

SCHOOL DISTRICT  
OF  
LACEY TOWNSHIP  
OF OCEAN COUNTY

Lacey Township School District  
Lanoka Harbor, New Jersey

ANNUAL COMPREHENSIVE FINANCIAL REPORT  
Fiscal Year Ended June 30, 2024

ANNUAL COMPREHENSIVE  
FINANCIAL REPORT

OF

Lacey Township School District  
of Ocean County

Lanoka Harbor, New Jersey

For the Fiscal Year Ended June 30, 2024

Prepared by

Lacey Township Board of Education  
Finance Department

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## INTRODUCTORY SECTION



# **LACEY TOWNSHIP SCHOOL DISTRICT**

*A Tradition Of Pride • A Tradition Of Excellence*

**WILLIAM W. ZYLINSKI**  
ACTING SUPERINTENDENT

**SHARON ORMSBEE**  
BUSINESS ADMINISTRATOR/  
BOARD SECRETARY

January 3, 2025

Honorable President and  
Members of the Board of Education  
Lacey Township Board of Education  
County of Ocean, New Jersey

Dear Board Members:

It is with pleasure that we submit the annual comprehensive financial report of the Lacey Township Board of Education for the fiscal year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Lacey Township Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

- 1) **REPORTING ENTITY AND ITS SERVICES:** Lacey Township Board of Education is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB 23. All funds and account groups of the District are included in this report. The Lacey Township Board of Education and all its schools constitute the District's reporting.

The District provides a comprehensive full range of educational services appropriate to grade levels Pre-K through 12. These include regular, as well as special education for handicapped youngsters. The District completed the 2023-2024 fiscal year with an average daily enrollment of

3,709 students, which is 59 students below the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years.

Average Daily Enrollment

2019-2020	4,000	-3.10%
2020-2021	3,991	-0.02%
2021-2022	3,957	-0.85%
2022-2023	3,768	-4.78%
2023-2024	3,709	-1.57%

2) ECONOMIC CONDITION AND OUTLOOK: A substantial portion of Lacey Township is still available for development but Pinelands Legislation passed in 1979 has limited residential construction west of the Garden State Parkway. However, east of the Garden State Parkway, new residential communities have been built in the past few years. In addition, municipal officials are doing all they can to increase the number of rateable properties in town which will serve to lower the tax rate for residents. In all, Lacey continues to be a desirable place to live due to its still relatively low tax rate, its proximity to the water and its accessibility to major roadways such as the Garden State Parkway, Route 9, and Route 70, making it convenient for commuters.

Unfortunately, the School Funding Reform Act (S-2) continues to have a negative impact not only on the District, but on the municipality as well. The School Funding Reform Act (S-2) reduced the District's state aid \$586,536 for the 2018-2019 school year, \$623,156 for the 2019-2020 school year, \$1,310,170 for the 2020-2021 school year, \$1,345,629 for the 2021-2022 school year, \$3,251,565 for the 2022-2023 school year, \$3,968,990 for the 2023-2024 school year and \$3,205,902 for the 2024-2025 school year. The total reductions to the District are over \$14 million which have resulted in significant reductions in programs and staff. With the uncertainty of how the formula will be changed in the future, it is unknown how Lacey's State Aid will be calculated in the near future. If State Aid continues to be based on district income and enrollment, Lacey may not fare well and will lose more. The District continues to look for alternate revenue sources, ways to consolidate expenses, and be more efficient.

3) MAJOR INITIATIVES: The District updated Curriculum in line with the New Jersey Student Learning Standards. In addition, Federal funding received due to the Coronavirus allowed the District to employ teachers and other needed staff to help students to succeed as well as address the social and emotional needs of our students. The District is also taking on an energy savings initiative to help our students, staff and community. This will also aid in reducing expenses of the District.

The capital projects listed below are in various stages of completion:

- Pre-K Renovations at Mill Pond Elementary School

4) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of 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 structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital project 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 June 30, 2024.

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

7) FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. Readers should refer to the Management's Discussion and Analysis for a summary of the financial statements in relation to the prior year.



8) DEBT ADMINISTRATION: At June 30, 2024, the District's outstanding debt issues included \$8,200,000 of general obligation bonds.

In June 1989, the District issued \$8,492,000 in bonds to complete various renovations. In November 1996, the District issued \$16,790,000 in bonds to construct a new 7/8 grade school, the proceeds of which we placed in the District's Capital Projects Fund. In April 2001, the District issued general obligation bonds in the amount of \$24,722,000. The proceeds of this bond issue were placed in the District's Capital Projects Fund for use to provide funds for renovations, replacement and additions to the Lacey Township High School, and elementary schools.

In February 2005, the Board of Education had a partial refinancing of the Series 1996 Bonds. The Board issued \$10,095,000 of general obligation refunding bonds Series 2005 to retire \$11,290,000 of the Series 1996 Bonds. The refunding resulted in a net economic gain to the District of \$1,195,000, which will be recognized over the life of the reissue.

In February 2006, the Board of Education had a partial refinancing of the 2001 Series Bonds. The Board issued \$24,625,000 of general obligation refunding bonds Series 2006 to retire \$23,370,000 of the Series 2001 Bonds. The refunding resulted in a net income gain to the district of \$976,896, which will be recognized over the life of the reissue.

In May 2009, the District issued \$19,806,000 in Series 2009 Bonds for solar panels on all the schools, window replacement at Forked River and Lanoka Harbor Elementary Schools, roof replacement at Lanoka Harbor Elementary School and boiler replacement at Forked River Elementary. The proceeds of this bond were placed in the District's Capital Projects Fund.

In January 2016, the Board of Education had a refinancing of the Series 2006 bonds. The Board issued \$16,090,000 of general obligation refunding bonds Series 2016 to retire \$17,770,000 of the Series 2006 bonds. The refunding resulted in a net present value income gain to the district of \$1,875,749, which will be recognized over the life of the reissue. In August 2016, the Board of Education had a partial refinancing of the Series 2006 bonds. The Board issued \$11,595,000 of general obligation refunding bonds Series 2016A to retire \$12,020,000 of the Series 2009 bonds. The refunding resulted in a net present value income gain to the district of \$548,918, which will be recognized over the life of the reissue.

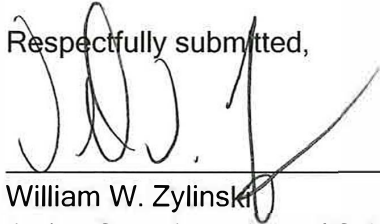
9) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the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

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

11) OTHER INFORMATION: Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accounts. The accounting firm of Jump, Perry and Company, L.L.P., was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996, and the related Uniform Guidance and state Treasury Circular Letter 15-08. The auditor's reports on the basic financial statements and combining and individual fund statements and schedules are 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.

12) ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Lacey Township Board 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 fiscal operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting.

Respectfully submitted,



William W. Zylinski  
Acting Superintendent of Schools

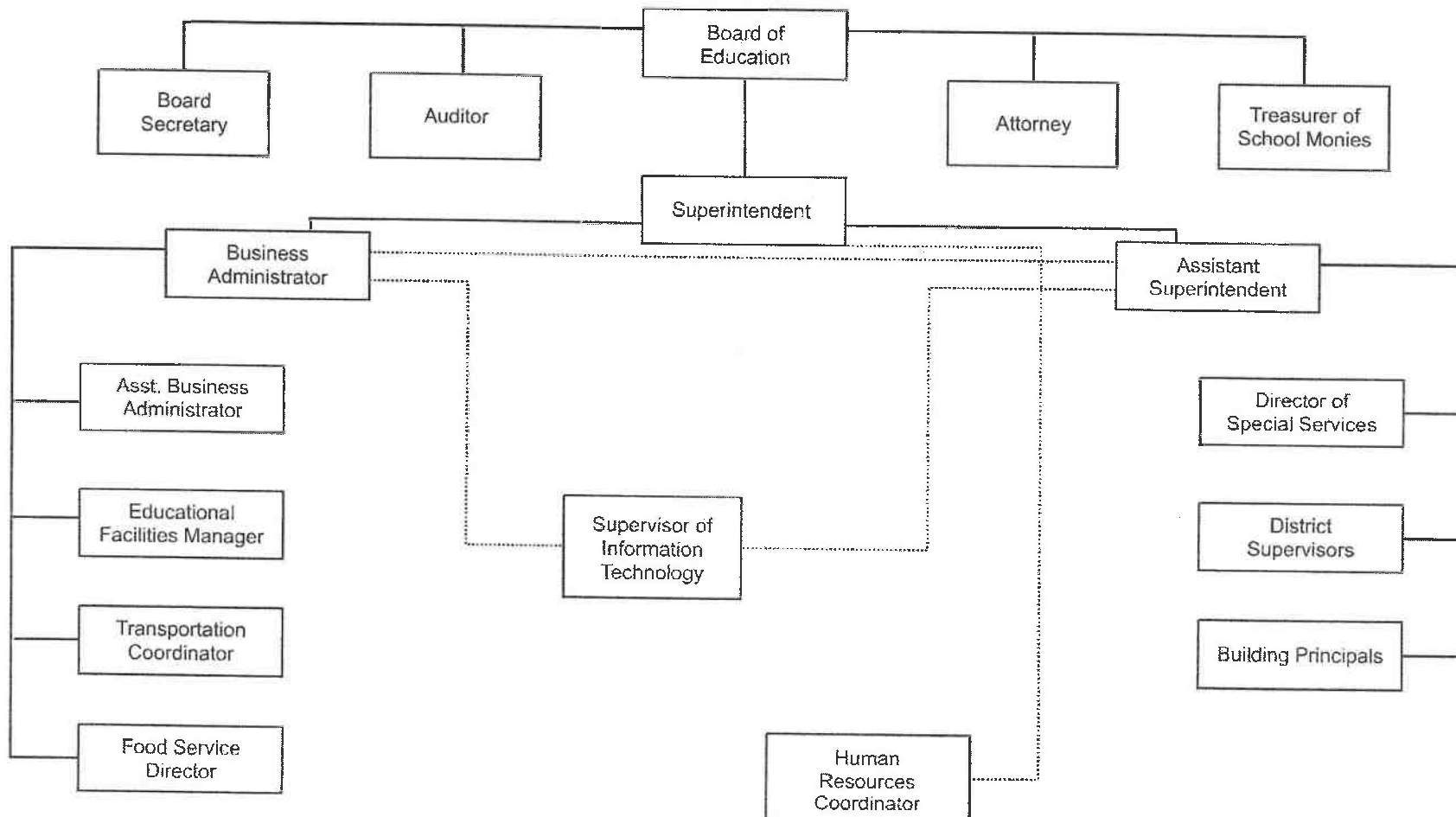
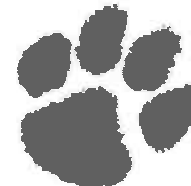


