405	171,385
School Sponsored Athletics-Instruction					
Purchased Services (300-500 Series)	360,000	104,754	464,754	464,754	-
Supplies and Materials	5,000	49,797	54,797	49,784	5,013
Total School Sponsored Athletics	365,000	154,551	519,551	514,538	5,013
Total Instruction	46,185,884	899,557	47,085,441	46,517,510	567,931
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs W/I State - Special		92,260	92,260	82,610	9,650
Tuition to Private School for the Disabled W/I State	54,292	67,957	122,249	2,490	119,759
Tuition - State Facilities	41,075		41,075		41,075
Total Instruction	95,367	160,217	255,584	85,100	170,484

HOWELL TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

Sheet 6 of 14

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Attendance and Social Work:					
Salaries	110,714	(3,502)	107,212	107,212	-
Total Attendance and Social Work	110,714	(3,502)	107,212	107,212	-
Health Services:					
Salaries	857,413	292,541	1,149,954	1,149,954	-
Purchase Prof/Tech. Services	32,000	1,372	33,372	33,246	126
Supplies and Materials	20,605	9,397	30,002	29,932	70
Total Health Services	910,018	303,310	1,213,328	1,213,132	196
Other Support Services - Students - Related Services:					
Salaries	2,320,635	(152,704)	2,167,931	2,161,979	5,952
Purchased Professional Educational Services	36,600	(9,524)	27,076	20,468	6,608
Supplies and Materials	4,000	1,493	5,493	5,493	-
Other Objects		4,961	4,961	4,961	-
Total Other Support Services - Students - Rel. Services	2,361,235	(155,774)	2,205,461	2,192,901	12,560
Other Support Services - Extraordinary Services:					
Salaries	709,682	(110,574)	599,108	599,108	-
Other Purchased Services		51,345	51,345	51,345	-
	709,682	(59,229)	650,453	650,453	-
Other Support Services Students - Regular:					
Salaries of Other Professional Staff	1,171,815	33,869	1,205,684	1,205,684	-
Supplies and Materials	1,000	(1,000)	-	-	-
Total Other Support Services Students-Regular	1,172,815	32,869	1,205,684	1,205,684	-

HOWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit C-1
Sheet 7 of 14

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Other Support Services - Special:					
Salaries of Other Professional Staff	2,912,723	(49,704)	2,863,019	2,863,019	-
Salaries - Secretarial and Clerical	402,506	(53,589)	348,917	348,917	-
Purchased Professional Educational Services		35,604	35,604	29,980	5,624
Other Purchased Services (400-500 Series)		3,229	3,229	3,229	-
Supplies and Materials	600	907	1,507	1,283	224
Other Objects	9,000	10,692	19,692	19,692	-
Total Other Support Services - Special	<u>3,324,829</u>	<u>(52,861)</u>	<u>3,271,968</u>	<u>3,266,120</u>	<u>5,848</u>
Improvement of Instruction:					
Salaries - Supervisors	465,666	94,266	559,932	559,932	-
Salaries - Secretarial and Clerical	123,774	(38,462)	85,312	85,312	-
Other Salaries	17,876	15,495	33,371	33,371	-
Salaries - Master Teachers	683,480	32,994	716,474	716,474	-
Total Improvement of Instruction	<u>1,290,796</u>	<u>104,293</u>	<u>1,395,089</u>	<u>1,395,089</u>	<u>-</u>
Educational Media Services/School Library:					
Salaries	897,566	(31,072)	866,494	866,493	1
Salaries of Technology Coordinators	581,653	(175,029)	406,624	406,624	-
Supplies and Materials	2,750	5,035	7,785	6,261	1,524
Total Educational Media Services/School Library	<u>1,481,969</u>	<u>(201,066)</u>	<u>1,280,903</u>	<u>1,279,378</u>	<u>1,525</u>
Instructional Staff Training Services:					
Other Salaries	25,875	(12,584)	13,291	13,291	-
Other Purchased Services	3,000	(1,084)	1,916	1,844	72
Other Objects	40,525	(18,352)	22,173	19,364	2,809
Total Instructional Staff Training Services	<u>69,400</u>	<u>(32,020)</u>	<u>37,380</u>	<u>34,499</u>	<u>2,881</u>

HOWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit C-1
Sheet 8 of 14

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Support Services - General Administration:					
Salaries	696,466	47,697	744,163	742,745	1,418
Legal Services	375,000	(134,758)	240,242	103,268	136,974
Audit Fees	40,000	(3,615)	36,385	24,900	11,485
Purchased Professional Services		12,899	12,899	1,045	11,854
Other Purchased Professional Services		6,500	6,500	4,750	1,750
Communications - Telephone	675,133	190,000	865,133	310,654	554,479
Other Purchased Services	28,000		28,000		28,000
General Supplies	66,145	1,520	67,665	35,527	32,138
BOE Membership Dues And Fees	30,828	949	31,777	31,777	-
Total Support Services - General Administration	<u>1,911,572</u>	<u>121,192</u>	<u>2,032,764</u>	<u>1,254,666</u>	<u>778,098</u>
Support Services - School Administration:					
Salaries:					
Principals/Assistant Principals	3,518,819	415,721	3,934,540	3,268,431	666,109
Secretarial and Clerical	1,214,701	32,079	1,246,780	1,205,858	40,922
Other Purchased Services	6,950	1,614	8,564	4,107	4,457
Supplies & Materials	3,300	(34)	3,266	997	2,269
Total Support Services - School Administration	<u>4,743,770</u>	<u>449,380</u>	<u>5,193,150</u>	<u>4,479,393</u>	<u>713,757</u>
Central Services:					
Salaries	1,126,936	(164,789)	962,147	962,147	-
Purchased Technical Services	55,168	474	55,642	55,642	-
Supplies and Materials	29,300	(748)	28,552	21,674	6,878
Other Objects	5,000		5,000		5,000
Sale and Lease Back Payments	550,480	5,346	555,826	547,270	8,556
Total Central Services	<u>1,766,884</u>	<u>(159,717)</u>	<u>1,607,167</u>	<u>1,586,733</u>	<u>20,434</u>

HOWELL TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

Sheet 9 of 14

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Administrative Information Technology:					
Salaries	212,055	105,831	317,886	317,886	-
Supplies and Materials	27,411		27,411	22,429	4,982
Total Administrative Information Technology	<u>239,466</u>	<u>105,831</u>	<u>345,297</u>	<u>340,315</u>	<u>4,982</u>
Required Maintenance for School Facilities:					
Salaries	371,760	406,460	778,220	776,681	1,539
Cleaning Repairs & Maintenance Services	2,469,488	(28,770)	2,440,718	2,150,571	290,147
General Supplies	170,270	13,495	183,765	128,196	55,569
Other Objects	5,000	1,157	6,157	5,746	411
Total Required Maintenance for School Facilities	<u>3,016,518</u>	<u>392,342</u>	<u>3,408,860</u>	<u>3,061,194</u>	<u>347,666</u>
Other Operating & Maintenance of Plant:					
Salaries	2,958,935	(119,104)	2,839,831	2,794,630	45,201
Salaries of Non-Instructional Aides	290,342	81,349	371,691	371,691	-
Cleaning Repairs & Maintenance	366,269	(221,390)	144,879	87,737	57,142
Other Purchased Property Services	286,604		286,604	215,927	70,677
Insurance	518,629	(1,000)	517,629	513,102	4,527
Lease Purchase-Energy Savings	1,073,300	1,299	1,074,599	1,074,599	-
Miscellaneous Purchased Services	27,000	755	27,755	16,827	10,928
General Supplies	190,401	4,215	194,616	140,051	54,565
Energy - Natural Gas	894,245	13,347	907,592	657,836	249,756
Energy - Electricity	945,200	280,965	1,226,165	770,388	455,777
Total Other Operating & Maintenance of Plant	<u>7,550,925</u>	<u>40,436</u>	<u>7,591,361</u>	<u>6,642,788</u>	<u>948,573</u>

HOWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit C-1
Sheet 10 of 14

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Care and Upkeep of Grounds:					
Salaries	419,862	8,417	428,279	383,611	44,668
Cleaning, Repair and Maintenance	22,000	7,536	29,536	25,398	4,138
General Supplies	63,200	1	63,201	50,048	13,153
Equipment	4,500	1,200	5,700	4,814	886
Total Care and Upkeep of Grounds	<u>509,562</u>	<u>17,154</u>	<u>526,716</u>	<u>463,871</u>	<u>62,845</u>
Security					
Salaries-Director	81,878	803	82,681	82,681	-
Cleaning, Repair and Maintenance	429,867	329,633	759,500	560,652	198,848
General Supplies	10,000	11,802	21,802	5,281	16,521
Total Security	<u>521,745</u>	<u>342,238</u>	<u>863,983</u>	<u>648,614</u>	<u>215,369</u>
Student Transportation Services:					
Salaries-Aides	574,306	(16,648)	557,658	557,658	-
Salaries - Pupil Trans. B/W Home & School - Regular	1,481,518	203,802	1,685,320	1,685,320	-
Salaries - Pupil Trans. B/W Home & School - Special Education	203,741	(203,741)	-	-	-
Other Purchased Professional & Technical Services	5,000	(60)	4,940	4,940	-
Cleaning Repairs and Maintenance	99,700	81,492	181,192	176,176	5,016
Contracted Services B/W Home & School - Vendors	3,190,400	(192,296)	2,998,104	2,989,291	8,813
Contracted Services - Special Education - Vendors	3,091,456	522,828	3,614,284	3,604,559	9,725
Contracted Services - Joint Agreements	1,500	(1,500)	-	-	-
Contracted Services - Special Ed. - ESCs & CTSAs	900,000	(47,141)	852,859	388,053	464,806
Miscellaneous Purchased Services	452,955		452,955	359,609	93,346
General Supplies	22,300	(4,895)	17,405	17,053	352
Transportation Supplies	450,114	100,058	550,172	506,671	43,501
Miscellaneous Expenditures	225,719	(72,626)	153,093	143,285	9,808
Total Student Transportation Services	<u>10,698,709</u>	<u>369,273</u>	<u>11,067,982</u>	<u>10,432,615</u>	<u>635,367</u>

HOWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit C-1
Sheet 11 of 14

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Unused Vacation Payments to Terminated/Retired Staff:					
Regular Programs-Instruction	167,529	(3,214)	164,315		164,315
Special Programs-Instruction	62,030	(62,030)	-		-
Educational Media Services-School Library	13,000	(13,000)	-		-
Support Services -School Administration	50,000		50,000		50,000
Operation And Maintenance of Plant Service	65,000	(51,350)	13,650		13,650
Total Unused Vac. Payments to Terminated/Retired Staff	<u>357,559</u>	<u>(129,594)</u>	<u>227,965</u>	<u>-</u>	<u>227,965</u>
Student Transportation Services - Employee Benefits:					
Workmen's Compensation	500,000	141,176	641,176	641,176	-
Unused Sick Benefit	10,000	(10,000)	-		-
Total Student Transportation - Employee Benefits	<u>510,000</u>	<u>131,176</u>	<u>641,176</u>	<u>641,176</u>	<u>-</u>
Personal Services - Employee Benefits:					
Social Security	1,337,911	301,908	1,639,819	1,639,819	-
TPAF Contributions - ERIP	85,000		85,000	85,000	-
Other Contributions ERIP	140,000	7,190	147,190	134,117	13,073
Other Retirement Contributions - PERS	2,301,427		2,301,427	2,239,620	61,807
Workmen's Compensation	80,000		80,000		80,000
Unemployment			-	134,346	(134,346)
Health Benefits	20,974,334	1,098,191	22,072,525	14,305,322	7,767,203
Tuition Reimbursements	75,000	6,916	81,916	43,313	38,603
Unused Sick Payment to Terminated/Retired Staff	100,000	1,934	101,934	101,883	51
Total Personal Services - Employee Benefits	<u>25,093,672</u>	<u>1,416,139</u>	<u>26,509,811</u>	<u>18,683,420</u>	<u>7,826,391</u>