Sharon Ormsbee  
Business Administrator/Board Secretary



**POLICY 1110**  
**Organizational Chart**

# Lacey Township School District



Revised  
First Read: 04/13/19  
Second Read: 05/20/19  
Approved: 05/20/19

Lacey Township School District  
Lanoka Harbor, New Jersey

Roster of Officials  
June 30, 2024

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Harold "Skip" Peters, President	2024
Salvatore Armato, Vice President	2024
Linda A. Walker	2025
Kim Klaus	2026
Dan Bell	2026
Cheryl Armato	2025
Jack Conaty	2025

Other Officials

Dr. Vanessa R. Pereira, Superintendent of Schools

William Zylinski, Assistant Superintendent for Curriculum & Instruction

Sharon Ormsbee, School Business Administrator/Board Secretary

Daniel Rath, Asst. School Business Administrator/Asst.Board Secretary

Lacey Township School District  
Consultants and Advisors

Audit Firm

Jump, Perry and Company, L.L.P.  
12 Lexington Avenue  
Toms River, New Jersey 08753

Attorney

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

Official Depository

Ocean First  
975 Hooper Avenue  
Toms River, New Jersey 08754

## FINANCIAL SECTION



## INDEPENDENT AUDITOR'S REPORT

Honorable President and  
Members of the Board of Education  
Lacey Township Board of Education:  
County of Ocean  
Lanoka Harbor, New Jersey

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lacey Township Board of Education in the County of Ocean, 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 School District's basic financial statements as listed in the table of contents.

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

#### *Basis for 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 of our report. We are required to be independent of Lacey 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards 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 Lacey Township Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lacey Township Board of Education's ability to continue as a going concern for a reasonable period of time.

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions the schedules related to accounting, and reporting for post employment benefits other than pension. 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 of the Lacey Township Board of Education's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 nonmajor fund financial statements and the schedule of expenditures of federal awards 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 3, 2025 on our consideration of Lacey Township Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Lacey Township Board of Education internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lacey Township Board of Education's internal control over financial reporting and compliance.

Respectfully Submitted,

Jump, Perry and Company L.L.P.  
Toms River, New Jersey

  
Kathryn Perry, Partner  
Licensed Public School Accountant  
No. CS 20CS00226400

January 3, 2025

## REQUIRED SUPPLEMENTARY INFORMATION - PART I



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

The discussion and analysis of Lacey Township School District's financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School Board's financial performance.

### **Financial Highlights**

Key financial highlights for June 30, 2024 are as follows:

Net position totaled \$23,600,697, which represents a 33.22 percent increase from June 30, 2023.

General revenues accounted for \$71,059,480 in revenue or 82 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$15,297,267 or 18 percent of total revenues of \$86,356,747.

Total assets decreased by \$137,207 as current assets decreased by \$1,534,828 and capital assets, net increased by \$1,397,621.

The School Board had \$80,395,740 in expenses; only \$15,297,267 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$71,059,480 were adequate to provide for these programs.

Among major funds, the General Fund had \$72,056,108 in revenues and \$75,228,548 in expenditures and transfers. The General Fund's balance decreased \$3,172,440 over June 30, 2023. The General Fund's fund balance is \$7,009,428 inclusive of all reserves of \$4,045,917 and includes \$1,727,211 designated for subsequent year's expenditures.

### **Using this Annual Comprehensive Financial Report (ACFR)**

The annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Lacey Township 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 School Board, presenting both an aggregate view of the School Board's finances and longer-term view of those finances. Fund financial statements provide the next level of detail. For government funds, these statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements also look at the School Board's most significant funds with all other non-major funds presented in total in one column. In the case of Lacey Township School District, the General Fund is by far the most significant.

## **Reporting the School Board as a Whole**

### **Statement of Net Position and the Statement of Activities**

The Statement of Net Position and Statement of Activities provide information about the activities of the entire School District and are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector business.

These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. The change in net position is important because it informs the reader that, for the School District as a whole, the financial position of the School District has improved or worsened. The causes of the change may be the result of many factors, some financial and some not. Non-financial factors include, but are not limited to, the District's property tax base, current laws in New Jersey restricting revenue growth, facility conditions, and required educational programs. In the Statement of Net Position and the Statement of Activities, the School Board is divided into two kinds of activities:

**Governmental Activities** - All of the School Board's programs and services are reported here including, 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 is reported as business activities.

## **Reporting the School Board's Most Significant Funds**

### **Fund Financial Statement**

The Analysis of the School Board's major funds begins with Exhibit B-1. Fund financial reports provide detailed information about the School Board's major funds. The School Board's major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

### **Governmental Funds**

The School Board's activities are reported in governmental funds, which focus on how money flows into and out of the funds and balances left at year-end available for spending in the future years. These funds are reported using a modified accrual accounting method 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 Board's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between 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.

## The School Board as a Whole

The Statement of Net Position provides the financial perspective of the School Board as a whole.

Table 1 provides a summary comparison of the School Board's net position for June 30, 2024 and 2023.

Table 1

Net Position as of June 30, 2024 and June 30, 2023

	June 30, 2024			June 30, 2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current and other assets	\$ 12,200,449	\$ 426,756	\$ 12,627,205	\$ 13,463,296	\$ 698,737	\$ 14,162,033
Capital assets, net	<u>38,713,338</u>	<u>208,828</u>	<u>38,922,166</u>	<u>37,450,389</u>	<u>74,156</u>	<u>37,524,545</u>
Total assets	<u>50,913,787</u>	<u>635,584</u>	<u>51,549,371</u>	<u>50,913,685</u>	<u>772,893</u>	<u>51,686,578</u>
Deferred outflow of resources	<u>3,055,787</u>	<u>-</u>	<u>3,055,787</u>	<u>2,186,087</u>	<u>-</u>	<u>2,186,087</u>
Liabilities:						
Current liabilities	3,223,563	6,827	3,230,390	2,920,551	19,900	2,940,451
Long-term liabilities outstanding	<u>25,306,800</u>	<u>-</u>	<u>25,306,800</u>	<u>30,475,218</u>	<u>-</u>	<u>30,475,218</u>
Total liabilities	<u>28,530,363</u>	<u>6,827</u>	<u>28,537,190</u>	<u>33,395,769</u>	<u>19,900</u>	<u>33,415,669</u>
Deferred inflow of resources	<u>2,467,271</u>	<u>-</u>	<u>2,467,271</u>	<u>2,741,194</u>	<u>-</u>	<u>2,741,194</u>
Net position:						
Net investment in capital assets	29,370,606	208,828	29,579,434	24,523,483	74,156	24,597,639
Restricted	6,213,120	-	6,213,120	7,785,201	-	7,785,201
Unrestricted	<u>(12,611,786)</u>	<u>419,929</u>	<u>(12,191,857)</u>	<u>(15,345,875)</u>	<u>678,837</u>	<u>(14,667,038)</u>
Total Net Position	<u>\$ 22,971,940</u>	<u>\$ 628,757</u>	<u>\$ 23,600,697</u>	<u>\$ 16,962,809</u>	<u>\$ 752,993</u>	<u>\$ 17,715,802</u>

The unrestricted net position is a negative balance due to the unfunded liabilities for compensated absences and PERS pension. The District expects to be able to fund these liabilities as they come due yearly.

The School Board's combined net position was \$23,600,697 on June 30, 2024. This is a change of 33.22% from the previous year.

Table 2 provides a comparison analysis of School Board's changes in net position from fiscal years June 30, 2024 and 2023.

Table 2

Changes in Net Position

	June 30, 2024			June 30, 2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues						
Program revenues:						
Charges for services	\$ 370,040	\$ 618,450	\$ 988,490	\$ -	\$ 609,484	\$ 609,484
Operating and capital grants and contributions	13,445,134	863,643	14,308,777	4,912,897	940,911	5,853,808
General revenues:						
Property taxes	56,020,915	-	56,020,915	54,999,971	-	54,999,971
Federal and state aid	13,596,224	-	13,596,224	27,452,968	-	27,452,968
Interest	465,990	-	465,990	-	-	-
Miscellaneous	<u>976,351</u>	<u>-</u>	<u>976,351</u>	<u>2,549,863</u>	<u>20,660</u>	<u>2,570,523</u>
Total revenues	84,874,654	1,482,093	86,356,747	89,915,699	1,571,055	91,486,754
Expenses						
Instructional services	37,071,558	-	37,071,558	50,233,624	-	50,233,624
Support services	41,669,989	1,606,329	43,276,318	35,736,430	1,487,571	37,224,001
Interest on long-term liabilities	<u>47,864</u>	<u>-</u>	<u>47,864</u>	<u>780,254</u>	<u>-</u>	<u>780,254</u>
Total expenses	<u>78,789,411</u>	<u>1,606,329</u>	<u>80,395,740</u>	<u>86,750,308</u>	<u>1,487,571</u>	<u>88,237,879</u>
Change in net position	6,085,243	(124,236)	5,961,007	3,165,391	83,484	3,248,875
Net position - beginning	16,962,809	752,993	17,715,802	13,695,960	669,509	14,365,469
Prior period adjustment	<u>(76,112)</u>	<u>-</u>	<u>(76,112)</u>	<u>91,458</u>	<u>-</u>	<u>91,458</u>
Net position - beginning, restated	<u>16,886,697</u>	<u>752,993</u>	<u>17,639,690</u>	<u>13,787,418</u>	<u>669,509</u>	<u>14,456,927</u>
Net position (deficit) - ending	<u>\$ 22,971,940</u>	<u>\$ 628,757</u>	<u>\$ 23,600,697</u>	<u>\$ 16,952,809</u>	<u>\$ 752,993</u>	<u>\$ 17,705,802</u>

The tax levy increase was due to increased costs in salaries and benefits, utilities and the debt service.

### Expenses for Fiscal Year June 30, 2024

#### Business-Type Activities

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

Total Enterprise Fund revenues exceeded expenses by \$124,236.

Charges for services represent \$618,450 of revenue. This represents the amount paid by patrons for daily food service.

Federal and state reimbursements for meals, payments for free and reduced lunches and donated commodities was \$863,643.

## Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total costs of services and the net cost of services. The net cost shows the financial burden that was placed on the School District's taxpayers by each of these functions.

Table 3

### Governmental Activities

	2024		2023	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	\$ 37,071,558	\$ 32,037,102	\$ 50,233,624	\$ 48,050,526
Support Services:				
Pupils and Instructional Staff	18,700,483	9,984,673	14,323,531	11,691,124
General Administration, School Administration, Business Operation and Maintenance of Facilities	19,054,546	18,989,638	16,161,638	16,161,638
Pupil Transportation	3,914,960	3,914,960	5,241,261	5,241,261
Interest and Fiscal Charges	<u>47,864</u>	<u>47,864</u>	<u>780,254</u>	<u>682,862</u>
Total Expenses	<u>\$ 78,789,411</u>	<u>\$ 64,974,237</u>	<u>\$ 86,740,308</u>	<u>\$ 81,827,411</u>

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

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

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

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

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

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

## The School Board'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 Lacey, State of New Jersey and other entities. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

As the School Board completed the fiscal year ended June 30, 2024, it reported a combined fund balance of \$8,419,954, which is an decrease of \$3,528,897. The Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds, Exhibit B-2, presents the reader with a detailed explanation of the increase in fund balance for the fiscal year.

The following schedule presents a summary of General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund revenues for the fiscal year ended June 30, 2024.

<u>Revenue</u>	<u>2024 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2023</u>	<u>Percent of Increase/ (Decrease)</u>
Local Sources	\$ 58,869,649	69.36 %	\$ 115,579,335	(203.81)%
State Sources	20,605,210	24.28	55,727,995	(158.67)
Federal Sources	5,399,795	6.36	9,763,481	(223.74)
Total	<u>\$ 84,874,654</u>	<u>100.00 %</u>	<u>\$ 181,070,811</u>	<u>(188.23)%</u>

The following schedule presents a summary of General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2024.

<u>Expenditures</u>	<u>2024 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2023</u>	<u>Percent of Increase/ (Decrease)</u>
Current Expenditures:				
Instruction	\$ 34,871,776	39.49 %	\$ 1,282,244	3.82 %
Undistributed Expenditures	48,451,242	54.85	(8,480,408)	(14.90)
Capital Outlay	1,615,571	1.83	(3,070,989)	(65.53)
Debt Service:				
Principal	2,900,000	3.28	(50,000)	(1.69)
Interest	<u>488,850</u>	<u>0.55</u>	<u>(295,602)</u>	<u>(37.68)</u>
Total	<u>\$ 88,327,439</u>	<u>100.00 %</u>	<u>\$ (10,614,755)</u>	<u>(10.73)%</u>

## General Fund Budgeting Highlights

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 Section C 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 General Fund finished the fiscal year approximately \$97,688 below what had been budgeted in terms of actual expenditures. General Fund revenues were approximately about \$1,079,727 more than projected. Both these amounts have been adjusted for the non-budgeted amounts reflected in the comparison schedule for reimbursed TPAF social security contributions and on-behalf TPAF post-retirement medical contributions.

The General Fund has restricted a portion of its Fund Balance. The restricted Fund Balance items are as follows:

Excess Surplus - Designated for Subsequent Year		
Expenditures		\$ 423,504
Capital Reserve	10-116	4,044,144
Maintenance Reserve	10-117	1,773
Unemployment Claims	SUI	333,173

These restricted reserves are regulated as to their use by the State of New Jersey. Therefore, the Board places funds in the reserves in combination with the future financial needs of the District.

Expenditures decreased due to cost containment measures which included participating in various cooperatives and jointures. These agreements decrease the prices offered to the District on various goods and services that are provided, including supplies and energy.

Revenues were primarily impacted by an increase in tuition revenue from other LEA's, stabilization aid, and extraordinary aid compared to budget amounts.

Calculated excesses, if any, will be carried forward into the beginning fund balance from the 2023-2024 fiscal year and will be used to reduce the local tax levy for the 2025-2026 fiscal year. Additionally, efforts were made to reduce out of district placements by increasing services offered to students within our schools.

## Capital Assets and Debt Administration

*Capital Assets.* At the end of the fiscal year June 30, 2024, the School Board had \$38,922,166 invested in land, buildings, and machinery and equipment.

Table 4

Capital Assets (Net of Depreciation) at June 30, 2024 and June 30, 2023

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 163,472	\$ 163,472	\$ -	\$ -	\$ 163,472	\$ 163,472
Construction in Progress	1,152,000	-	-	-	1,152,000	-
Building and Improvements	27,201,277	25,834,216	-	-	27,201,277	25,834,216
Machinery and Equipment	10,196,589	11,015,574	208,828	74,156	10,405,417	11,089,730
Right to Use	-	437,127	-	-	-	437,127
Total	<u>\$ 38,713,338</u>	<u>\$ 37,450,389</u>	<u>\$ 208,828</u>	<u>\$ 74,156</u>	<u>\$ 38,922,166</u>	<u>\$ 37,524,545</u>

During the current fiscal year, \$3,188,742 and \$155,037 of capital assets were capitalized as additions to governmental activities and business-type activities, respectively. Increases in capital assets were offset by depreciation expense for the year.

*Debt Administration.* The District's long-term liabilities are as follows for the governmental and business-type activities:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Bonds Payable (net)	\$ 8,200,000	\$ 11,100,000
Leases Payable	551,301	354,333
Subscriptions Payable	-	68,284
Pension Liability-PERS	13,316,531	14,206,907
Compensated Absences payable	<u>3,105,945</u>	<u>3,236,611</u>
Total long-term liabilities	<u>\$ 25,173,777</u>	<u>\$ 28,966,135</u>

For more detailed information, please refer to the Capital Assets and Long-term debt notes in the basic financial statements.

## Economic Factors and Next Year's Budget

For the 2023-2024 school year, the School Board was able to sustain its budget through the local tax levy, state education aid and local revenue sources. Approximately 31% of the School Board's revenue is from federal, state and other aid (restricted and not restricted), while 69% of total revenue is from local sources.

The \$12,611,786 in unrestricted net position for all governmental activities represents the accumulated results of all past years' operations. It means that if the School Board had to pay off all bills today, including all of the School Board's non-capital liabilities (compensated absences, etc.), the School Board would owe this value to debtors.

The 2023-2024 budget was adopted in March 2023 based in part on the state education aid the School Board anticipated receiving. Any future increases based on the enrollment formula, originally formulated to allocate state education aid amongst school boards, will be minimal. Future decreases in local revenue and state education aid will place additional burden on the Township of Lacey for increased aid.



The School Board anticipates a slight increase in enrollment for the 2024-2025 fiscal year. If the School Board were to experience a significant increase in enrollment with no appreciable increase in state aid for future budgets, the School Board will be faced with the following alternatives: (a) reduce programs and services, (b) increase local tax levy or (c) seek alternative sources of funding.

### **Contacting the School Board's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or need additional information, you may contact the School Business Administrator/Board Secretary at Lacey Township School District, 200 Western Boulevard, Lacey, NJ, 08734.

## BASIC FINANCIAL STATEMENTS

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2024**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,413,846	\$ 376,318	\$ 2,790,164
Cash-reserve accounts-restricted	4,045,917	-	4,045,917
Receivables - other	147,243	3,555	150,798
Receivables - state	1,609,451	2,827	1,612,278
Receivables - federal	3,427,060	38,759	3,465,819
Inventory	-	5,297	5,297
Interfund receivable	-	-	-
Right to Use, net	556,932	-	556,932
Capital assets, non-depreciable	163,472	-	163,472
Capital assets, depreciable, net	38,549,866	208,828	38,758,694
Total assets	<u>50,913,787</u>	<u>635,584</u>	<u>51,549,371</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows - PERS	2,985,924	-	2,985,924
Deferred charge on refunding	69,863	-	69,863
Total deferred outflows of resources	<u>3,055,787</u>	<u>-</u>	<u>3,055,787</u>
<b>LIABILITIES</b>			
Accounts payable	32,545	-	32,545
Accrued payroll	-	-	-
Other liabilities	908,947	-	908,947
Unearned revenue	2,282,071	6,827	2,288,898
Noncurrent liabilities:			
Due within one year	3,359,329	-	3,359,329
Due beyond one year	21,947,471	-	21,947,471
Total liabilities	<u>28,530,363</u>	<u>6,827</u>	<u>28,537,190</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows - PERS	1,382,068	-	1,382,068
Deferred premium on refunding	1,085,203	-	1,085,203
Total deferred inflows of resources	<u>2,467,271</u>	<u>-</u>	<u>2,467,271</u>
<b>NET POSITION</b>			
Net Investment in capital assets	29,370,606	208,828	29,579,434
Restricted for:			
Capital projects	5,084,931	-	5,084,931
Unemployment compensation	333,173	-	333,173
Scholarships	18,849	-	18,849
Student activities	350,890	-	350,890
Other purposes	425,277	-	425,277
Unrestricted	(12,611,786)	419,929	(12,191,857)
Total net position	<u>\$ 22,971,940</u>	<u>\$ 628,757</u>	<u>\$ 23,600,697</u>