HOWELL TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

Sheet 12 of 14

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)			-	5,024,719	(5,024,719)
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)			-	18,462,142	(18,462,142)
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability			-	4,310	(4,310)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)			-	3,902,424	(3,902,424)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,393,595</u>	<u>(27,393,595)</u>
Special Schools:					
Summer School Instruction					
Teachers Salaries	265,596	46,796	312,392	113,283	199,109
Other Salaries for Instruction	160,281	73,725	234,006	116,506	117,500
Total Summer School Instruction	<u>425,877</u>	<u>120,521</u>	<u>546,398</u>	<u>229,789</u>	<u>316,609</u>
Summer School- Support Services					
Other Salaries for Instruction	<u>120,521</u>	<u>(120,521)</u>	<u>-</u>		<u>-</u>
Total Special Schools	<u>546,398</u>	<u>-</u>	<u>546,398</u>	<u>229,789</u>	<u>316,609</u>
Total Undistributed Expenditures	<u>68,993,605</u>	<u>3,192,087</u>	<u>72,185,692</u>	<u>87,287,737</u>	<u>(15,102,045)</u>
Total Expenditures - Current Expense	<u>115,179,489</u>	<u>4,091,644</u>	<u>119,271,133</u>	<u>133,805,247</u>	<u>(14,534,114)</u>

HOWELL TOWNSHIP SCHOOL DISTRICT**Exhibit C-1
Sheet 13 of 14****BUDGETARY COMPARISON SCHEDULE - GENERAL FUND****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Capital Outlay:					
Equipment:					
Required Maintenance for School Facilities		16,043	16,043	15,455	588
School Buses - Regular		620,056	620,056	620,056	-
Total Equipment	<u>-</u>	<u>636,099</u>	<u>636,099</u>	<u>635,511</u>	<u>588</u>
Facilities Acquisition:					
Construction Services	10,000,000	601,742	10,601,742	2,213,377	8,388,365
Debt Service on SDA Funding	137,481		137,481	137,481	-
Total Facilities Acquisition	<u>10,137,481</u>	<u>601,742</u>	<u>10,739,223</u>	<u>2,350,858</u>	<u>8,388,365</u>
Total Capital Outlay	<u>10,137,481</u>	<u>1,237,841</u>	<u>11,375,322</u>	<u>2,986,369</u>	<u>8,388,953</u>
Transfer of Funds to Charter Schools	<u>212,914</u>	<u>(106,855)</u>	<u>106,059</u>		<u>106,059</u>
Total Expenditures	<u>125,529,884</u>	<u>5,222,630</u>	<u>130,752,514</u>	<u>136,791,616</u>	<u>(6,039,102)</u>
Excess (Deficiency) of Revenues Over/(Under)					
Expenditures	<u>(18,435,521)</u>	<u>(5,222,630)</u>	<u>(23,658,151)</u>	<u>2,900,004</u>	<u>26,558,155</u>
Other Financing Sources (Uses):					
Transfer to Fund 20 for Preschool Regular\Inclusion	<u>(1,480,347)</u>		<u>(1,480,347)</u>	<u>(1,480,347)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(1,480,347)</u>	<u>-</u>	<u>(1,480,347)</u>	<u>(1,480,347)</u>	<u>-</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources (Uses)	<u>(19,915,868)</u>	<u>(5,222,630)</u>	<u>(25,138,498)</u>	<u>1,419,657</u>	<u>26,558,155</u>

HOWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit C-1
Sheet 14 of 14

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Fund Balance July 1	50,833,284		50,833,284	50,833,284	-
Fund Balance June 30	\$ 30,917,416	(5,222,630)	25,694,786	52,252,941	26,558,155
Recapitulation:					
Committed Fund Balances:					
Maintenance Reserve - Designated for Subsequent Year's Expenditures				\$ 3,120,763	
Maintenance Reserve				7,214,779	
Capital Reserve				17,430,177	
Capital Reserve - Designated for Subsequent Year's Expenditures				7,853,704	
Excess Surplus - Designated For Subsequent Year's Expenditures				3,000,000	
Excess Surplus - Current Year				3,000,000	
Designated for Subsequent Year's Expenditures by the BOE				1,091,515	
Unemployment Compensation				396,689	
Assigned Fund Balances:					
Year End Encumbrances				4,563,627	
Unassigned Fund Balance				4,581,687	
				52,252,941	
Reconciliation To Government Fund Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				(2,041,451)	
Fund Balance Per Government Funds (GAAP)				\$ 50,211,490	

HOWELL TOWNSHIP SCHOOL DISTRICT**Exhibit C-2****BUDGETARY COMPARISON SCHEDULE****Sheet 1 of 3****SPECIAL REVENUE FUND****JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources	\$ 1,720,034		1,720,034	1,720,034	
State Source	4,727,008		4,727,008	4,727,008	
Federal Sources:					
Title I, Part A	520,270		520,270	520,270	
Title IIA, Part A	29,728		29,728	29,728	
Title III	62,499		62,499	62,499	
Title III Immigrant	1,104		1,104	1,104	
Title IV, Part A	93,455		93,455	93,455	
IDEA Part B, Basic	1,420,439		1,420,439	1,420,439	
IDEA Part B, Preschool	75,558		75,558	75,558	
High Impact Tutoring	289,473		289,473	289,473	
ARP IDEA Part B, Basic	190,176		190,176	190,176	
ARP IDEA Part B, Preschool	10,634		10,634	10,634	
ARP ESSER	2,128,743		2,128,743	2,128,743	
ARP Learning Acceleration	280,166		280,166	280,166	
ARP Beyond School	16,096		16,096	16,096	
ARP Mental Health	2,550		2,550	2,550	
ARP Homeless	1,364		1,364	1,364	
CRRSA ESSER II	34,505		34,505	34,505	
CRRSA Learning Acceleration	30,412		30,412	30,412	
CRRSA Mental Health	25,200		25,200	25,200	
Total Federal Sources	5,212,372	-	5,212,372	5,212,372	-
Total Revenues	11,659,414	-	11,659,414	11,659,414	-

HOWELL TOWNSHIP SCHOOL DISTRICT**Exhibit C-2****Sheet 2 of 3****BUDGETARY COMPARISON SCHEDULE****SPECIAL REVENUE FUND****JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Expenditures:					
Instruction:					
Salaries of Teachers	2,304,382		2,304,382	2,304,382	
Other Salaries for Instruction	1,039,063		1,039,063	1,039,063	
Purchased Professional and Technical Services	141,260		141,260	141,260	
General Supplies	2,552,110		2,552,110	2,552,110	
Tuition	1,215,039		1,215,039	1,215,039	
Total Instruction	<u>7,251,854</u>	<u>-</u>	<u>7,251,854</u>	<u>7,251,854</u>	<u>-</u>
Support Services:					
Other Salaries for Instruction	1,377,180		1,377,180	1,377,180	
Employee Benefits	1,379,595		1,379,595	1,379,595	
Purchased Technical Services	236,304		236,304	236,304	
Other Purchased Services	254,130		254,130	254,130	
Contracted Services - Transportation	559,600		559,600	559,600	
Supplies and Materials	223,963		223,963	223,963	
Other Objects	1,463		1,463	1,463	
Student Activities	121,514		121,514	121,514	
Total Support Services	<u>4,153,749</u>	<u>-</u>	<u>4,153,749</u>	<u>4,153,749</u>	<u>-</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment	125,087		125,087	125,087	
Construction Services	18,259		18,259	18,259	
Total Facilities Acquisition and Construction Services	<u>143,346</u>	<u>-</u>	<u>143,346</u>	<u>143,346</u>	<u>-</u>
Total Expenditures	<u>11,548,949</u>	<u>-</u>	<u>11,548,949</u>	<u>11,548,949</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>110,465</u>	<u>-</u>	<u>110,465</u>	<u>110,465</u>	<u>-</u>
Fund Balance, July 1				<u>1,191,558</u>	
Fund Balance, June 30				<u>\$ 1,302,023</u>	

HOWELL TOWNSHIP SCHOOL DISTRICT

Exhibit C-2

Sheet 3 of 3

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Recapitulation:					
Restricted:					
Student Activities				\$ 1,302,023	
Total Fund Balance				<u>\$ 1,302,023</u>	

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

HOWELL TOWNSHIP SCHOOL DISTRICT**REQUIRED SUPPLEMENTARY INFORMATION****Exhibit C-3****BUDGET TO GAAP RECONCILIATION****NOTE TO RSI****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<u>Sources/Inflows of Resources</u>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 139,691,620	11,659,414
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		142,137
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	2,241,989	244,138
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(2,041,451)</u>	<u>(466,474)</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 139,892,158</u>	<u>11,579,215</u>
<u>Uses/Outflows of Resources</u>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 136,791,616	11,548,949
Differences - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		<u>142,137</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 136,791,616</u>	<u>11,691,086</u>

REQUIRED SUPPLEMENTARY INFORMATION – PART III

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

HOWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - PERS
LAST TEN FISCAL YEARS

Exhibit L-1

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Pension Liability	0.16576%	0.17525%	0.17476%	0.18142%	0.19097%	0.19356%	0.20285%	0.20507%	0.21455%	0.20510%
District's Proportionate Share of the Net Pension Liability	<u>\$ 24,212,026</u>	<u>26,672,209</u>	<u>20,923,585</u>	<u>29,817,445</u>	<u>34,648,440</u>	<u>38,110,531</u>	<u>47,220,046</u>	<u>60,736,266</u>	<u>48,161,168</u>	<u>38,400,197</u>
District's Covered-Employee Payroll	\$ 12,494,984	12,506,328	12,825,685	12,922,526	13,020,555	13,392,221	13,548,709	13,678,132	13,909,508	14,261,524
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	51.61%	46.89%	61.30%	43.34%	37.58%	35.14%	28.69%	22.52%	28.88%	37.14%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.45%	46.41%	42.90%	42.90%	42.04%	40.45%	36.78%	31.20%	38.21%	42.74%

HOWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS - PERS
LAST TEN FISCAL YEARS

Exhibit L-2

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 2,234,670	2,090,208	2,137,518	1,664,274	1,641,395	1,686,706	2,002,823	2,002,823	1,735,224	1,994,422
Contributions in Relation to the Contractually Required Contribution	<u>2,234,670</u>	<u>2,090,208</u>	<u>2,137,518</u>	<u>1,664,274</u>	<u>1,641,395</u>	<u>1,686,706</u>	<u>2,002,823</u>	<u>2,002,823</u>	<u>1,735,224</u>	<u>1,994,422</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's Covered-Employee Payroll	\$ 12,494,984	12,506,328	12,825,685	12,922,526	13,020,555	13,392,221	13,548,709	13,678,132	13,909,508	14,261,524
Contributions as a Percentage of Covered-Employee Payroll	17.88%	16.71%	16.67%	12.88%	12.61%	12.59%	14.78%	14.64%	12.48%	13.98%

HOWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - TPAF
LAST TEN FISCAL YEARS

Exhibit L-3

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net Pension Liability	\$ -	-	-	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>226,050,004</u>	<u>234,646,616</u>	<u>219,519,394</u>	<u>303,421,605</u>	<u>280,978,320</u>	<u>294,572,857</u>	<u>328,351,986</u>	<u>385,147,480</u>	<u>288,589,094</u>	<u>248,106,214</u>
Total	<u>\$226,050,004</u>	<u>234,646,616</u>	<u>219,519,394</u>	<u>303,421,605</u>	<u>280,978,320</u>	<u>294,572,857</u>	<u>328,351,986</u>	<u>385,147,480</u>	<u>288,589,094</u>	<u>248,106,214</u>
District's Covered-Employee Payroll	\$ 51,225,724	50,977,353	55,587,923	50,931,171	50,247,691	49,467,726	48,015,839	48,097,967	49,701,344	48,783,061
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	22.66%	21.73%	25.32%	16.79%	17.88%	16.79%	14.62%	12.49%	17.22%	19.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.68%	32.29%	32.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

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

L-4

This schedule is not applicable.