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Statement of Activities**  
**For the Year Ended June 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities:</b>							
Current:							
Regular instruction	\$ 25,264,442	\$ -	\$ 4,387,463	\$ -	\$ (20,876,979)	\$ -	\$ (20,876,979)
Special education instruction	10,221,075	-	646,993	-	(9,574,082)	-	(9,574,082)
Other special instruction	1,586,041	-	-	-	(1,586,041)	-	(1,586,041)
Support services and undistributed costs:							
Instruction	4,133,120	-	1,582,702	-	(2,550,418)	-	(2,550,418)
Attendance and social work	212,109	-	-	-	(212,109)	-	(212,109)
Health services	1,045,671	-	196,706	-	(848,965)	-	(848,965)
Other support services	6,376,826	370,040	1,647,862	-	(4,358,924)	-	(4,358,924)
Improvement of instruction	1,674,111	-	72,222	-	(1,601,889)	-	(1,601,889)
Educational media services	369,932	-	-	-	(369,932)	-	(369,932)
Instruction staff training	42,436	-	-	-	(42,436)	-	(42,436)
General administrative services	1,120,828	-	-	-	(1,120,828)	-	(1,120,828)
School administrative services	1,517,822	-	-	-	(1,517,822)	-	(1,517,822)
School central services	558,438	-	-	-	(558,438)	-	(558,438)
School admin info technology	681,533	-	-	-	(681,533)	-	(681,533)
Allowed maintenance for school facilities	748,012	-	-	-	(748,012)	-	(748,012)
Other operation & maintenance of plant	2,093,980	-	64,908	-	(2,029,072)	-	(2,029,072)
Care & upkeep of grounds	338,169	-	-	-	(338,169)	-	(338,169)
Security	382,328	-	-	-	(382,328)	-	(382,328)
Student transportation services	3,914,960	-	-	-	(3,914,960)	-	(3,914,960)
Unallocated employee benefits	11,613,436	-	-	-	(11,613,436)	-	(11,613,436)
Non-budgeted expenses	4,846,278	-	4,846,278	-	-	-	-
Interest expense	47,864	-	-	-	(47,864)	-	(47,864)
Total governmental activities	78,789,411	370,040	13,445,134	-	(64,974,237)	-	(64,974,237)
<b>Business-type activities:</b>							
Food Service	1,606,329	618,450	863,643	-	-	(124,236)	(124,236)
Child Care	-	-	-	-	-	-	-
Total business-type activities	1,606,329	618,450	863,643	-	-	(124,236)	(124,236)
Total primary government	\$ 80,395,740	\$ 988,490	\$ 14,308,777	\$ -	\$ (64,974,237)	\$ (124,236)	\$ (65,098,473)

**General revenues:**

Property taxes:			
Levied for general purposes	\$ 53,192,929	\$ -	\$ 53,192,929
Levied for debt service	2,827,986	-	2,827,986
Federal and state aid not restricted	13,596,224	-	13,596,224
Interest - restricted	465,990	-	465,990
Miscellaneous income	976,351	-	976,351
Total general revenues	<u>71,059,480</u>	<u>-</u>	<u>71,059,480</u>
<b>Change in net position</b>	<b>6,085,243</b>	<b>(124,236)</b>	<b>5,961,007</b>
<b>Net position, July 1</b>	<b>16,962,809</b>	<b>752,993</b>	<b>17,715,802</b>
<b>Prior period adjustment</b>	<u>(76,112)</u>	<u>-</u>	<u>(76,112)</u>
<b>Net position, June 30</b>	<u><b>\$ 22,971,940</b></u>	<u><b>\$ 628,757</b></u>	<u><b>\$ 23,600,697</b></u>

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2024**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,335,724	\$ 1,078,122	\$ -	\$ -	\$ 2,413,846
Receivables from other funds	1,885,464	-	579,987	-	2,465,451
Receivables from state	1,114,223	34,428	460,800	-	1,609,451
Receivables from federal	-	3,427,060	-	-	3,427,060
Receivables from other governments	4,788	-	-	-	4,788
Other receivables	142,455	-	-	-	142,455
Restricted cash and cash equivalents	4,045,917	-	-	-	4,045,917
Total assets	<u>\$ 8,528,571</u>	<u>\$ 4,539,610</u>	<u>\$ 1,040,787</u>	<u>\$ -</u>	<u>\$ 14,108,968</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 30,209	\$ 2,336	\$ -	\$ -	\$ 32,545
Accrued salaries and benefits	-	-	-	-	-
Interfund payable	579,987	1,885,464	-	-	2,465,451
Payroll deductions and withholdings payable	908,947	-	-	-	908,947
Other current liabilities	-	-	-	-	-
Unearned revenue	-	2,282,071	-	-	2,282,071
Total liabilities	<u>1,519,143</u>	<u>4,169,871</u>	<u>-</u>	<u>-</u>	<u>5,689,014</u>
Fund Balances:					
Restricted for:					
Capital reserve account	4,044,144	-	-	-	4,044,144
Maintenance reserve account	1,773	-	-	-	1,773
Emergency reserve account	-	-	-	-	-
Tuition reserve account	-	-	-	-	-
Unemployment compensation	333,173	-	-	-	333,173
Scholarships	-	18,849	-	-	18,849
Student activities	-	350,890	-	-	350,890
Private grants	-	-	-	-	-
Excess surplus - current year	-	-	-	-	-
Excess surplus -- designated for subsequent year's expenditures	423,504	-	-	-	423,504
Special revenue fund	-	-	-	-	-
Debt service fund	-	-	-	-	-
Capital projects fund	-	-	1,040,787	-	1,040,787
Committed to:					
Assigned to:					
Other purposes	585,677	-	-	-	585,677
Designated by the BOE for subsequent year's expenditures	1,727,211	-	-	-	1,727,211
Unassigned to:					
General fund	(106,054)	-	-	-	(106,054)
Total fund balances	<u>7,009,428</u>	<u>369,739</u>	<u>1,040,787</u>	<u>-</u>	<u>8,419,954</u>
Total liabilities and fund balances	<u>\$ 8,528,571</u>	<u>\$ 4,539,610</u>	<u>\$ 1,040,787</u>	<u>\$ -</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 \$76,558,103 and the accumulated depreciation is \$44,837,648.

38,713,338

Right to use Asset, net

556,932

Deferred outflows related to PERS pension plan

2,985,924

Deferred inflows related to the PERS plan

(1,382,068)

Bond issuance costs are being amortized over the life of the related bonds. The amortization is not recorded in the funds. The original costs were \$348,570.

69,863

Bond premium is being amortized over the life of the related bonds. The amortization is not recorded in the funds. The original costs were \$756,570.

(1,085,203)

Long-term liabilities, including bonds payable and leases subscriptions but not including current portion of compensated absences of \$139,300 are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 13).

(25,306,800)

Net position of governmental activities

\$ 22,971,940

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Capital Projects Fund</b>	<b>Debt Service Fund</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>					
Local sources:					
Local tax levy	\$ 53,192,929	\$ -	\$ -	\$ 2,827,986	\$ 56,020,915
Tuition charges	259,946	-	-	-	259,946
Interest income	455,264	-	-	-	455,264
Interest earned on unemployment-restricted	10,726	-	-	-	10,726
Transportation fees	20,301	-	-	-	20,301
Miscellaneous	696,104	1,406,393	-	-	2,102,497
Total - Local sources	54,635,270	1,406,393	-	2,827,986	58,869,649
State sources	17,357,978	2,225,568	460,800	560,864	20,605,210
Federal sources	62,860	5,336,935	-	-	5,399,795
Other financing sources	-	-	-	-	-
Total revenues	72,056,108	8,968,896	460,800	3,388,850	84,874,654
<b>EXPENDITURES</b>					
Current:					
Regular instruction	18,764,194	4,387,463	-	-	23,151,657
Special education instruction	9,499,513	646,993	-	-	10,146,506
Other special instruction	1,573,613	-	-	-	1,573,613
Undistributed - current:					
Instruction	2,339,140	1,582,702	-	-	3,921,842
Attendance and social work	212,109	-	-	-	212,109
Health services	848,965	196,706	-	-	1,045,671
Other support services	4,420,192	1,956,634	-	-	6,376,826
Improvement of instruction	1,601,889	72,222	-	-	1,674,111
Educational media services	369,932	-	-	-	369,932
Instruction staff training	42,436	-	-	-	42,436
General administrative services	1,120,828	-	-	-	1,120,828
School administrative services	1,573,919	-	-	-	1,573,919
School central services	558,438	-	-	-	558,438
School admin info technology	681,533	-	-	-	681,533
Required maintenance for school facilities	748,012	-	-	-	748,012
Other operation & maintenance of plant	4,184,513	-	-	-	4,184,513
Care & upkeep of grounds	338,169	-	-	-	338,169
Security	382,328	-	-	-	382,328
Student transportation services	3,914,960	-	-	-	3,914,960
Unallocated employee benefits	15,996,337	-	-	-	15,996,337
Non-budgeted expenditures	5,309,278	-	-	-	5,309,278
Debt service:					
Principal	-	-	-	2,900,000	2,900,000
Interest and other charges	-	-	-	488,850	488,850
Capital outlay	1,439,450	64,908	111,213	-	1,615,571
Total expenditures	75,919,748	8,907,628	111,213	3,388,850	88,327,439
Excess (Deficiency) of revenues over expenditures	(3,863,640)	61,268	349,587	-	(3,452,785)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	691,200	-	691,200
Transfers out	(691,200)	-	-	-	(691,200)
Total other financing sources and uses	(691,200)	-	691,200	-	-
Net change in fund balances	(4,554,840)	61,268	1,040,787	-	(3,452,785)
Fund balance—July 1	11,564,268	384,583	-	-	11,948,851
Prior period adjustment	-	(76,112)	-	-	(76,112)
Fund balance—June 30	\$ 7,009,428	\$ 369,739	\$ 1,040,787	\$ -	\$ 8,419,954

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended June 30, 2024**

**Total net change in fund balances - governmental funds (from B-2)** **\$ (3,452,785)**

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	\$ (2,485,629)	
Capital outlays	<u>4,185,705</u>	1,700,076

In the statement of activities, only the loss on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net position will differ from the change in fund balance by the cost of the asset removed.

Accumulated depreciation on capital assets sold or retired during the fiscal year ended June 30, 2024	260,828	
Cost basis of capital assets sold or retired during the fiscal year ended June 30, 2024	<u>(260,828)</u>	-

In the Statement of Activities, the PERS pension expense is the amount paid plus net change in the Deferred Outflows, Deferred Inflows and pension liability as reported by the State of New Jersey 4,382,901

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 2,900,000

In the Statement of Activities, the amortization of bond premiums is recorded as interest expense . 423,881

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

Leases	151,791	
Subscriptions	3,393	

In the statement of activities, interest on noncurrent debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The decrease in accrued interest is an addition in the reconciliation. 52,037

In the Statement of Activities, the principal payments on capital leases are recorded as a reduction in the long-term liability . In the governmental funds, the payments is an expenditure. (171,785)

In the Statement of Activities, the amortization of bond issuance costs is recorded as interest expense . In the governmental funds, the amortization is not recorded. (34,932)

In the statement of activities, certain operating expenses, e.g., compensated absences (sick leave) and special termination benefits (early retirement incentive) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used, essentially, the amounts actually paid.

	<u>130,666</u>	
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**Change in net position of governmental activities** **\$ 6,085,243**

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

	<b>Business-type Activities - Enterprise Funds</b>	
	<b>Food Service</b>	<b>Totals</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 376,318	\$ 376,318
Receivables from state	2,827	2,827
Receivables from federal	38,759	38,759
Other receivables	3,555	3,555
Inventories	5,297	5,297
Total current assets	<u>426,756</u>	<u>426,756</u>
Noncurrent assets:		
Furniture, machinery & equipment	600,319	600,319
Less accumulated depreciation	<u>(391,491)</u>	<u>(391,491)</u>
Total noncurrent assets	<u>208,828</u>	<u>208,828</u>
Total assets	<u>\$ 635,584</u>	<u>\$ 635,584</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	\$ -	\$ -
Unearned revenue	6,827	6,827
Other current liabilities	-	-
Total current liabilities	<u>6,827</u>	<u>6,827</u>
<b>NET POSITION</b>		
Net investment in capital assets	208,828	208,828
Restricted for:		
Other	-	-
Unrestricted	<u>419,929</u>	<u>419,929</u>
Total net position	<u>628,757</u>	<u>628,757</u>
Total liabilities and net position	<u>\$ 635,584</u>	<u>\$ 635,584</u>



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

	<b>Business-type Activities - Enterprise Fund</b>	
	<b>Food Service</b>	<b>Total Enterprise</b>
Operating revenues:		
Local sources:		
Daily sales non-reimbursable programs	\$ 575,031	\$ 575,031
Special functions	20,954	20,954
Miscellaneous	22,465	22,465
Total operating revenues	<u>618,450</u>	<u>618,450</u>
Operating expenses:		
Salaries	722,548	722,548
Employee benefits	5,000	5,000
Other purchased services	1,208	1,208
Repairs and maintenance	21,130	21,130
Supplies and materials	29,000	29,000
Other objects	12,554	12,554
Depreciation	20,365	20,365
Cost of sales - reimbursable programs	456,750	456,750
Cost of sales - non-reimbursable programs	337,774	337,774
Total operating expenses	<u>1,606,329</u>	<u>1,606,329</u>
Operating income (loss)	<u>(987,879)</u>	<u>(987,879)</u>
Nonoperating revenues (expenses):		
State sources:		
State school breakfast program	6,364	6,364
State school lunch program	36,130	36,130
Federal sources:		
School breakfast program	119,019	119,019
National school lunch program	481,331	481,331
Supply Chain Assistance	90,908	90,908
Miscellaneous	12,935	12,935
P-EBT Admin Cost Reimbursement	3,256	3,256
Food distribution program	113,700	113,700
Total nonoperating revenues (expenses)	<u>863,643</u>	<u>863,643</u>
Income (loss) before contributions & transfers	<u>(124,236)</u>	<u>(124,236)</u>
Transfers in (out)	-	-
Change in net position	<u>(124,236)</u>	<u>(124,236)</u>
Total net position –beginning	752,993	752,993
Total net position –ending	<u>\$ 628,757</u>	<u>\$ 628,757</u>

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

	Business-type Activities - Enterprise Funds	
	Food Service	Total Enterprise
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers and other funds	\$ 751,714	\$ 751,714
Payments to employees & benefits	(727,548)	(727,548)
Payments to suppliers	(842,824)	(842,824)
Net cash provided by (used in) operating activities	(818,658)	(818,658)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State sources	133,831	133,831
Federal sources	574,526	574,526
Net cash provided by (used in) non-capital financing activities	708,357	708,357
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchases of capital assets	(155,037)	(155,037)
Net cash provided by (used in) capital and related financing activities	(155,037)	(155,037)
Net increase (decrease) in cash and cash equivalents	(265,338)	(265,338)
Balances—beginning of year	641,656	641,656
Balances—end of year	\$ 376,318	\$ 376,318
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>		
Operating income (loss)	\$ (987,879)	\$ (987,879)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and net amortization	20,365	20,365
Federal commodities	113,700	113,700
(Increase) decrease in accounts receivable, net	32,637	32,637
(Increase) decrease in inventories	15,592	15,592
Increase (decrease) in unearned revenue	(13,073)	(13,073)
Total adjustments	169,221	169,221
Net cash provided by (used in) operating activities	\$ (818,658)	\$ (818,658)

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

**1. Summary of Significant Accounting Policies**

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

**A. Reporting Entity**

The Lacey Township School District is a Type II district located in the county of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of seven members elected to three-year staggered terms. The purpose of the District is to educate students in grades K-12. The Lacey Township School District had an approximate enrollment of 3,659 students at June 30, 2024.

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

**B. Component Units**

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The district-wide financial statements include all funds and account groups of the District over which the Board exercises operating control. The operations of the District include elementary schools, junior and senior high schools located in Lacey Township. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**C. Basis of Presentation**

The School District's basic financial statements consist of District-wide statements, including a Statement of Net Position and a Statement of Activities, and Fund Financial Statements which provide a more detailed level of financial information. The Statement of Net Position includes the reporting of assets, deferred outflows, liabilities and deferred inflows. Items not meeting that definition of assets and liabilities have been classified as deferred outflows or deferred inflows. The deferred outflows are reported under assets and deferred inflows are reported under liabilities on the Statement of Net Position.

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

1. **Summary of Significant Accounting Policies (Cont'd)**

**C. Basis of Presentation (Cont'd)**

The School District has Bond Costs which have been classified as a Deferred Outflow and the Bond Premium has been classified as a Deferred Inflow. The School District has employees that are enrolled in a defined benefit plan operated by the State of New Jersey which creates deferred outflows and inflows as described in Note 13.

District-Wide Statements: The district-wide financial statements (A-1 and A-2) include the Statement of Net Position and the Statement of Activities. These Statements include the financial activities of the overall District, except for fiduciary activities. All interfund activity, excluding the fiduciary funds, has been eliminated in the Statement of Activities. Individual funds are not displayed but the statements distinguish governmental activities, generally financed in whole or in part with fees charged to external customers.

The Statement of Net Position presents the financial condition of the governmental and business-type activity of the District at fiscal year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements: During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The Fund Financial Statements provide information about the District's funds, including its fiduciary funds. Separate statements for each Fund category - governmental, proprietary, and fiduciary - are presented. The New Jersey Department of Education ("NJDOE") has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in Governmental Accounting Standards. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

The District reports the following governmental funds:

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

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

1. **Summary of Significant Accounting Policies (Cont'd)**

**C. Basis of Presentation (Cont'd)**

**General Fund (cont'd)**

As required by the NJDOE, the District includes budgeted capital outlay in this Fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

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

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

**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). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

The District reports the following proprietary fund:

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

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of Significant Accounting Policies (Cont'd)

C. Basis of Presentation (Cont'd)

Enterprise Fund (cont'd)

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

Depreciation of all capital assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	5-10 Years
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D. Basis of Accounting

Basis of Accounting determines when transactions are recorded in the financial records and reported on the financial statements.

**District-Wide, Proprietary, and Fiduciary Fund Financial Statements:** The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds are accounted for using the "economic resources" measurement focus and the modified accrual basis of accounting; the Enterprise Fund and Fiduciary Funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Differences in the accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures. The tax revenues are recognized in the year for which they are levied (see Note 1.). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**Governmental Fund Financial Statements:** Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Available means collectible within the current period or soon thereafter to pay 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 principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The financial statements of the 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.

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

**1. Summary of Significant Accounting Policies (Cont'd)**

**E. Property Taxes**

Ad Valorem (Property) Taxes are susceptible to accrual as, under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "Accounts Receivable".

**F. Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue, and Debt Service Funds. The budgets are submitted to the County Office and are not voted upon in the annual school election. Budgets are prepared using the modified accrual basis of accounting, except for Special Revenue Fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C 6A:23A-16.2(f). All budget amendments/transfers must be approved by Board resolution. Budget amendments during the year ended June 30, 2024 were insignificant.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the Special Revenue Fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund-types. Unencumbered appropriations lapse at fiscal year-end.

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

**G. 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.

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

**1. Summary of Significant Accounting Policies (Cont'd)**

**G. Encumbrances (cont'd)**

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.

**H. Cash, Cash Equivalents and Investments**

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

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

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

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

**I. Tuition Receivable**

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

**J. Tuition Payable**

Tuition charges for the fiscal years 2023-2024 are based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.



Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of Significant Accounting Policies (Cont'd)

**K. Inventories and Prepaid Expenses**

Inventories and prepaid expenses, which benefit future periods are recorded as an expenditure during the year of purchase.

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

**L. Short-Term Interfund Receivables/Payables**

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. All interfund receivables and payables between the governmental and proprietary funds have been eliminated in the district-wide statements.

**M. Capital Assets**

The District has an established formal system of accounting for its Capital Assets. Purchased or constructed Capital Assets are reported at cost. Donated Capital Assets are valued at their estimated acquisition value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The District does not possess any infrastructure. The capitalization threshold used by school districts in the State of New Jersey is \$2,000.

All reported Capital Assets except for Land and Construction in Progress are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Land Improvements	10-20
Bidding Improvements	10-50
Furniture and Equipment	5-20
Vehicles	5-10

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

**1. Summary of Significant Accounting Policies (Cont'd)**

**N. Accrued Salaries and Wages**

Certain District employees, who provide services to the District over the ten-month academic year, have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2024, the amount earned by these employees but not disbursed was \$-.