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

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

HOWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

L-5

Public Employee's Retirement System (PERS)

Changes in Benefit Terms – None

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

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms – None

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

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

HOWELL TOWNSHIP SCHOOL DISTRICT

Exhibit M-1

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

LAST EIGHT FISCAL YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's Proportionate Share of OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate of the Net OPEB Liability	\$ -	-	-	-	-	-	-	-
<u>State's OPEB Liability Attributable to the District</u>								
Service Cost	\$ 9,543,287	12,317,051	14,092,334	7,973,598	7,978,058	9,141,378	11,025,387	*
Interest	9,649,683	7,026,859	8,144,753	7,878,936	9,725,071	10,234,402	8,849,433	*
Change of Benefit Terms			(334,185)					*
Benefit Payments	(7,522,085)	(6,960,312)	(6,415,784)	(6,100,376)	(6,755,529)	(6,592,988)	(6,482,854)	*
Member Contributions	248,287	223,290	208,221	184,902	200,253	227,864	238,715	*
Difference between Expected and Actual Experience	(3,631,334)	9,704,815	(52,445,084)	56,395,164	(40,920,267)	(18,044,434)		*
Change of Assumptions	552,256	(71,129,794)	309,757	64,008,147	3,281,279	(28,294,258)	(36,321,511)	*
Net Change in Total OPEB Liability	8,840,094	(48,818,091)	(36,439,988)	130,340,371	(26,491,135)	(33,328,036)	(22,690,830)	*
Total Attributable OPEB Liability - Beginning	<u>265,153,459</u>	<u>313,971,550</u>	<u>350,411,538</u>	<u>220,071,167</u>	<u>246,562,302</u>	<u>279,890,338</u>	<u>302,581,168</u>	*
Total Attributable OPEB Liability - Ending	<u>#####</u>	<u>265,153,459</u>	<u>313,971,550</u>	<u>350,411,538</u>	<u>220,071,167</u>	<u>246,562,302</u>	<u>279,890,338</u>	<u>302,581,168</u>
District's Covered Payroll	\$ 63,720,708	63,483,681	68,413,608	63,853,697	63,268,246	62,859,947	61,564,548	61,776,099
District's Contribution	None	None	None	None	None	None	None	None
District's Proportionate Share of OPEB Liability as a Percentage of its Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of OPEB Liability as a Percentage of the District's Covered-Employee Payroll	429.99%	417.67%	458.93%	548.77%	347.84%	392.24%	454.63%	489.80%

* - Information not available

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

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

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

Refer to Note 5 - Notes to Financial Statements

Difference Between Expected and Actual Experience

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

Changes of Assumptions

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

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES – D

N/A

SPECIAL REVENUE FUND – E

HOWELL TOWNSHIP SCHOOL DISTRICTExhibit E-1
Sheet 1 of 3**SPECIAL REVENUE FUND****COMBINING SCHEDULE OF REVENUES AND EXPENDITURES****BUDGETARY BASIS****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Preschool	Title I SIA	CRRSA ESSER II	CRRSA Learning Acceleration	CRRSA Mental Health	I.D.E.A. Part B Regular	I.D.E.A. Preschool
Revenues:							
Federal Sources	\$ -	36,105	34,505	30,412	25,200	1,420,439	75,558
State Sources	4,708,749						
Local Sources	1,469,696						
Total Revenues	6,178,445	36,105	34,505	30,412	25,200	1,420,439	75,558
Expenditures:							
Instruction:							
Salaries of Teachers	1,744,366	36,105		25,798			
Other Salaries For Instruction	930,525						
Purchased Professional and Technical Services						79,264	2,700
General Supplies	165,200					6,397	7,499
Tuition						1,215,039	
Total Instruction	2,840,091	36,105	-	25,798	-	1,300,700	10,199
Support Services:							
Other Salaries	1,217,772					9,610	
Purchased Professional Services					25,200	87,516	65,359
Other Purchased Services	237,313					3,412	
Supplies and Materials	26,175		34,505			12,582	
Other Objects						469	
Personal Services - Employee Benefits	1,172,407			4,614		6,150	
Contracted Services - Transportation	559,600						
Student Activities							
Total Support Services	3,213,267	-	34,505	4,614	25,200	119,739	65,359
Facilities Acquisition and Construction Services:							
Equipment	125,087						
Construction Services							
Total Facilities Acquisition and Construction Services	125,087	-	-	-	-	-	-
Total Expenditures	6,178,445	36,105	34,505	30,412	25,200	1,420,439	75,558
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-
Fund Balance, July 1							
Fund Balance, June 30	\$ -	-	-	-	-	-	-

HOWELL TOWNSHIP SCHOOL DISTRICT

Exhibit E-1
Sheet 2 of 3

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES AND EXPENDITURES

BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	ARP I.D.E.A. Part B Regular	ARP I.D.E.A. Preschool	ARP ESSER	ARP Learning Acceleration	ARP Mental Health	ARP Beyond School	Title I	Title IIA	Title IV
Revenues:									
Federal Sources	190,176	10,634	2,128,743	280,166	2,550	16,096	484,165	29,728	93,455
State Sources									
Local Sources									
Total Revenues	<u>190,176</u>	<u>10,634</u>	<u>2,128,743</u>	<u>280,166</u>	<u>2,550</u>	<u>16,096</u>	<u>484,165</u>	<u>29,728</u>	<u>93,455</u>
Expenditures:									
Instruction:									
Salaries of Teachers	127,021						205,757	15,088	
Other Salaries for Instruction							102,351		
Purchased Professional and Technical Services						16,096			43,200
General Supplies			2,010,764	92,937			49,478		31,055
Tuition									
Total Instruction	<u>127,021</u>	<u>-</u>	<u>2,010,764</u>	<u>92,937</u>	<u>-</u>	<u>16,096</u>	<u>357,586</u>	<u>15,088</u>	<u>74,255</u>
Support Services:									
Other Salaries for Instruction	30,213			116,985			2,600		
Purchased Professional Services	32,942	3,537			2,550				19,200
Other Purchased Services				6,600				6,805	
Supplies and Materials		7,097	117,979				425	6,841	
Other Objects								994	
Personal Services - Employee Benefits				63,644			123,554		
Contracted Services - Transportation									
Student Activities									
Total Support Services	<u>63,155</u>	<u>10,634</u>	<u>117,979</u>	<u>187,229</u>	<u>2,550</u>	<u>-</u>	<u>126,579</u>	<u>14,640</u>	<u>19,200</u>
Facilities Acquisition and Construction Services:									
Equipment									
Construction Services									
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>190,176</u>	<u>10,634</u>	<u>2,128,743</u>	<u>280,166</u>	<u>2,550</u>	<u>16,096</u>	<u>484,165</u>	<u>29,728</u>	<u>93,455</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1									
Fund Balance, June 30	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

HOWELL TOWNSHIP SCHOOL DISTRICTExhibit E-1
Sheet 3 of 3**SPECIAL REVENUE FUND****COMBINING SCHEDULE OF REVENUES AND EXPENDITURES****BUDGETARY BASIS****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	SDA Emergent	Safety Grant	High Impact Tutoring	ARP Homeless	Title III	Title III Immigrant	Student Activities	Totals
Revenues:								
Federal Sources			289,473	1,364	62,499	1,104		5,212,372
State Sources	18,259							4,727,008
Local Sources		18,359					231,979	1,720,034
Total Revenues	18,259	18,359	289,473	1,364	62,499	1,104	231,979	11,659,414
Expenditures:								
Instruction:								
Salaries of Teachers			150,247					2,304,382
Other Salaries For Instruction				1,364	4,823			1,039,063
Purchased Professional and Technical Services								141,260
General Supplies			130,000		57,676	1,104		2,552,110
Tuition								1,215,039
Total Instruction	-	-	280,247	1,364	62,499	1,104	-	7,251,854
Support Services:								
Other Salaries								1,377,180
Purchased Professional Services								236,304
Other Purchased Services								254,130
Supplies and Materials		18,359						223,963
Other Objects								1,463
Personal Services - Employee Benefits			9,226					1,379,595
Contracted Services - Transportation								559,600
Student Activities							121,514	121,514
Total Support Services	-	18,359	9,226	-	-	-	121,514	4,153,749
Facilities Acquisition and Construction Services:								
Equipment								125,087
Construction Services	18,259							18,259
Total Facilities Acquisition and Construction Services	18,259	-	-	-	-	-	-	143,346
Total Expenditures	18,259	18,359	289,473	1,364	62,499	1,104	121,514	11,548,949
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	110,465	110,465
Fund Balance, July 1							1,191,558	1,191,558
Fund Balance, June 30	-	-	-	-	-	-	1,302,023	1,302,023

HOWELL TOWNSHIP SCHOOL DISTRICT**SPECIAL REVENUE FUND**

Exhibit E-2

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

	2024		
	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 1,744,366	1,744,366	
Other Salaries for Instruction	930,525	930,525	
General Supplies	165,200	165,200	
Other Objects	2,840,091	2,840,091	-
Total Instruction			
Support Services:			
Salaries of Supervisors of Instruction	48,719	48,719	
Salaries of Program Directors	252,299	252,299	
Salaries of Other Professional Staff	156,904	156,904	
Salaries of Secretarial and Clerical Assistants	108,001	106,154	1,847
Other Salaries	261,994	261,994	
Salaries of Community Involvement Specialists	189,557	180,753	8,804
Salaries of Master Teachers	210,949	210,949	
Employee Benefits	1,172,409	1,172,407	2
Other Purchased Services	237,313	237,313	
Contracted Services - Transportation	559,600	559,600	
General Supplies	26,175	26,175	
Total Support Services	3,223,920	3,213,267	10,653
Facilities Acquisition and Construction Services:			
Instructional Equipment	125,087	125,087	-
Total Expenditures	\$ 6,189,098	6,178,445	10,653

Calculation of Budget & Carryover

Total Revised 2023-24 Preschool Education Aid Allocation	\$ 4,708,749
Add: Actual ECPA/PEA Carryover (June 30, 2023)	1,005,775
Add: Budgeted Transfer from General Fund 2023-2024	1,480,349
Total Preschool Education Aid Funds Available for 2023-2024 Budget	7,194,873
Less: 2023-24 Budgeted Preschool Education Aid (Including Prior Year Budget Carryover)	(6,189,098)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2024	1,005,775
Add: June 30, 2024 Unexpended Preschool Education Aid	10,653
2023-24 Carryover - Preschool Education Aid Program	1,016,428
2023-24 Preschool Education Aid Carryover Budgeted for Preschool Programs 2024-2025	\$ 1,005,775

CAPITAL PROJECTS FUND – F

HOWELL TOWNSHIP SCHOOL DISTRICT

CAPITAL PROJECTS FUND

Exhibit F-1

SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Fund Balance - Beginning	<u>25,335</u>
Fund Balance - Ending	<u>\$ 25,335</u>

HOWELL TOWNSHIP SCHOOL DISTRICT**Exhibit F-1a****CAPITAL PROJECTS FUND****SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,****AND PROJECT STATUS - BUDGETARY BASIS****ENERGY SAVINGS IMPROVEMENT PROGRAM****FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<u>Revenues and Other Financing Sources</u>				
Sale of Revenue Bonds	\$ 16,513,375		16,513,375	16,513,375
Total Revenues	16,513,375	-	16,513,375	16,513,375
<u>Expenditures and Other Financing Uses</u>				
Construction Services	16,488,040		16,488,040	16,513,375
Total Expenditures	16,488,040	-	16,488,040	16,513,375
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 25,335	-	25,335	-
<u>Additional Project Information</u>				
Original Authorized Cost		\$ -		
Percentage Increase Over Original Authorized Cost		0		
Percentage Completion		99%		
Original Target Completion Date		12/31/2019		
Revised Target Completion Date		12/31/2022		