**O. Compensated Absences**

District employees are granted varying amounts of vacation and sick leave in accordance with the District's employment contracts. Up to five vacation days per year can be accumulated into the next fiscal year. Sick leave benefits provide for ordinary sick pay and are reimbursable in accordance with the individual's employment contract. The liability for vested compensated absences of the governmental fund types is recorded as a non-current liability in the governmental fund. The balance at June 30, 2024 is \$3,105,945.

**P. Unearned Revenue**

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned.

**Q. Accrued Liabilities and Long-Term Obligations**

All Payables, Accrued Liabilities, and Long-Term Obligations are reported on the District-wide financial statements. In general, governmental fund payables are accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. Bonds are recognized as a liability on the fund financial statements when due.

**R. Net Position**

Net Position represent the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted Net Position are available.

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

**1. Summary of Significant Accounting Policies (Cont'd)**

**S. Fund Balance Reserves**

The fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five categories, as defined below:

1) Nonspendable - includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.

2) Restricted - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

3) Committed - includes amounts that can be spent only for the specific purposes determined by a formal action of the District's highest level of decision-making authority.

4) Assigned - amounts intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

5) Unassigned - includes all spendable amounts not contained in the other classifications.

**T. Revenues - Exchange and Nonexchange Transactions**

Revenue resulting from Exchange Transactions, in which each party gives and receives essentially equal value, is recorded on the actual accrual basis when the Exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District available means within sixty days of the fiscal year-end.

Nonexchange Transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from Nonexchange Transactions must also be available before it can be recognized.

Lacey Township School District  
Notes to Financial Statements  
For the Year Ended June 30, 2024

**1. Summary of Significant Accounting Policies (Cont'd)**

**T. Revenues - Exchange and Nonexchange Transactions (Cont'd)**

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, and tuition.

**U. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service and intramural. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

**V. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

**W. Allocation of Indirect Expenses**

The District reports all Direct Expenses by function in the Statement of Activities. Direct Expenses are those that are clearly identifiable with a function. Indirect Expenses are allocated to functions but are reported separately in the Statement of Activities. Employee Benefits, including the employer's share of Social Security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the Indirect Expense column of the Statement of Activities. Depreciation expense that could not be attributable to a specific function is considered an Indirect Expense and is reported separately in the Statement of Activities. Interest on long-term debt is considered an Indirect Expense and is reported separately on the Statement of Activities.

**X. Management Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of Significant Accounting Policies (Cont'd)

**Y. Financed Assets**

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

**Z. Financed Payable**

In the district-wide financial statements, financed payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of financed payments is reported as other financing sources.

**AA. GASB Pronouncements**

**Recently Issued Accounting Pronouncements to be implemented in future years**

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. Statement No. 101 is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

**2. Cash, Cash Equivalents and Investments**

Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-414 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the ACT, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA., However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2024, the School District's bank balance of \$8,098,269 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 7,848,269
Uninsured and Uncollateralized	<u>250,000</u>
	<u>\$ 8,098,269</u>

**3. Investments**

Pursuant to the Enabling Act, the funds of the District may be invested in any direct obligations of, or obligations as to which the principal and interest thereof is guaranteed by, the United States of America or other obligations as the District may approve.

As of June 30, 2024, the District had no investments on deposit.

**4. Capital Reserve Account**

A Capital Reserve Account was established by the Lacey Township School District approved by the Board of Education. 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 deposit funds at any time upon board resolution through the transfer of undesignated, unreserved general fund balance or of excess undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Post-April 2004 transfers must be in compliance with P.L. 2004, C.73 (S1701). Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the Account cannot at any time exceed the local support costs of uncompleted Capital Projects in its approved LRFP.

During the fiscal year ended June 30, 2024, the District had actual interest earnings of \$- .

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

**4. Capital Reserve Account (Cont'd)**

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	\$ 5,548,745
Less:	
Withdrawals per Budget	(813,401)
Withdrawals per Resolution	<u>(691,200)</u>
Ending Balance, June 30, 2024	<u>\$ 4,044,144</u>

The June 30, 2024 LRFP balance of local support costs of uncompleted Capital Projects is \$24,150,000.

**5. Maintenance Reserve Account**

A maintenance Reserve Account was established by the Lacey Township School District by inclusion of \$200,000 for the accumulation of funds for use as maintenance of Capital Projects in subsequent fiscal years. The Maintenance Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the Maintenance Reserve Account are restricted to maintenance projects in the District's approved Comprehensive Maintenance Plan (CMP). Upon submission of the CMP to the New Jersey Department of Education, the District may increase the balance in the maintenance reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

The balance in the Maintenance Reserve does not exceed four percent of the replacement cost of the school district's school facilities for the current year at June 30, 2024.

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

Beginning Balance, July 1, 2023	\$ 501,773
Less:	
Withdrawals per budget	<u>(500,000)</u>
Ending Balance, June 30, 2024	<u>\$ 1,773</u>

Lacey Township School District  
Notes to Financial Statements  
For the Year Ended June 30, 2024

**6. Receivables**

Receivables at June 30, 2024, consisted of amounts (rent and tuition), accrued interest, interfund, intergovernmental, and property taxes. All Receivables are considered collectible in full. A summary of the principal items of intergovernmental receivable follows:

	Governmental Fund Financial Statements	District-Wide Financial Statements
State Aid	\$ 1,609,451	\$ 1,612,278
Federal Aid	3,427,060	3,465,819
Other	<u>147,243</u>	<u>150,798</u>
Gross Receivables	5,183,754	5,228,895
Less: Allowance for Credit Losses	<u>-</u>	<u>-</u>
Total Receivables, Net	<u>\$ 5,183,754</u>	<u>\$ 5,228,895</u>

**7. Inventory**

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

Food	\$ 3,229
Commodities	53
Supplies	<u>2,015</u>
	<u>\$ 5,297</u>

**8. Contingent liabilities**

**Grant Programs**

The school district participates in federal awards and state financial assistance grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

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 on the financial position of the District.



Lacey Township School District  
Notes to Financial Statements  
For the Year Ended June 30, 2024

**9. Capital Assets**

Capital assets consisted of the following at June 30, 2024:

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated				
Land	\$ 163,472	\$ -	\$ -	\$ 163,472
Construction in Progress	<u>-</u>	<u>1,152,000</u>	<u>-</u>	<u>1,152,000</u>
Total Capital Assets Not Being Depreciated	<u>163,472</u>	<u>1,152,000</u>	<u>-</u>	<u>1,315,472</u>
Capital Assets Being Depreciated				
Building and Building Improvements	85,616,742	2,765,734	-	88,382,476
Machinery and Equipment	<u>28,004,390</u>	<u>267,971</u>	<u>(260,828)</u>	<u>28,011,533</u>
Totals at Historical Cost	<u>113,621,132</u>	<u>3,033,705</u>	<u>(260,828)</u>	<u>116,394,009</u>
Less Accumulated Depreciation for:				
Building and Building Improvements	(59,782,526)	(1,398,673)	-	(61,181,199)
Machinery and Equipment	<u>(16,988,816)</u>	<u>(1,086,956)</u>	<u>260,828</u>	<u>(17,814,944)</u>
Total Accumulated Depreciation	<u>(76,771,342)</u>	<u>(2,485,629)</u>	<u>260,828</u>	<u>(78,996,143)</u>
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>36,849,790</u>	<u>548,076</u>	<u>-</u>	<u>37,397,866</u>
Capital Assets being Amortized:				
Financed Purchases	813,067	463,000	-	1,276,067
Subscriptions	<u>95,956</u>	<u>-</u>	<u>-</u>	<u>95,956</u>
Total Capital Assets Being Amortized	<u>909,023</u>	<u>463,000</u>	<u>-</u>	<u>1,372,023</u>
Less Accumulated Amortization:				
Financed Purchases	(439,912)	(311,209)	-	(751,121)
Subscriptions	<u>(31,985)</u>	<u>(31,985)</u>	<u>-</u>	<u>(63,970)</u>
Total Accumulated Amortization	<u>(471,897)</u>	<u>(343,194)</u>	<u>-</u>	<u>(815,091)</u>
Total Capital Assets Being Amortized, Net of Accumulated Amortization	<u>437,126</u>	<u>119,806</u>	<u>-</u>	<u>556,932</u>
Government Activity Capital Assets, Net	<u>\$ 37,450,388</u>	<u>\$ 1,819,882</u>	<u>\$ -</u>	<u>\$ 39,270,270</u>
Business-Type Activities:				
Capital Assets Being Depreciated:				
Equipment	\$ 445,282	\$ 155,037	\$ -	\$ 600,319
Less Accumulated Depreciation	<u>(371,126)</u>	<u>(20,365)</u>	<u>-</u>	<u>(391,491)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 74,156</u>	<u>\$ 134,672</u>	<u>\$ -</u>	<u>\$ 208,828</u>

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

**9. Capital Assets (Cont'd)**

Depreciation expense of governmental activities was charged to functions as follows:

Regular Instruction	\$ 2,112,785
Student and Instruction Related Services	74,569
School Administration Services	12,428
Other Special Instruction	211,278
Special Education Instruction	<u>74,569</u>
Total depreciation expense	\$ <u>2,485,629</u>

**10. Financed Assets**

The District executed an agreement on April 30, 2021 to finance vehicles that requires annual payments of \$64,915. There are no variable payment components of the financed purchases. The financed liabilities are measured at an explicit discount rate of 1.178% and have a balance of \$127,572 at June 30, 2024. As a result of the financed purchases, the District has recorded right-of-use assets with a net book value of \$126,400 at June 30, 2024.

The District executed an agreement on July 1, 2023 to finance vehicles that requires annual payments of \$75,883. There are no variable payment components of the financed purchases. The financed liabilities are measured at an explicit discount rate of 4.22% and have a balance of \$398,546 at June 30, 2024. As a result of the financed purchases, the District has recorded right-of-use assets with a net book value of \$396,857 at June 30, 2024.

**11. Subscriptions**

The implementation of GASB No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, resulted in the recognition of a right-of-use asset of \$95,956 and a subscription liability of \$95,956. Amortization of the subscriptions are included in capital assets.