PROPRIETARY FUNDS – G

N/A

FIDUCIARY FUND – H

N/A

LONG-TERM DEBT – I

HOWELL TOWNSHIP SCHOOL DISTRICT

LONG-TERM DEBT

Exhibit I-1

SCHEDULE OF SERIAL BONDS

JUNE 30, 2024

	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Date</u>	<u>Maturity Amount</u>	<u>Interest Rate</u>	<u>Balance June 30, 2023</u>	<u>Retired</u>	<u>Balance June 30, 2024</u>
School:								
ERIP Refunding - 2012	12/29/11	\$ 2,355,000	10/1/23	\$ 50,000	4.840%	\$ 280,000	50,000	230,000
			10/1/24	55,000	4.840%			
			10/1/25	55,000	4.840%			
			10/1/26	60,000	4.840%			
			10/1/27	60,000	4.840%			
ESIP-2018 Revenue Bonds	7/10/2018	\$14,925,000	7/15/2024	365,000	5.00%	13,405,000	470,000	12,935,000
			7/15/2025	405,000				
			7/15/2026	450,000				
			7/15/2027	500,000				
			7/15/2028	550,000				
			7/15/2029	600,000				
			7/15/2030	660,000				
			7/15/2031	720,000				
			7/15/2032	785,000				
			7/15/2033	845,000				
			7/15/2034	1,215,000	4.00%			
			7/15/2035	1,310,000	5.00%			
			7/15/2036	1,410,000				
			7/15/2037	1,510,000	4.00%			
			7/15/2038	1,610,000				
			7/15/2038	1,610,000				
						<u>\$ 13,685,000</u>	<u>520,000</u>	<u>13,165,000</u>

HOWELL TOWNSHIP SCHOOL DISTRICT

LONG-TERM DEBT

Exhibit I-2

SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES

JUNE 30, 2024

<u>Series</u>	<u>Interest Rate</u>	<u>Amount of Original Issue</u>	<u>Amount Outstanding June 30, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Amount Outstanding June 30, 2024</u>
MCIA 2019 Capital Equipment	5.00%	\$ 1,100,000	\$ 508,000		226,000	282,000
MCIA 2021 Capital Equipment	4-5%	1,372,000	1,124,000		261,000	863,000
MCIA 2023 Capital Equipment	5.00%	978,000		978,000		978,000
			<u>\$ 1,632,000</u>	<u>978,000</u>	<u>487,000</u>	<u>2,123,000</u>

HOWELL TOWNSHIP SCHOOL DISTRICT

Exhibit I-3

LONG-TERM DEBT**BUDGETARY COMPARISON SCHEDULE****DEBT SERVICE FUND****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive/(Negative) Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 62,342		62,342	62,342	
Total Revenues	<u>62,342</u>	<u>-</u>	<u>62,342</u>	<u>62,342</u>	<u>-</u>
Expenditures:					
Regular Debt Service:					
Interest	12,342		12,342	12,342	-
Redemption of Principal	50,000		50,000	50,000	-
Total Regular Debt Service	<u>62,342</u>	<u>-</u>	<u>62,342</u>	<u>62,342</u>	<u>-</u>
Total Expenditures	<u>62,342</u>	<u>-</u>	<u>62,342</u>	<u>62,342</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance July 1	<u>(1,089)</u>		<u>(1,089)</u>	<u>(1,089)</u>	
Fund Balance June 30	<u>\$ (1,089)</u>	<u>-</u>	<u>(1,089)</u>	<u>(1,089)</u>	<u>-</u>

STATISTICAL SECTION

(Unaudited)

Howell Township Board of Education
Net Position by Component,
Last Ten Fiscal Years (Unaudited)
(accrual basis of accounting)

Exhibit J-1
GASB B-1
New

	Fiscal Year Ended									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Invested in capital assets, net of related debt	\$ 44,675,740	\$ 54,682,698	\$ 51,043,271	\$ 64,929,737	\$ 54,528,058	\$ 58,385,680	\$ 62,923,560	\$ 64,813,401	\$ 69,750,919	\$ 72,900,821
Restricted	14,502,249	19,119,143	22,418,589	19,492,760	36,619,270	27,169,851	47,335,687	47,117,519	6,194,297	48,531,049
Unrestricted	(43,413,513)	(51,103,141)	(48,519,420)	-	(45,077,934)	(28,548,238)	(47,215,425)	(36,458,020)	9,914,373	(29,202,433)
Total governmental activities net Position	\$ 15,764,476	\$ 22,698,700	\$ 24,942,440	\$ 84,422,497	\$ 46,069,394	\$ 57,007,293	\$ 63,043,822	\$ 75,472,900	\$ 85,859,589	\$ 92,229,437
Business-type activities										
Invested in capital assets, net of related debt	\$ 137,594	\$ 100,154	\$ 100,154	\$ 82,700	\$ 82,700	\$ 82,700	\$ 83,001	\$ 83,001	\$ 44,833	\$ 83,001
Restricted	(48,647)	(144,425)	(187,187)	(196,266)	10,278	207,435	559,048	1,808,700	1,329,545	157,363
Unrestricted	(48,647)	(144,425)	(187,187)	(196,266)	10,278	207,435	559,048	1,808,700	1,329,545	157,363
Total business-type activities net Position	\$ 88,947	\$ (44,271)	\$ (87,033)	\$ (113,566)	\$ 92,978	\$ 290,135	\$ 642,049	\$ 1,891,701	\$ 1,374,378	\$ 240,364
District-wide										
Invested in capital assets, net of related debt	\$ 44,813,334	\$ 54,782,852	\$ 51,143,425	\$ 65,012,437	\$ 54,610,758	\$ 58,468,380	\$ 63,006,561	\$ 64,896,402	\$ 69,795,752	\$ 72,983,822
Restricted	14,502,249	19,119,143	22,418,589	19,492,760	36,619,270	27,169,851	47,335,687	47,117,519	6,194,297	48,531,049
Unrestricted	(43,462,160)	(51,247,566)	(48,706,607)	(196,266)	(45,067,656)	(28,340,803)	(46,656,377)	(34,649,320)	11,243,918	#####
Total district net Position	\$ 15,853,423	\$ 22,654,429	\$ 24,855,407	\$ 84,308,931	\$ 46,162,372	\$ 57,297,428	\$ 63,685,871	\$ 77,364,601	\$ 87,233,967	\$ 92,469,801

Source: ACFR Schedule A-1

Howell Township Board of Education
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

Exhibit J-2

GASB B-2
New

	Fiscal Year Ended									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
Instruction										
Regular	\$ 28,426,049	\$ 28,179,042	\$ 28,500,018	\$ 23,477,168	\$ 29,998,441	\$ 28,150,976	\$ 26,229,754	\$ 26,043,532	\$ 24,471,287	\$ 29,696,788
Special education	13,811,055	13,920,095	13,315,894	13,867,642	14,101,765	15,105,371	15,728,468	15,679,914	17,203,909	22,238,645
Other special education	2,461,250	2,168,314	2,309,824	2,480,847	2,469,425	2,431,954	2,508,140	2,690,410	2,763,476	
Other instruction	561,958	480,374	479,460	475,292	517,938	453,415	412,505	457,579	691,243	3,456,415
Support Services:										
Tuition	1,589,875	724,532	849,083	802,061	1,012,512	349,584	720,074	119,134	491,043	85,100
Student & instruction related services	11,643,109	11,426,696	11,558,781	11,906,712	12,091,100	12,011,526	12,185,209	12,859,602	15,552,085	15,498,217
General and Business Administrative Services	1,210,635	2,004,449	4,554,978	4,648,211	4,709,630	3,781,982	4,764,390	4,855,201	4,844,515	4,479,393
School administrative services	4,123,526	4,633,239	1,331,812	1,173,766	1,403,948	4,768,662	3,296,808	2,849,369	3,406,377	3,181,714
Other Administrative Services										
Plant operations and maintenance	9,606,472	9,212,484	9,342,486	11,016,326	9,829,575	9,287,228	9,725,182	8,927,021	9,742,160	6,099,590
Pupil transportation	7,321,656	7,304,051	8,018,845	8,564,076	8,560,330	6,339,575	7,975,264	8,711,715	9,724,586	10,432,615
Business and Other Support Services	1,769,253	1,202,250	2,058,037	2,351,092	1,685,237					
Special Schools		218,607	251,672		256,798	252,895	179,463	225,977	458,673	229,789
Capital Outlay			810,311	241,642	(2,056,400)	8,406,127				3,620,715
Unallocated Benefits	31,989,474	35,023,399	38,722,415	38,076,496	36,054,630	28,908,651	47,501,582	40,928,629	42,176,755	42,879,571
Interest on long-term debt	1,131,957	892,225	750,384	535,564	1,050,614	77,645	187,420	141,326	69,981	16,340
ARRA - ESF										
ARRA - GSF										
Education Jobs										
Unallocated depreciation	4,934,193	2,779,125	4,457,479	1,406,956	3,115,593	3,129,635	3,166,506	3,184,861	3,207,129	3,248,975
Total governmental activities expenses	120,590,762	120,166,882	127,211,479	121,023,851	124,801,134	123,455,226	134,580,785	127,674,270	134,803,219	145,163,867
Business-type activities:										
Food service	1,871,185	1,708,774	1,591,533	1,585,536	1,672,513	1,236,244	2,354,893	2,756,222	3,236,239	3,593,511
Child Care										
Total business-type activities expense	1,871,185	1,708,774	1,591,533	1,585,536	1,672,513	1,236,244	2,354,893	2,756,222	3,236,239	3,593,511
Total district expenses	\$ 122,461,947	\$ 121,875,656	\$ 128,803,012	\$ 122,609,387	\$ 126,473,647	\$ 124,691,470	\$ 136,935,678	\$ 130,430,492	\$ 138,039,458	\$ 148,757,378
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ 550,546	\$ -	\$ 849,083	\$ 802,061	\$ 734,731	\$ 349,584	\$ 720,074	\$ 119,134	\$ 491,043	\$ 1,365,076
Pupil transportation										
Business and other support services										
Operating grants and contributions	2,411,918	2,492,170	2,332,351	2,320,897	2,217,876	2,254,002	3,009,357	3,784,562	6,015,129	9,858,528
Capital grants and contributions										
Total governmental activities program revenues	2,962,464	2,492,170	3,181,434	3,122,958	2,952,607	2,603,586	3,729,431	3,903,696	6,506,172	11,223,604
Business-type activities:										
Charges for services										
Food service	1,106,621	999,936	965,544	894,726	1,254,445	841,773	37,820	54,778	1,305,954	1,127,321
Child care										
Operating grants and contributions	554,197	575,620	583,227	603,530	624,612	591,628	2,630,518	3,951,096	1,412,962	1,294,008
Capital grants and contributions										
Total business type activities program revenues	1,660,818	1,575,556	1,548,771	1,498,256	1,879,057	1,433,401	2,668,338	4,005,874	2,718,916	2,421,329
Total district program revenues	\$ 4,623,282	\$ 4,067,726	\$ 4,730,205	\$ 4,621,214	\$ 4,831,664	\$ 4,036,987	\$ 6,397,769	\$ 7,909,570	\$ 9,225,088	\$ 13,644,933

Howell Township Board of Education
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

Exhibit J-2
GASB B-2
New

	Fiscal Year Ended									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense)/Revenue										
Governmental activities	\$ (117,628,298)	\$ (117,674,712)	\$ (117,674,712)	\$ (117,900,893)	\$ (121,848,500)	\$ (120,851,840)	\$ (130,851,354)	\$ (123,770,574)	\$ (128,297,047)	\$ (133,940,263)
Business-type activities	(210,367)	(133,218)	(133,218)	(87,280)	206,544	197,157	313,445	1,249,652	(517,323)	(1,172,182)
Total district-wide net expense	<u>\$ (117,838,665)</u>	<u>\$ (117,807,930)</u>	<u>\$ (117,807,930)</u>	<u>\$ (117,988,173)</u>	<u>\$ (121,641,956)</u>	<u>\$ (120,654,683)</u>	<u>\$ (130,537,909)</u>	<u>\$ (122,520,922)</u>	<u>\$ (128,814,370)</u>	<u>\$ (135,112,445)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 67,540,789	\$ 68,864,597	\$ 71,157,372	\$ 72,459,479	\$ 73,908,669	\$ 75,998,435	\$ 77,991,335	\$ 79,551,162	\$ 81,142,185	\$ 84,330,972
Taxes levied for debt service	5,586,449	5,367,482	5,465,795	5,607,056	4,609,831	4,468,247	4,496,923	2,488,624	1,437,067	62,342
Unrestricted grants and contributions	44,160,944	47,214,461	47,901,068	49,204,807	50,476,532	49,626,327	51,282,662	53,587,866	53,160,971	50,671,196
Tuition										
Investment earnings										
Miscellaneous income	1,343,112	3,162,398	1,749,550	1,018,109	1,709,629	1,599,067	2,146,398	2,331,030	2,943,513	5,245,601
Other	-5,836,414			293,860	1,588,375	97,463				
Transfers								\$ (1,759,030)		
Total governmental activities	<u>\$ 112,794,860</u>	<u>\$ 124,608,936</u>	<u>\$ 126,273,785</u>	<u>\$ 128,583,311</u>	<u>\$ 132,293,036</u>	<u>\$ 131,789,539</u>	<u>\$ 135,917,318</u>	<u>\$ 136,199,652</u>	<u>\$ 138,683,736</u>	<u>\$ 140,310,111</u>
Business-type activities:										
Investment earnings										
Miscellaneous Income						0	38,469			38,168
Total business-type activities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>38,469</u>	<u>0</u>	<u>0</u>	<u>38,168</u>
Total district-wide	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 133,025,738</u>	<u>\$ 135,955,787</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Change in Net Position										
Governmental activities	\$ (43,233,615) *	\$ 6,934,224	\$ 2,243,740	\$ 10,388,558	\$ 10,444,536	\$ 10,937,899	\$ 5,065,964	\$ 12,429,078	\$ 10,386,689	\$ 6,369,848
Business-type activities	-210,367	(133,218)	(42,762)	(87,280)	206,544	197,157	351,914	1,249,652	(517,323)	(1,134,014)
Total district	<u>\$ (43,443,982)</u>	<u>\$ 6,801,006</u>	<u>\$ 2,200,978</u>	<u>\$ 10,301,278</u>	<u>\$ 10,651,080</u>	<u>\$ 11,135,056</u>	<u>\$ 5,417,878</u>	<u>\$ 13,678,730</u>	<u>\$ 9,869,366</u>	<u>\$ 5,235,834</u>

Source: ACFR Schedule A-2

Howell Township Board of Education
Fund Balances, Governmental Funds,
Last Ten Fiscal Years (Unaudited)
(modified accrual basis of accounting)

Exhibit J-3
GASB B-3
New

	Fiscal Year Ended									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Reserved	\$ 12,909,141	\$ 15,524,048	\$ 19,409,551	\$23,017,512	\$ 28,216,372	\$ 36,731,100	\$ 43,003,146	\$ 45,536,893	\$ 47,213,046	\$ 47,671,254
Unreserved	(1,110,175)	(1,065,104)	(951,419)	(1,430,926)	(990,712)	(916,333)	1,576,770	1,937,198	1,378,249	2,540,236
Total General fund	<u>\$ 11,798,966</u>	<u>\$ 14,458,944</u>	<u>\$ 18,458,132</u>	<u>\$21,586,586</u>	<u>\$ 27,225,660</u>	<u>\$ 35,814,767</u>	<u>\$ 44,579,916</u>	<u>\$ 47,474,091</u>	<u>\$ 48,591,295</u>	<u>\$ 50,211,490</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund							921,743	1,059,864	947,420	835,549
Capital projects fund	1,500,594	3,456,030	3,009,030	30,090,630	15,827,557	5,834,367	3,236,263	301,427	25,335	25,335
Debt service fund	365,517	139,065	8	7	159,654	150,473	174,535	219,535	(1,089)	(1,089)
Permanent fund										
Total all other governmental funds	<u>\$ 1,866,111</u>	<u>\$ 3,595,095</u>	<u>\$ 3,009,038</u>	<u>\$30,090,637</u>	<u>\$ 15,987,211</u>	<u>\$ 5,984,840</u>	<u>\$ 4,332,541</u>	<u>\$ 1,580,626</u>	<u>\$ 971,666</u>	<u>\$ 859,795</u>

Source: ACFR Schedule B-1

Howell Township Board of Education
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years (Unaudited)

Exhibit J-4
GASB B-4
New

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax levy	\$ 73,127,238	\$ 74,232,079	\$ 76,623,167	\$ 78,066,535	\$ 78,518,500	\$ 80,466,682	\$ 82,488,258	\$ 82,039,786	\$ 82,579,252	\$ 84,393,314
Tuition charges	550,546	1,339,349	1,091,662	849,321	734,731	875,430	941,019	923,442	1,233,046	1,365,076
Interest earnings	0									
Miscellaneous	1,405,464	2,968,521	1,520,363	980,475	1,723,667	1,073,221	1,925,453	1,526,722	2,986,584	5,245,601
State sources	44,175,234	47,202,895	47,874,030	49,218,616	50,492,028	49,657,912	51,360,030	53,675,430	55,214,172	55,199,338
Federal sources	2,335,276	2,489,713	2,345,997	2,297,462	2,188,342	2,222,417	2,931,989	3,695,998	3,176,854	5,330,386
Total revenue	\$ 121,593,758	\$ 128,232,357	\$ 129,455,219	\$ 131,412,409	\$ 133,657,268	\$ 134,295,662	\$ 139,646,749	\$ 141,862,378	\$ 145,189,908	\$ 151,533,715
Expenditures										
Instruction										
Regular Instruction	\$ 28,426,049	\$ 28,394,241	\$ 28,500,018	\$ 28,937,035	\$ 29,008,253	\$ 28,015,253	\$ 26,836,658	\$ 27,261,746	\$ 27,020,657	\$ 29,696,788
Special education instruction	13,811,055	13,920,095	13,315,894	13,867,642	14,101,765	15,105,371	15,728,468	15,679,914	17,203,909	22,238,645
Other special instruction	2,461,250	2,166,314	2,309,824	2,480,847	2,469,425	2,431,954	2,508,140	2,690,410	2,763,476	2,679,472
Vocational education										
Other instruction	561,958	480,374	479,460	475,292	517,936	453,415	412,505	457,579	691,243	776,943
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Tuition	1,589,875	724,532	849,083	802,061	1,012,512	349,584	720,074	119,134	491,043	85,100
Student & instruction related services	11,643,109	11,645,303	11,558,781	11,906,712	12,091,100	12,011,526	12,185,209	13,314,602	15,552,085	15,498,217
General administrative services										
School Administrative services	1,210,935	4,633,239	4,654,978	4,648,211	4,709,603	4,768,662	4,764,390	4,855,201	4,844,515	4,479,393
Other Administrative services	4,123,526	2,004,449	1,331,812	1,173,766	1,403,948	3,781,982	3,296,808	2,849,369	3,406,377	3,181,714
Plant operations and maintenance	9,606,472	9,212,484	9,342,486	11,016,326	9,829,575	9,287,228	9,725,182	8,927,021	9,742,160	10,816,467
Pupil transportation	7,321,656	7,304,051	8,018,845	8,564,076	8,560,330	6,339,575	7,975,284	8,711,715	9,724,586	10,432,615
Business and Other Support Services	1,769,253	1,202,250	2,058,037	2,351,092	1,685,237					
Unallocated employee benefits	31,735,519	34,481,737	34,682,586	35,723,553	36,424,170	36,516,387	41,797,877	50,493,763	48,771,808	46,718,191
ARRA-ESF										
ARRA-GSF										
Capital outlay	2,847,150	557,966	2,691,450	390,855	5,008,014	11,990,584	2,877,000	1,906,488	1,850,277	3,129,715
Education Jobs										
Special Schools			251,672	241,642	256,798	252,895	179,463	225,977	458,673	229,789
Debt service:										
Principal	4,859,900	5,030,000	5,210,000	5,360,000	3,975,000	4,085,000	4,220,482	2,305,000	2,050,000	50,000
Interest and other charges	1,134,946	955,118	787,162	638,706	499,729	416,973	276,923	163,169	110,855	12,342
Total expenditures	\$ 123,102,653	\$ 122,712,153	\$ 126,042,088	\$ 128,577,816	\$ 131,553,395	\$ 135,806,389	\$ 133,504,463	\$ 139,961,088	\$ 144,681,664	\$ 150,025,391
Excess (Deficiency) of revenues over (under) expenditures	\$ (1,508,895)	\$ 5,520,204	\$ 3,413,131	\$ 2,834,593	\$ 2,103,873	\$ (1,510,727)	\$ 6,142,286	\$ 1,901,290	\$ 508,244	\$ 1,508,324
Other Financing sources (uses)										
Capital leases (non-budgeted)	\$ (5,796,684)	\$ (1,309,759)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects								(1,759,030)		
Par amount of bonds					14,925,000					
Accounts Receivable Cancelled	-	(8,074)								
Accounts Payable Cancelled		110,003								
Premium on Sale of Bonds					1,588,375					
Prior Year Adjustment	(39,730)	92,202				97,463				
Transfers in				354,607						
Transfers out		(15,623)		(60,747)						
Total other financing sources (uses)	(5,836,414)	(1,131,251)	-	293,860	16,513,375	97,463	-	(1,759,030)	-	-
Net change in fund balances	\$ (7,345,309)	\$ 4,388,953	\$ 3,413,131	\$ 3,128,453	\$ 18,617,248	\$ (1,413,264)	\$ 6,142,286	\$ 142,260	\$ 508,244	\$ 1,508,324

Source: ACFR Schedule B-2

HOWELL TOWNSHIP SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-5

Fiscal Year Ended June 30,	Interest on Investments	Tuition Revenue	Capital Lease	Misc.	Total
2015	\$ -	550,546	743,063	600,049	1,893,658
2016		1,339,349	1,946,490	719,639	4,005,478
2017		1,091,662		1,520,363	2,612,025
2018		849,321		980,475	1,829,796
2019		-		1,723,667	1,723,667
2020		-		1,073,221	1,073,221
2021		-		1,925,453	1,925,453
2022		923,442		1,526,722	2,450,164
2023		1,233,046		2,201,510	3,434,556
2024		1,365,076		5,245,601	6,610,677

Source: District Records - Audit B2

Howell Township Board of Education
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years (Unaudited)

Exhibit J-6
GASB C-11
NJ J-4

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qual Farm	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)
2015	127,426,600	5,157,744,800	98,908,600	2,755,700	616,492,200	107,704,400	32,259,800	6,143,292,100	0	8,470,420	6,151,762,520	1.198	6,452,258,346
2016	114,702,200	5,373,302,700	101,965,500	2,701,000	628,132,400	112,376,100	32,259,800	6,365,439,700	0	8,470,420	6,365,439,700	1.000	6,676,695,456
2017	118,523,800	5,654,440,800	98,312,200	2,397,100	626,784,300	104,535,300	37,293,500	6,642,287,000	0	0	6,642,287,000	1.000	6,833,823,093
2018	114,774,900	5,878,284,700	98,123,400	2,624,600	668,590,600	105,862,100	38,671,700	6,903,932,000	0	0	6,903,932,000	1.127	7,210,500,749
2019	112,105,800	6,149,486,400	98,207,200	2,668,500	682,217,500	111,137,700	39,843,400	7,195,667,500	0	0	7,195,667,500	1.000	7,543,419,122
2020	101,852,000	6,318,620,400 #	102,076,600	2,432,200	710,135,200 #	113,613,300	39,900,900	7,388,630,600	0	0	7,701,927,693	1.095	7,701,927,693
2021	113,286,200	6,449,143,300	103,553,500	2,349,700	713,280,800	124,386,400	40,138,000	7,546,137,900	0	0	7,546,137,900	1.089	7,814,841,301
2022	131,910,000	7,261,628,700	101,852,900	2,157,300	747,709,900	146,580,800	59,059,300	8,450,898,900	0	0	8,450,898,900	0.974	8,574,320,543
2023	166,276,700	8,545,155,300	110,875,800	2,122,100	813,006,700	160,374,400	60,785,600	9,858,596,600	0	0	9,858,596,600	0.847	9,528,091,257
2024	178,740,300	9,565,236,400	119,393,200	2,051,700	865,645,800	167,916,600	70,360,500	10,969,344,500	0	0	10,969,344,500	0.796	10,793,637,666

Source: District records Tax list summary & Municipal Tax Assessor

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

2016 Public Utilities through Estimated Actual not available

**Howell Township Board of Education
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years (Unaudited)**

(rate per \$100 of assessed value)

Exhibit J-7

**GASB C-2
NJ J-5**

Fiscal Year Ended June 30,	Howell Township Board of Education			Overlapping Rates				Total Direct and Overlapping Tax Rate
		General Obligation	Total	Freehold Regional School District	Howell Township	Library/Other	Monmouth County	
	Basic Rate ^a	Debt Service ^b	Direct					
2015	1.104	0.091	1.195	0.432	0.398	0.036	0.310	2.371
2016	1.067	0.086	1.153	0.433	0.399	0.036	0.297	2.318
2017	1.165	0.086	1.251	0.436	0.397	0.018	0.263	2.365
2018	1.127	0.086	1.213	0.449	0.388	0.018	0.259	2.327
2019	1.127	0.082	1.209	0.449	0.395	0.000	0.250	2.303
2020	1.095	0.082	1.177	0.432	0.395	0.018	0.246	2.268
2021	1.089	0.082	1.171	0.428	0.387	0.018	0.237	2.241
2022	0.974	0.082	1.056	0.404	0.358	0.016	0.264	2.098
2023	0.847	0.082	0.929	0.358	0.336	0.014	0.232	1.869
2024	0.796	0.082	0.878	0.355	0.302	0.013	0.228	1.776

Source: District Records and Municipal Tax Collector
2012* Re-evaluation year

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 calcu

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.