The District executed an agreement on February 16, 2023 for the use of educational software that requires variable payments over a three year period. The subscription liability is measured at an estimated incremental borrowing rate of 2.50% and has a balance of \$32,906 at June 30, 2024. As a result of the subscription, the District has recorded a right-of-use asset with a net book value of \$31,986 at June 30, 2024.

The future minimum subscription obligations and the net present value of the future payments, with an estimated incremental borrowing rate of 2.50% at June 30, 2024 are as follows:

Total minimum subscription payments remaining	\$ 33,750
Less: Amount representing interest	<u>844</u>
Present value of minimum subscription payments	\$ <u>32,906</u>

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

**12. Non-current Liabilities**

During the fiscal year ended June 30, 2024, the following changes occurred in the non-current liabilities:

	<u>Balance July 1, 2023</u>	<u>Increases/ (Decreases)</u>	<u>Balance June 30, 2024</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities:</u>				
Compensated				
Absences Payable	\$ 3,236,611	\$ (130,666)	\$ 3,105,945	\$ 133,023
Bonds Payable	11,100,000	(2,900,000)	8,200,000	2,945,000
Finance Payable	354,333	171,785	526,118	123,100
Subscriptions Payable	68,284	(35,378)	32,906	32,906
Accrued Interest	177,337	(52,037)	125,300	125,300
Pension Liability-PERS	<u>14,206,907</u>	<u>(890,376)</u>	<u>13,316,531</u>	<u>-</u>
Total	<u>\$ 29,143,472</u>	<u>\$ (3,836,672)</u>	<u>\$ 25,306,800</u>	<u>\$ 3,359,329</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences, capital leases, and the net pension liability are liquidated by the general fund.

**A. Bonds Payable**

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

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

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2,945,000	\$ 357,700	\$ 3,302,700
2026	2,125,000	224,850	2,349,850
2027	660,000	125,200	785,200
2028	760,000	98,800	858,800
2029	855,000	68,400	923,400
2030	<u>855,000</u>	<u>34,200</u>	<u>889,200</u>
	<u>\$ 8,200,000</u>	<u>\$ 909,150</u>	<u>\$ 9,109,150</u>

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

**12. Non-current Liabilities (Cont'd)**

**B. Bonds Authorized But Not Issued**

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

**C. Financed Payable:**

The District had financed purchases outstanding as of June 30, 2024 as follows:

<u>Purpose</u>	<u>Commencement Date</u>	<u>Frequency of Payment</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
Buses	04/30/2021	Monthly	08/15/2025	1.178%	\$ 127,572
Buses	07/01/2023	Monthly	02/15/2030	4.220%	\$ 398,546

Principal and interest due on financed purchases outstanding will be liquidated through the General Fund and are as follows:

	<u>Governmental Activities</u>	
Year ending June 30:	<u>Principal</u>	<u>Interest</u>
2025	\$ 123,100	\$ 17,699
2026	126,393	14,406
2027	64,887	10,996
2028	67,654	8,229
2029	70,539	5,344
2030	<u>73,545</u>	<u>2,336</u>
Total	<u>\$ 526,118</u>	<u>\$ 59,010</u>

**D. Subscription Payable:**

The District has subscriptions for use of educational software with an outstanding balance of \$33,750 as of June 30, 2024.

Principal and interest due on subscription obligations outstanding at June 30, 2024 is as follows:

	<u>Governmental Activities</u>	
Year ending June 30:	<u>Principal</u>	<u>Interest</u>
2025	\$ <u>32,906</u>	\$ <u>844</u>
Total	<u>\$ 32,906</u>	<u>\$ 844</u>

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Pension Plans

A. 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 Division's annual financial statements, which can be found at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://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.

The following represents the membership tiers for PERS:

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

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

**Contributions** - 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 2022, the State's pension contribution was more than the actuarial determined amount.

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Pension Plans (cont'd)

A. Public Employees' Retirement System (PERS) (cont'd)

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 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.

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources** - At June 30, 2024, the School District reported a liability of \$13,316,531 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedure to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, to the measurement date of June 30, 2023. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The School District's proportion measured as of June 30, 2023, was .0919372195%, which was a decrease of .0022020186% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the School District recognized full accrual pension expense of \$824,008 in the government-wide financial statements consisting of employer contributions of \$1,228,767 and non-employer contributions of \$(404,759). This pension expense was based on the pension plans June 30, 2023 measurement date. At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 127,323	\$ 54,434
Changes of assumptions	29,254	807,039
Net difference between projected and actual earnings on pension plan investments	61,324	-
Changes in proportion and differences between District contributions and proportionate share of contributions	80,272	520,595
District contributions subsequent to the measurement date	1,458,984	-
Total	<u>\$ 1,757,157</u>	<u>\$ 1,382,068</u>

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Pension Plans (cont'd)

A. Public Employees' Retirement System (PERS) (cont'd)

\$1,458,984 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2023-2024 total salaries for PERS employees multiplied by an employer contribution rate. The payable is due on April 1, 2025 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2024	\$ (1,184,089)
2025	(660,913)
2026	923,583
2027	(165,285)
2028	<u>2,810</u>
Total	<u>\$ (1,083,894)</u>

**Special Funding Situation** - Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001.

The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation.

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 collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers 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.

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the District as of June 30, 2024. At June 30, 2024, the State's proportionate share of the employer pension expense and related revenue, associated with the District, calculated by the plan as of the June 30, 2023 measurement date was \$41,529.

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Pension Plans (cont'd)

A. Public Employees' Retirement System (PERS) (cont'd)

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

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

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



Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Pension Plans (cont'd)

A. Public Employees' Retirement System (PERS) (cont'd)

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

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

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

13 Pension Plans (cont'd)

A. Public Employees' Retirement System (PERS) (cont'd)

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

<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 Markets Equity	12.75 %	9.22 %
International Small Cap Equity	1.25 %	9.22 %
Emerging Markets Equity	5.50 %	11.13 %
Private Equity	13.00 %	12.50 %
Real Estate	8.00 %	8.58 %
Real Assets	3.00 %	8.40 %
High Yield	4.50 %	6.97 %
Private Credit	8.00 %	9.20 %
Investment Grade Credit	7.00 %	5.19 %
Cash Equivalents	2.00 %	3.31 %
U.S. Treasuries	4.00 %	3.31 %
Risk Mitigation Strategies	3.00 %	6.21 %

**Discount Rate**

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

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Pension Plans (cont'd)

A. Public Employees' Retirement System (PERS) (cont'd)

**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:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	17,481,440	13,316,531	9,979,467

Additional Information - The following is a summary of the collective balances of the local group:

	<u>6/30/24</u>	<u>6/30/23</u>
Collective Deferred Outflows of Resources	1,080,204,730	1,660,772,008
Collective Deferred Inflows of Resources	1,780,216,457	3,236,303,935
Collective Net Pension Liability	14,606,489,066	15,219,184,920
School District's Portion	.0919372195%	.0941392381%

B. Teachers' Pension and Annuity (TPAF)

**Plan Description** - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's annual financial statements which can be found at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://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. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Pension Plans (cont'd)

B. Teachers' Pension and Annuity (TPAF) (cont'd)

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

**Contributions** - 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 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 2022, the State's pension contribution was more than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A. 18A:66-33*. Therefore, the School District is 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 School District does 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 School District.

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Pension Plans (cont'd)

B. Teachers' Pension and Annuity (TPAF) (cont'd)

**Pension Liability and Pension Expense** - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2024 was \$130,928,893. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2023 the State proportionate share of the TPAF net pension liability attributable to the School District was .2565589740%, which was an decrease of .0026531245% from its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the State of New Jersey recognized a pension expense in the amount of \$11,162,875 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2023 measurement date.

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

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Pension Plans (cont'd)

B. Teachers' Pension and Annuity (TPAF) (cont'd)

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

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

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

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

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Pension Plans (cont'd)

B. Teachers' Pension and Annuity (TPAF) (cont'd)

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

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate (cont'd)**

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's proportionate share of the net pension liability	154,622,756	130,928,893	111,338,346

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

**Additional Information** - The following is a summary of the collective balances of the local group

	<u>6/30/24</u>	<u>6/30/23</u>
Collective Deferred Outflows of Resources	2,502,380,838	5,004,259,312
Collective Deferred Inflows of Resources	14,830,205,473	19,682,774,794
Collective Net Pension Liability	51,109,961,824	51,676,587,303
School District's Portion	.2565589740%	.2592120985%

Lacey Township School District  
Notes to Financial Statements  
For the Year Ended June 30, 2024

**13. Pension Plans (Cont'd)**

**C. Defined Contribution Retirement Plan (DCRP)**

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

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

The District's contributions to the DCRP for June 30, 2024 were \$385,114. There was no liability for unpaid contributions at June 30, 2024.

**14. 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 Benefits Local Education Retired Employees Plan. The State Health Benefits 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 Pensions*. 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.



Lacey Township School District  
Notes to Financial Statements  
For the Year Ended June 30, 2024

**14. Post-Retirement Benefits (Cont'd)**

**General Information about the OPEB Plan (Cont'd)**

**Plan description and benefits provided (Cont'd)**

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

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

**Basis of Presentation**

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefits Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey 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.

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

**14. Post-Retirement Benefits (cont'd)**

**State Health Benefit State Retired Employees Plan**

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not prefund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage:  
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Lacey Township School District  
Notes to Financial Statements  
For the Year Ended June 30, 2024

**14. Post-Retirement Benefits (cont'd)**

**Employees covered by benefit terms**

At June 30, 2022, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	152,383
Active plan members	<u>217,212</u>
Total	<u><u>369,595</u></u>

**Total Nonemployer OPEB Liability**

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

Inflation Rate	2.5%
Salary Increases through 2026	PERS 2.75%-6.55%
	PFRS 3.25%-16.25%
	TPAF 2.75%-4.25%
Discount Rate	3.65%
Healthcare Cost Trend Rates	4.5%-6.5%
Retirees' Share of Benefit Related Costs	1.5% of projected health insurance premiums for retirees

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

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

Lacey Township School District  
Notes to Financial Statements  
For the Year Ended June 30, 2024

**14. Post-Retirement Benefits (cont'd)**

**Changes in the Total OPEB Liability reported by the State of New Jersey**

Balance at June 30, 2022	\$ 50,646,462,966
Changes for the year:	
Service cost	2,136,235,476
Interest on the total OPEB liability	1,844,113,951
Changes of benefit terms	-
Differences Between Expected and Actual Experience	(980,424,863)
Changes of assumptions	105,539,463
Gross benefit payments by the state	(1,437,516,858)
Contributions from the member	<u>47,258,104</u>
Net changes	<u>1,715,205,273</u>
Balance at June 30, 2023	<u>\$ 52,361,668,239</u>

**Discount rate**

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

**Sensitivity of the total OPEB liability to changes in the discount rate**

The following presents the June 30, 2023 total OPEB liability of the State for school board retirees, as well as the State's total OPEB liability for the school district calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability of the State for School Retirees	\$61,385,066,712	\$52,361,668,239	\$45,116,926,835
Total OPEB Liability of the State Associated with the School District for School Retirees	\$215,970,603	\$184,223,654	\$158,734,543

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

**14 Post-Retirement Benefits (cont'd)**

**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 eight years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% 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%.