Howell Township Board of Education
Principal Property Tax Payers
Current Year and Ten Years Ago
(Unaudited)

Exhibit J-8
GASB C-3
NJ J-11

Taxpayer	2024			2014	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Buffalo-Parkton & Feurstein & Wain Co	\$ 43,932,400	0.401%	Buffalo-Parkton & Feurestein	\$ 45,138,000	0.811%
Howell Verdana LLC & Verdonna LLC	\$ 43,360,700	0.395%	Centrix Homes LLC	\$ 26,323,300	0.473%
Countryside North American Partners	\$ 26,999,800	0.246%	Howell Friendship Real Estate	\$ 22,105,600	0.397%
Howell Friendship Real Estate Co	\$ 23,389,800	0.213%	Home Depot, USA, Inc.	\$ 17,466,500	0.314%
Eagle Golf Enterprises, LLC	\$ 19,424,200	0.177%	Lowes Home Centers	\$ 16,171,000	0.290%
AARSHW Property, LLC	\$ 19,127,200	0.174%	DS & DJ Realty LLC	\$ 15,305,700	0.275%
2G Manzo, LLC	\$ 18,012,400	0.164%	Target Corp	\$ 13,800,000	0.248%
DS & DJ Realty, LLC	\$ 17,844,100	0.163%	Brocjin, Leon & Mur	\$ 13,500,000	0.243%
New Jersey American Water	\$ 17,365,300	0.158%	Fairfield Park LLC	\$ 13,150,200	0.236%
Hurley Felds 1, LLC	\$ 17,091,000	0.156%	Eagle Gold Enterprise	\$ 12,437,600	0.223%
Total	<u>\$ 246,546,900</u>	<u>2.248%</u>		<u>195,397,900</u>	<u>3.510%</u>

Source: Municipal Tax Assessor

Howell Township Board of Education
Property Tax Levies and Collections
Last Ten Fiscal Years (Unaudited)

Exhibit J-9
GASB C-4
Expanded J-3

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	153,354,583	150,319,630	98.02%	
2016	156,410,390	153,692,833	98.26%	
2017	159,575,286	153,692,833	96.31%	
2018	165,162,860	162,472,842	98.37%	
2019	171,081,842	168,691,289	98.60%	
2020	172,389,520	169,629,264	98.40%	
2021	174,076,363	170,960,291	98.21%	
2022	179,412,986	175,337,151	97.73%	
2023	186,245,183	183,150,351	98.34%	
2024	n/a	n/a	n/a	

Source: Howell Tax Collector/CFO

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

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

Exhibit J-10
GASB D-1
New

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2014	37,420,000					37,420,000	0.17%	62,901
2015	32,560,000		6,213,196			38,773,196	0.17%	66,019
2016	27,530,000		6,473,087			34,003,087	0.18%	61,968
2017	22,320,000		4,594,889			26,914,889	0.15%	39,224
2018	16,960,000		4,594,889			21,554,889	0.19%	41,107
2019	27,910,000		758,000			28,668,000	0.15%	41,850
2020	23,670,000		1,488,000			25,158,000	0.17%	42,490
2021	16,160,000		2,294,000			18,454,000	0.22%	41,107
2022	16,160,000		2,092,000			18,252,000	0.26%	47,055
2023	13,685,000		1,632,000			15,317,000	0.33%	50,262

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-13 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

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

Exhibit J-11
GASB D-2
NJ J-6 modified

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions			
2014	37,420,000		37,420,000	0.61%	732
2015	32,560,000		32,560,000	2.32%	637
2016	27,530,000		27,530,000	2.32%	539
2017	22,320,000		22,320,000	2.30%	437
2018	16,960,000		16,960,000	0.96%	332
2019	27,910,000		27,910,000	0.39%	546
2020	23,670,000		23,670,000	0.32%	463
2021	16,160,000		16,160,000	0.21%	280
2022	16,160,000		16,160,000	0.19%	303
2023	13,685,000		13,685,000	0.14%	256

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

a See Exhibit NJ J-6 for property tax data.

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

Source: General Obligation Bonds, Debt Balance less EDA commitments

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

Exhibit J-12 GASB D-3 NJ J-8 modified
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<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Howell Township	\$ 82,450,153	100.000%	82,450,153
Other debt			
Freehold Regional High School	13,400,000	23.424%	3,138,879
Monmouth County	29,030,454	5.720%	1,660,542
Subtotal, overlapping debt			87,249,574
Howell Township School District Direct Debt			<u>13,685,000</u>
Total direct and overlapping debt			<u><u>\$ 100,934,574</u></u>

Sources: Howell Township Finance Officer, Monmouth County Finance Office,
Howell Township Website

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 Howell. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

Howell Township Board of Education
Legal Debt Margin Information
Last Ten Fiscal Years

Exhibit J-13
GASB D-4
NJ J-7 modified

	Equalized valuation basis	
	2023	9,858,596,600
	2022	8,450,898,900
	2021	7,548,137,900
	[A]	<u>25,855,633,400</u>
Average equalized valuation of taxable property	[A/3]	\$ 8,618,544,467
Debt limit (3 % of average equalization value)	[B]	258,556,334 ^a
Net bonded school debt	[C]	<u>13,685,000</u>
Legal debt margin	[B-C]	<u>\$ 244,871,334</u>

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	186,479,526	191,118,436	191,118,436	193,731,664	133,092,838	133,092,838	209,348,496	221,304,360	233,856,674	258,556,334
Total net debt applicable to limit	<u>58,496,451</u>	<u>69,089,436</u>	<u>69,089,436</u>	<u>69,089,436</u>	<u>69,089,436</u>	<u>32,520,000</u>	<u>32,520,000</u>	<u>16,160,000</u>	<u>16,160,000</u>	<u>13,685,000</u>
Legal debt margin	<u>127,983,075</u>	<u>122,029,000</u>	<u>122,029,000</u>	<u>124,642,228</u>	<u>64,003,402</u>	<u>100,572,838</u>	<u>176,828,496</u>	<u>205,144,360</u>	<u>217,696,674</u>	<u>244,871,334</u>
Total net debt applicable to the limit as a percentage of debt limit	23.78%	31.37%	36.15%	36.15%	35.66%	24.43%	15.53%	7.30%	6.91%	5.29%

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

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

Howell Township Board of Education
Demographic and Economic Statistics
Last Ten Fiscal Years

Exhibit J-14
GASB E-1
NJ J-10 modified

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^b	Unemployment Rate ^d
2015	52,104	3,439,853,976	66,019	5.1%
2016	52,245	3,237,518,160	61,968	4.7%
2017	51,765	2,030,430,360	39,224	4.3%
2018	52,114	2,142,250,198	41,107	3.7%
2019	52,007	2,176,492,950	41,850	4.7%
2020	51,958	2,207,695,420	42,490	16.8%
2021	57,754	2,374,093,678	41,107	7.1%
2022	53,304	2,508,219,720	47,055	3.4%
2023	53,479	2,687,961,498	50,262	4.7%
2024	53,479	2,687,961,498	50,262	4.7%

Source:

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

^b Personal income based on 3% increment

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

Howell Township Board of Education
Principal Employers,
Current Year and Ten Years Ago

Exhibit J-15 GASB E-2 NEW

Employer	2024			2014		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
		1	0.00%			0.00%
		2	0.00%			0.00%
		3	0.00%			0.00%
		4	0.00%			0.00%
		5	0.00%			0.00%
			0.00%			
	-			-		0.00%

Source:

*Howell Township does not collect this information.

Howell Township Board of Education
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years (Unaudited)

Exhibit J-16

GASB F-1 New

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Instruction										
Regular	360	338	331	339	336	348	344	332	336	462
Special education	302	290	208	244	223	231	230	243	239	289
Other special education										
Vocational										
Other instruction										
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Tuition										
Student & instruction related services	102	108	122	124	127	127	130	149	145	218
General administrative services	6	6	7	7	7	7	7	6	6	6
School administrative services	52	52	53	53	53	52	52	52	51	50
Business administrative services	14	14	13	13	13	13	13	13	13	13
Plant operations and maintenance	74	76	74	74	84	86	87	78	80	115
Pupil transportation	56	62	62	63	72	72	69	64	64	66
Special Schools										
Food Service										
Child Care										
Total	966	946	870	917	915	936	932	937	934	1219

Source: District Personnel Records

Howell Township Board of Education
Operating Statistics
Last Ten Fiscal Years (Unaudited)



Exhibit J-17
GASB F-6
NJ J-12, 14

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff	Per Pupil Ratio	Average Daily Enrollment (ADE) ^b	Average Daily Attendance (ADA) ^b	% Change in Average Daily Enrollment	Student Attendance Percentage
2015	6,153	114,260,657	18,570	7.86%	662	1:10	6,148	5,850	0.00%	95.15%
2016	6,004	103,890,078	17,303	-6.82%	628	1:10	6,011	5,704	-2.24%	94.90%
2017	5,923	103,726,447	17,512	1.21%	581	1:10	5,640	5,640	-6.17%	100.00%
2018	5,761	104,901,571	18,209	3.98%	578	1:10	5,790	5,479	2.66%	94.63%
2019	5,611	104,238,529	18,578	2.02%	583	1:10	5,640	5,351	-2.60%	94.88%
2020	5,611	113,723,096	20,268	9.10%	559	1:10	5,638	5,433	-0.03%	96.36%
2021	5,600	113,007,346	20,180	-0.43%	568	1:09	5,453	5,270	-3.28%	96.64%
2022	5,513	112,676,035	20,438	1.28%	575	1:09	5,442	5,091	-0.19%	93.55%
2023	5,736	116,018,755	20,226	-1.04%	575	1:09	5,531	5,152	1.63%	93.15%
2024	6,137	122,318,657	19,931	-1.46%	751	1:08	5,769	5,361	4.30%	92.93%

Sources: District records, ASSA and Schedules J-12, J-1

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay and projects; B2
- b Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Howell Township Board of Education
School Building Information
Last Ten Fiscal Years

Exhibit J-18
GASB F-4
New

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Early Learning										
Adelphia Early Learning Center										
Square Feet										78,000
Capacity (students)										537
Enrollment										361
Newbury Early Learning Center										
Square Feet										79,850
Capacity (students)										477
Enrollment										366
Elementary										
Adelphia Elementary School										
Square Feet	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	
Capacity (students)	537	537	537	537	537	537	537	537	537	
Enrollment	301	362	358	350	349	345	335	406	389	
Aldrich Elementary School										
Square Feet	70,400	70,400	70,400	70,400	70,400	70,400	70,400	70,400	70,400	70,400
Capacity (students)	434	434	434	434	434	434	434	434	434	434
Enrollment	545	429	431	388	385	377	409	381	371	468
Ardena Elementary School										
Square Feet	68,600	68,600	68,600	68,600	68,600	68,600	68,600	68,600	68,600	68,600
Capacity (students)	417	417	417	417	417	417	417	417	417	417
Enrollment	442	338	377	336	317	324	340	339	323	371
Greenville Elementary School										
Square Feet	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000
Capacity (students)	530	530	530	530	530	530	530	530	530	530
Enrollment	363	329	295	311	329	318	331	362	448	347
Griebling Elementary School										
Square Feet	89,187	89,187	89,187	89,187	89,187	89,187	89,187	89,187	89,187	89,187
Capacity (students)	550	550	550	550	550	550	550	550	550	550
Enrollment	545	305	278	238	269	255	278	318	334	456
Land O'Pines Elementary School										
Square Feet	92,983	92,983	92,983	92,983	92,983	92,983	92,983	92,983	92,983	92,983
Capacity (students)	550	550	550	550	550	550	550	550	550	550
Enrollment	538	495	520	511	510	486	513	432	468	531
Memorial Elementary School										
Square Feet		120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Capacity (students)		577	577	577	577	577	577	577	577	577
Enrollment		322	330	301	286	258	253	271	283	417
Newbury Elementary School										
Square Feet	79,850	79,850	79,850	79,850	79,850	79,850	79,850	79,850	79,850	
Capacity (students)	477	477	477	477	477	477	477	477	477	
Enrollment	359	435	420	400	391	372	365	368	387	
Ramtown Elementary School										
Square Feet	99,899	99,899	99,899	99,899	99,899	99,899	99,899	99,899	99,899	99,899
Capacity (students)	705	705	705	705	705	705	705	705	705	705
Enrollment	438	427	388	354	328	325	342	358	408	484
Southard Elementary School										
Square Feet	73,940	73,940	73,940	73,940	73,940	73,940	73,940	73,940	73,940	73,940
Capacity (students)	392	392	392	392	392	392	392	392	392	392
Enrollment	-	-	-	-	-	-	-	-	-	-
Taunton Elementary School										
Square Feet	89,187	89,187	89,187	89,187	89,187	89,187	89,187	89,187	89,187	89,187
Capacity (students)	392	392	392	392	392	392	392	392	392	392
Enrollment	436	385	380	386	379	362	378	423	447	388
Middle School										
Howell Middle School North										
Square Feet	161,000	161,000	161,000	161,000	161,000	161,000	161,000	161,000	161,000	161,000
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	802	1,158	1,156	1,107	1,130	1,116	1,055	1,033	1,027	969
Howell Middle School South										
Square Feet	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000
Capacity (students)	980	980	980	980	980	980	980	980	980	980
Enrollment	751	982	982	929	917	870	810	797	836	896
Memorial Middle School										
Square Feet	120,000									
Capacity (students)	577									
Enrollment	627									
Other										
Administration Building										
Square Feet	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Transportation										
Square Feet	9,060	9,060	9,060	9,060	9,060	9,060	9,060	9,060	9,060	9,060
Maintenance Offices										
Square Feet	900	900	900	900	900	900	900	900	900	900

Number of Schools at June 30, 2024
Early Learning = 2
Elementary = 8
Middle School = 2

Source: District records, ASSA

HOWELL TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-19

J19

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

School Facilities	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Adelphia School	189,182	134,679	133,127	162,825	196,928	199,803	241,720	166,343	139,879	156,361
Aldrich School	170,508	121,386	119,987	146,753	177,490	180,082	217,851	149,924	126,073	140,928
Ardena School	166,223	118,335	116,971	143,065	173,029	175,555	212,385	146,156	122,904	137,385
Greenville School	189,182	134,679	133,127	162,825	196,928	199,803	241,720	166,343	139,879	156,361
Griebling School	216,120	153,857	152,084	186,010	224,969	228,254	276,139	190,030	159,798	178,626
Land O'Pines School	225,304	160,395	158,546	193,914	234,529	237,953	287,873	198,105	166,588	186,217
Newbury School	193,467	137,730	136,143	166,513	201,389	204,330	247,195	170,112	143,048	159,904
Ramtown School	242,140	172,381	170,394	208,405	252,055	255,735	309,385	212,909	179,037	200,132
Southard School	179,080	127,488	126,018	154,130	186,412	189,134	228,812	157,461	132,410	148,012
Taunton School	216,120	153,857	152,084	186,010	224,969	228,254	276,139	190,030	159,798	178,626
Howell Middle School North	390,302	277,857	274,655	335,925	406,283	412,216	498,693	343,184	288,586	322,590
Howell Middle School South	392,751	279,601	276,379	338,033	408,832	414,802	501,822	345,337	290,397	324,614
Howell Memorial Middle School	290,813	207,031	204,645	250,297	302,721	307,141	371,575	255,706	215,025	240,361
Total School Facilities	3,061,194	2,179,274	2,154,160	2,634,707	3,186,535	3,233,062	3,911,321	2,691,639	2,263,421	2,530,119
Other Facilities										
Grand Total	3,061,194	2,179,274	2,154,160	2,634,707	3,186,535	3,233,062	3,911,321	2,691,639	2,263,421	2,530,119

Source: Actual Expenditures and Encumbrances at end of year for Total Times the school square footage %.

HOWELL TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
UNAUDITED

J-20

122.

Company	Type of Coverage	Coverage	Deductible
Utica National	Property Blanket Building & Contents- Replacement Cost Values -Additional Valuable Papers	320,920,445	5,000
Utica National	Umbrella Excess Liability -Each Occurrence Aggregate Limit of Liability General Liability Each Occurrence Aggregate Limit of Liability	\$ 20,000,000 \$ 20,000,000 \$ 1,000,000 \$ 3,000,000	
Utica National	Automotive Coverage -Combined Single Limit -Hired/Non-Owned -Uninsured & Underinsured	\$ 1,000,000 \$ 1,000,000 \$ 1,000,000	
Chubb Insurance Group	Inland Marine -Electronic Data Processing Equipment	\$ 4,000,000	\$ 1,000
Utica National	Crime Coverage -Blanket Employee coverage -Money & Securities On Premises Money & Securities Off Premises Forgery or Alteration	\$ 250,000 \$ 25,000 \$ 25,000	\$ 5,000 \$ 5,000 \$ 5,000
Utica National	Boiler & Machinery Coverage	320,920,445	5,000
Utica National	Board of Education -Educators Legal Liability Each Loss Aggregate	\$ 1,000,000 \$ 2,000,000	\$5,000.00
Utica National	Fidelity Bonds -Treasurer of School Monies -Business Administrator/Board Secretary	\$500,000 \$50,000	Bond Amount Bond Amount
Brown & Brown	Workers' Compensation -Bodily Injury by Accident Limit -Bodily Injury by Disease Limit	\$3,000,000 \$3,000,000	

Source: District Records

SINGLE AUDIT SECTION

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

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

K-1

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

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

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Howell Township Board of Education, County of Monmouth, State of New Jersey's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions of the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Howell Township Board of Education, County of Monmouth, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the Howell Township Board of Education, County of Monmouth, and State of New Jersey's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

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

January 10, 2025

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

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
REQUIRED BY UNIFORM ADMINISTRATIVE AWARDS (UNIFORM GUIDANCE), AND
NEW JERSEY OMB'S CIRCULAR 15-08**

K-2

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

Report on Compliance for Each Major Federal & State Program

Opinion on Each Major Federal & State Program

We have audited the Howell Township Board of Education's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Howell Township Board of Education's major federal and state programs for the year ended June 30, 2024. The Howell Township 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 Howell Township 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 in accordance with the auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and NJ OMB 15-08. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

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

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

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

Other Matters

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

Report on Internal Control Over Compliance

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

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

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

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

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

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

January 10, 2025

HOWELL TOWNSHIP SCHOOL DISTRICT

Schedule A
K-3

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Federal Fain Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2023	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	Balance at June 30, 2024		
					From	To							(Accounts Receivable)	Deferred Revenue	Due to Grantor
U.S. Department of Education:															
Passed-through Department of Education															
Special Revenue Fund															
Title I	84.010	S010A220030		633,028	07/01/2022	09/30/2023	\$ (16,218)		133,425	(117,207)					
Title I	84.010	S010A230030		704,242	07/01/2023	09/30/2024			366,958	(366,958)					
Title I SIA	84.010	S010A230030		47,500	07/01/2023	09/30/2024			32,547	(36,105)			(3,558)		
Title IIA	84.367A	S365A230029		137,042	07/01/2023	09/30/2024			29,728	(29,728)					
Title III	84.365	S365A220029		67,335	07/01/2023	09/30/2024			47,732	(47,732)					
Title III	84.365	S365A220029		14,767	07/01/2022	09/30/2023			14,767	(14,767)					
Title III - Immigrant	84.365	S367A220029		8,312	07/01/2022	09/30/2023			1,104	(1,104)					
Title IV	84.424	S424A230031		58,873	07/01/2023	09/30/2024			21,749	(25,080)			(3,331)		
Title IV	84.424	S424A220031		146,748	07/01/2022	09/30/2023			68,375	(68,375)					
Special Education Cluster:															
IDEA Basic	84.027	H027A230100		1,613,417	07/01/2023	09/30/2024			1,420,439	(1,420,439)					
IDEA Preschool	84.173	H173A230114		89,902	07/01/2023	09/30/2024			74,535	(75,558)			(1,023)		
High Impact Tutoring	84.425V	S425V210031		613,803	10/11/2023	08/31/2024			259,826	(289,473)			(29,647)		
ARP IDEA Basic	84.027X	H027X210100		249,243	07/01/2021	09/30/2023	(11,344)		201,520	(190,176)					
ARP IDEA Preschool	84.173X	H173X210114		21,245	07/01/2021	09/30/2023	(8,489)		19,123	(10,634)					
CRRSA ESSER II	84.425D	S425D210027		1,470,558	07/01/2021	09/30/2023			34,505	(34,505)					
CRRSA Accelerated Learning	84.425D	S425D210027		94,373	07/01/2021	09/30/2023	(47,316)		77,728	(30,412)					
CRRSA Mental Health	84.425D	S425D210027		45,000	07/01/2021	09/30/2023			25,200	(25,200)					
ARP ESSER	84.425U	S425U210027		3,304,985	03/13/2020	09/30/2024			95,737	(2,128,743)			(2,033,006)		
ARP Accelerated Learning	84.425U	S425U210027		478,327	03/13/2020	09/30/2024			269,481	(280,166)			(10,685)		
ARP Comprehensive	84.425U	S425U210027		40,000	03/13/2020	09/30/2024				(16,096)			(16,096)		
ARP Mental Health	84.425U	S425U210027		45,000	03/13/2020	09/30/2024			2,550	(2,550)					
ARP Homeless	84.425W	S425W210027		26,216	03/13/2020	09/30/2024	(26,216)		27,580	(1,364)					
Total Special Revenue Fund							(109,583)	-	3,224,609	(5,212,372)	-	-	(2,097,346)	-	-
General Fund:															
US Department of Health & Human Services:															
Passed Through State Department															
of Health and Human Services:															
Medical Assistance Program	93.778	2005NJ5MAP		91,634	07/01/2023	06/30/2024			91,634	(91,634)					
Total General Fund							-	-	91,634	(91,634)	-	-	-	-	-
U.S. Department of Agriculture -															
Passed Through State Department															
of Agriculture:															
Child Nutrition Cluster:															
Food Distribution Program	10.550	231NJ304N1099		176,357	07/01/2023	06/30/2024			176,357	(176,357)					
Supply Chain	10.550	231NJ304N1099		128,909	07/01/2023	06/30/2024			128,909	(128,909)					
National School Lunch Program	10.555	231NJ304N1099		705,394	07/01/2021	06/30/2022			652,317	(705,394)			(53,077)		
National School Lunch Program	10.555	221NJ304N1099		756,717	07/01/2022	06/30/2023	(64,605)		64,605						
National School Breakfast Program	10.553	221NJ304N1099		168,617	07/01/2022	06/30/2023	(12,441)		12,441						
National School Breakfast Program	10.553	231NJ304N1099		164,674	07/01/2023	06/30/2024			152,886	(164,674)			(11,788)		
PB Lunch	10.555	231NJ304N1099		29,102	07/01/2023	06/30/2024			26,987	(29,102)			(2,115)		
PB Lunch	10.555	221NJ304N1099		26,992	07/01/2022	06/30/2023	(2,499)		2,499						
Total Enterprise Fund							(79,545)	-	1,217,001	(1,204,436)	-	-	(66,980)	-	-
Total Federal Financial Awards							\$ (189,128)	-	4,533,244	(6,508,442)	-	-	(2,164,326)	-	-

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

HOWELL TOWNSHIP SCHOOL DISTRICT

Schedule B
K-4

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Grantor/Program State/Department of Education:	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2023		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	(Repayment) of Prior Years Balances	Balance at June 30, 2024			MEMO	
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor						(Accounts Receivable)	Deferred Revenue	Due to Grantor	Budgetary Receivable	Total Cumulative Expenditures
General Fund																
Equalization Aid	24-495-034-5120-078	\$ 15,439,995	07/01/2023	06/30/2024				13,909,910	(15,439,995)						(1,530,085)	15,439,995
Special Education Aid	24-495-034-5120-089	3,740,074	07/01/2023	06/30/2024	\$			3,369,403	(3,740,074)						(370,671)	3,740,074
Transportation Aid	24-495-034-5120-014	903,761	07/01/2023	06/30/2024				814,228	(903,761)						(89,533)	903,761
Security Aid	24-495-034-5120-084	517,479	07/01/2023	06/30/2024				466,317	(517,479)						(51,162)	517,479
Supplemental Stabilization Aid	24-495-034-5120-078	591,914	07/01/2023	06/30/2024				591,914	(591,914)							591,914
Extraordinary Aid	23-495-034-5120-044	1,014,449	07/01/2022	06/30/2023		(1,014,449)		1,014,449								
Extraordinary Aid	24-495-034-5120-044	1,555,470	07/01/2023	06/30/2024					(1,555,470)			(1,555,470)				1,555,470
Non-Public Transportation	23-495-034-5120-014	111,384	07/01/2022	06/30/2023		(111,384)		111,384								
Non-Public Transportation	24-495-034-5120-014	236,736	07/01/2023	06/30/2024					(236,736)			(236,736)				236,736
On-Behalf T.P.A.F. Pension Contributions - Post Retirement Medical (non-budgeted)	24-495-034-5094-001	5,024,719	07/01/2023	06/30/2024				5,024,719	(5,024,719)							5,024,719
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	24-495-034-5094-002	18,462,142	07/01/2023	06/30/2024				18,462,142	(18,462,142)							18,462,142
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability	24-495-034-5094-004	4,310	07/01/2023	06/30/2024				4,310	(4,310)							4,310
Reimbursed TPAF Social Security	23-495-034-5094-003	3,648,212	07/01/2022	06/30/2023												
Reimbursed TPAF Social Security	24-495-034-5094-003	3,902,424	07/01/2023	06/30/2024				3,902,424	(3,902,424)							3,902,424
Total General Fund						(1,125,833)	-	47,671,200	(50,379,824)	-	-	(1,792,206)	-	-	(2,041,451)	50,379,024
Special Revenue Fund																
Textbook Aid	23-100-034-5120-064	9,174	07/01/2022	06/30/2023		9,174					(9,174)					
Textbook Aid	24-100-034-5120-064	116	07/01/2023	06/30/2024				116						116		
Auxiliary Services:																
Compensatory Education	23-100-034-5120-067	30,638	07/01/2022	06/30/2023		30,638					(30,638)					
English as a Second Language	23-100-034-5120-067	4,009	07/01/2022	06/30/2023		4,009					(4,009)					
Handicapped Services:																
Supplementary Instruction	23-100-034-5120-066	11,564	07/01/2022	06/30/2023		11,564					(11,564)					
Examination and Classification	23-100-034-5120-066	17,248	07/01/2022	06/30/2023		17,248					(17,248)					
Corrective Speech	23-100-034-5120-066	1,860	07/01/2022	06/30/2023		1,860					(1,860)					
Security	23-100-034-5120-044	28,495	07/01/2022	06/30/2023		28,495					(28,495)					
Security	24-100-034-5120-044	410	07/01/2023	06/30/2024			410							410		
Technology Initiative	23-100-034-5120-373	5,838	07/01/2022	06/30/2023		5,838					(5,838)					
Technology Initiative	24-100-034-5120-373	98	07/01/2023	06/30/2024			98							98		
Nursing Services	23-100-034-5120-070	15,536	07/01/2022	06/30/2023		11,536					(11,536)					
Nursing Services	24-100-034-5120-070	240	07/01/2023	06/30/2024			240							240		
Preschool Education Program	24-495-034-5120-086	4,708,749	07/01/2023	06/30/2024			4,242,275	(4,708,749)							(466,474)	4,708,749
SDA Emergent	NA	18,259	07/01/2023	06/30/2024			18,259	(18,259)								18,259
Total Special Revenue Fund						275,612	-	4,261,398	(4,727,008)	-	(275,612)	-	-	864	(466,474)	4,727,008
Enterprise Fund																
National School Lunch Program	23-100-010-3350-023	33,215	07/01/2022	06/30/2023		(2,984)		2,984								
National School Breakfast Program	23-100-010-3350-023	2,790	07/01/2022	06/30/2023		(287)		287								
National School Lunch Program	24-100-010-3350-023	35,467	07/01/2023	06/30/2024				32,878	(35,467)			(2,589)				35,467
National School Breakfast Program	24-100-010-3350-023	3,867	07/01/2023	06/30/2024				3,594	(3,867)			(273)				3,867
NJIEB - Lunch	24-100-010-3350-023	8,320	07/01/2023	06/30/2024				7,769	(8,320)			(551)				8,320
NJIEB - Breakfast	24-100-010-3350-023	1,107	07/01/2023	06/30/2024				1,028	(1,107)			(79)				1,107
Total Enterprise Fund						(3,271)	-	48,540	(48,761)	-	(3,492)	-	-	-	-	48,761
Total State Financial Assistance						\$ (853,492)	-	51,981,138	(55,154,793)	-	(279,104)	(1,792,206)	-	864	(2,507,925)	55,154,793
Less: State Financial Assistance Not Subject to Major Program Determination:																
On-Behalf T.P.A.F. Pension Contributions - Post Retirement Medical (non-budgeted)	24-495-034-5094-001	5,024,719	07/01/2023	06/30/2024					5,024,719							
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	24-495-034-5094-002	18,462,142	07/01/2023	06/30/2024					18,462,142							
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability	24-495-034-5094-004	4,310	07/01/2023	06/30/2024					4,310							
Total State Financial Assistance Subject to Major Program Determination									\$ (31,663,622)							

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

BOARD OF EDUCATION

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

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

NOTE 2: Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented using the modified accrual basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting and those recorded in the special revenue fund, which are presented using the budgetary basis of accounting. These bases of accounting are described in the Note 1(C) to the Board's general-purpose financial statements.

NOTE 3: Relationship to General Purpose Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97.(A3521). 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 net adjustment to reconcile from the budgetary basis to the GAAP basis is \$200,538 for the general fund and \$(80,852) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's general purpose financial statements on a GAAP basis as presented below:

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service</u>	<u>Total</u>
<u>State Assistance</u>				
Actual Amounts (Budgetary) "Revenues" from the Schedule of Expenditures of State Financial Assistance	\$ 50,379,024	4,727,008	48,761	55,154,793
Difference – Budget to "GAAP" Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures and the Related Revenue is Recognized		115,104		115,104
The Last State Aid Payment Is Recognized as Revenue for Budgetary Purposes, and Differs from GAAP Which does not Recognize This Revenue Until the Subsequent Year When the State Recognizes the Related Expense (GASB 33)	<u>200,538</u>	<u>(222,336)</u>	<u> </u>	<u>(21,798)</u>
Total State Revenue as Reported on the Statement of Revenues, Expenditures and Changes Fund Balances	<u>\$ 50,579,562</u>	<u>4,619,776</u>	<u>48,761</u>	<u>55,248,099</u>

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service</u>	<u>Total</u>
<u>Federal Assistance</u>				
Actual Amounts (Budgetary)				
“Revenues” from the Schedule of Expenditures of Federal Awards	\$ 91,634	5,212,372	1,204,436	6,508,442
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures, and the Related Revenue is Recognized	<u> </u>	<u>26,380</u>	<u> </u>	<u>26,380</u>
Total Federal Revenue as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances	<u>\$ 91,634</u>	<u>5,238,752</u>	<u>1,204,436</u>	<u>6,534,822</u>

NOTE 4: Relationship to Federal and State Financial Reports

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

NOTE 5: Other

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

HOWELL TOWNSHIP SCHOOL DISTRICT**SCHEDULE OF FINDINGS AND QUESTIONED COSTS****K-6****FOR THE FISCAL YEAR ENDED JUNE 30, 2024*****Part 1 - Summary of Auditor's Results*****Financial Statement Section**Unmodified

(A) Type of auditor's report issued:

(B) Internal control over financial reporting:

1) Material weakness(es) identified?

 Yes x No2) Were reportable conditions(s) identified that were
not considered to be material weaknesses? Yes x No(C) Noncompliance material to general purpose financial
statements noted? Yes x No**Federal Awards Section**

(D) Dollar threshold used to determine Typed A programs:

\$750,000

(E) Auditee qualified as low-risk auditee?

 x Yes No

(F) Type of auditor's report on compliance for major programs:

Unmodified

(G) Internal control over compliance:

1) Material weakness(es) identified?

 Yes x No2) Were reportable condition(s) identified that were
not considered to material weaknesses? Yes x No(H) Any audit findings disclosed that are required to be reported
in accordance with 2 CFR 200 (section .516(a))? Yes x No

(I) Identification of major programs:

<u>AL Number(s)</u>	<u>Fain Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425U	S425U210027	ARP ESSER
84.425U	S425U210027	ARP Learning Acceleration
84.425U	S425U210027	ARP Comprehensive
84.425U	S425U210027	ARP Mental Health
84.425W	S425W210027	ARP Homeless
10.555	231NJ304N1099	National School Lunch Program (Child Nutrition Cluster)
10.553	231NJ304N1099	National School Breakfast Program (Child Nutrition Cluster)
10.555	231NJ304N1099	PB Lunch (Child Nutrition Cluster)
10.550	231NJ304N1099	Supply Chain Grant (Child Nutrition Cluster)
10.550	231NJ304N1099	Food Distribution Program (Child Nutrition Cluster)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Part 1 - Summary of Auditor's Results (Continued)

State Awards Section

(J) Dollar threshold used to determine Type A programs: \$1,113,004

(K) Auditee qualified as low-risk auditee? x Yes No

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

(M) Internal control over compliance:

(1) Material Weakness(es) identified? Yes x No

(2) Were reportable condition(s) identified that were
not considered to material weaknesses? Yes x No

(N) Any audit findings disclosed that are required to be reported
in accordance with N.J. OMB's Circular 15-08? Yes x No

(O) Identification of major programs:

State Grant/Project Number(s)

Name of State Program

24-495-034-5120-089

Special Education Aid (Public Cluster)

24-495-034-5120-078

Equalization Aid (Public Cluster)

24-495-034-5120-084

Security Aid (Public Cluster)

24-495-034-5094-003

Reimbursed Social Security

HOWELL TOWNSHIP SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Part 2 - Schedule of Financial Statement Findings

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

Finding: None

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Recommendation: N/A

HOWELL TOWNSHIP SCHOOL DISTRICT**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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FOR THE FISCAL YEAR ENDED JUNE 30, 2024***Part 3 - Schedule of Federal and State Award Findings and Questioned Costs***

This section identifies audit findings required to be reported by Title 2 U.S. Code of Federal Regulations Part 200 and New Jersey OMB's Circular 15-08, as amended.

FEDERAL AWARDS

Finding: N/A

Federal program information: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Recommendation: N/A

Management's response: N/A

STATE AWARDS

Finding: None

State program information: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Recommendation: N/A

Management's response: N/A

HOWELL TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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Prior Audit Findings:

None