**Sensitivity of the total OPEB liability to changes in the health care cost trend rates**

The following presents the June 30, 2023 total OPEB liability of the State for school board retirees, as well as the State's total OPEB liability for the school district calculated using a health care cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1%</u> <u>Decrease</u>	<u>Trend Rate</u>	<u>1%</u> <u>Increase</u>
Total OPEB Liability of the State for School Retirees	\$43,468,257,358	\$52,361,668,239	\$63,998,719,320
Total OPEB Liability of the State Associated with the School District for School Retirees	\$152,934,040	\$184,223,654	\$225,166,200

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

14. Post-Retirement Benefits (cont'd)

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

For the year ended June 30, 2024, the board of education recognized OPEB expense of \$3,038,126 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the Lacey Township School District'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 of 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,639,717,639	\$ 13,791,541,217
Changes of assumptions	7,445,895,322	14,449,948,556
Contributions made in fiscal year ending 2024 after June 30, 2023 measurement date	-	-
Total	<u>\$ 15,085,612,961</u>	<u>\$ 28,241,489,773</u>

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	(4,052,000,302)
Total	<u>\$ (13,155,876,812)</u>

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

15. **Deferred Compensation**

The Board offers its employees a choice of Deferred Compensation Plans created in accordance with Internal Revenue Code Section 403(b) and 457. The Plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the Plans are not available to employees until termination, retirement, death or unforeseeable emergency. The Plan administrators are as follows:

Lincoln Investment Planning	Equitable Advisors
The Legend Group	American Financial
New York Life Insurance Company	

16. **Risk Management**

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omission; 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. See J-20.

**New Jersey Unemployment Compensation Insurance** - The District has 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 table below is a summary of the District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's trust fund for the current and the prior years.

<u>Fiscal Year Ended June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Income</u>	<u>Ending Balance</u>
2024	\$ 6,683	\$ -	\$ 10,726	\$ 333,173
2023	-	-	-	315,764
2022	-	-	-	84,604

17. **Interfund Receivables and Payables**

New Jersey statute requires that interest earned on the investments in capital projects fund be credited to the general fund or debt service based on Board resolution.

No interfund balances remained on the balance sheet at June 30, 2024.

Lacey Township School District

Notes to Financial Statements

For the Year Ended June 30, 2024

**18. Compensated Absences**

The District accounts for compensated absences (e.g., sick leave) as directed by Governmental Accounting Standards. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of sick leave in accordance with the District's personnel policy. 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. The liability for vested compensated absences of the governmental fund types is recorded as a non-current liability in the governmental activities fund (see footnote 12).

**19. Fund Balances**

General Fund - of the \$7,009,428 General Fund balance at June 30, 2024, \$585,677 of encumbrances is assigned to other purposes, \$4,044,144 is restricted for capital reserve, \$1,773 is restricted for maintenance reserve, \$- is restricted for emergency reserve, \$- is restricted for tuition reserve, \$333,173 is restricted for unemployment compensation, \$423,504 is restricted for excess surplus for subsequent year expenditures, \$1,727,211 has been classified as assigned fund balance designated for subsequent year expenditures, and \$(106,054) is unassigned.

Special Revenue Fund - of the \$369,739 Special Revenue Fund balance at June 30, 2024, \$18,849 is restricted for scholarships and \$350,890 is restricted for student activities.

Capital Project Fund - of the \$1,040,787 Capital Project Fund balance at June 30, 2024.

**20. Calculation of Excess Surplus**

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L.2004, C.73 (S1701), 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 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 \$- calculated as excess surplus at June 30, 2024.

**21. Uncertain Tax Positions**

The school district had no unrecognized tax benefits at June 30, 2024. The school district files tax returns in the U.S. federal jurisdiction and New Jersey. The school district has no open year prior to June 30, 2021.



Lacey Township School District  
Notes to Financial Statements  
For the Year Ended June 30, 2024

**22. Subsequent Events**

Management has evaluated subsequent events through January 3, 2025, the date the financial statements were available to be issued.

**23. Tax Abatement**

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

**24. Economic Dependency**

The School 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, could have an effect on the School District's programs and activities.

**25. Prior Period Adjustment**

In the Special Revenue Fund, private contributions were not recognized resulting in a prior period adjustment to the B-2 and A-2, effective July 1, 2023. The adjustment involved cash and fund balance with no adverse impact on the financial position of the District.

## REQUIRED SUPPLEMENTARY INFORMATION - PART II

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2024**

	<u>Original Budget</u>	<u>Transfers/ Encumbrances</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 53,192,929	\$ -	\$ 53,192,929	\$ 53,192,929	\$ -
Interest earned on unemployment-restricted	-	-	-	10,726	10,726
Transportation fees from individuals	12,000	-	12,000	20,301	8,301
Tuition - from individuals	83,800	-	83,800	39,328	(44,472)
Tuition - from other LEA's within the state	44,500	-	44,500	199,802	155,302
Tuition - from other Govt Sources within the state	-	-	-	20,816	20,816
Interest income	-	-	-	455,264	455,264
Miscellaneous	1,175,190	-	1,175,190	696,104	(479,086)
Total - local sources	<u>54,508,419</u>	<u>-</u>	<u>54,508,419</u>	<u>54,635,270</u>	<u>126,851</u>
State sources:					
Categorical Transportation aid	228,519	-	228,519	228,519	-
Special Education Categorical aid	2,504,516	-	2,504,516	2,504,516	-
Security aid	483,794	-	483,794	483,794	-
Equalization aid	7,254,061	-	7,254,061	7,254,061	-
Stabilization Aid	-	-	-	579,457	579,457
Extraordinary aid	635,482	-	635,482	981,183	345,701
Non-public transportation	-	-	-	20,930	20,930
TPAF - LTDI (on-behalf - Non-budgeted)	-	-	-	3,822	3,822
TPAF - post retirement medical (on-behalf - Non-budgeted)	-	-	-	3,038,126	3,038,126
Teacher's pension and annuity fund (on-behalf - Non-budgeted)	-	-	-	11,162,875	11,162,875
TPAF social security (reimbursed - Non-budgeted)	-	-	-	2,267,330	2,267,330
Total state sources	<u>11,106,372</u>	<u>-</u>	<u>11,106,372</u>	<u>28,524,613</u>	<u>17,418,241</u>
Federal sources:					
Medicaid reimbursement	56,072	-	56,072	62,860	6,788
Total federal sources	<u>56,072</u>	<u>-</u>	<u>56,072</u>	<u>62,860</u>	<u>6,788</u>
<b>Total revenues</b>	<u>65,670,863</u>	<u>-</u>	<u>65,670,863</u>	<u>83,222,743</u>	<u>17,551,880</u>
<b>EXPENDITURES:</b>					
<b>Current Expenditures:</b>					
<b>Regular Programs - Instruction</b>					
Local Contrib. - Trans to Special Rev-Inclusion	-	955,621	955,621	955,621	-
Preschool/Kindergarten - Salaries of teachers	896,010	243,858	1,139,868	1,119,222	20,646
Grades 1-5 - Salaries of teachers	5,925,294	(232,458)	5,692,836	5,691,868	968
Grades 6-8 - Salaries of teachers	3,948,291	(367,490)	3,580,801	3,580,799	2
Grades 9-12 - Salaries of teachers	6,441,704	(140,683)	6,301,021	6,294,867	6,154
<b>Regular Programs - Home Instruction:</b>					
Salaries of teachers	50,000	8,879	58,879	58,879	-
Purchased professional-educational services	33,000	(7,740)	25,260	21,619	3,641
<b>Regular Programs - Undistributed Instruction</b>					
Other salaries for instruction	42,462	(35,883)	6,579	6,579	-
Purchased professional-educational services	416,380	(100,683)	315,697	287,646	28,051
Purchased technical services	192,200	(37,384)	154,816	154,816	-
Other purchased services (400-500 series)	221,200	(57,542)	163,658	154,714	8,944
General supplies	601,281	(189,662)	411,619	393,059	18,560
Textbooks	6,000	(1,019)	4,981	-	4,981
Other objects	57,000	(11,249)	45,751	44,505	1,246
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<u>18,830,822</u>	<u>26,565</u>	<u>18,857,387</u>	<u>18,764,194</u>	<u>93,193</u>
<b>SPECIAL EDUCATION - INSTRUCTION</b>					
<b>Behavioral Disabilities:</b>					
Salaries of Teachers	327,894	71,156	399,050	399,050	-
Other salaries for instruction	355,325	(36,486)	318,839	318,021	818
General supplies	4,200	(2,153)	2,047	2,047	-
Other Objects	2,000	(2,000)	-	-	-
<b>Total Behavioral Disabilities</b>	<u>689,419</u>	<u>30,517</u>	<u>719,936</u>	<u>719,118</u>	<u>818</u>
<b>Learning and/or Language Disabilities:</b>					
Salaries of teachers	1,512,034	(76,249)	1,435,785	1,435,785	-
Other salaries for instruction	745,830	78,718	824,548	824,548	-
Purchased Professional-Educational Services	880	(880)	-	-	-
General supplies	17,000	(7,181)	9,818	9,818	1
<b>Total Learning and/or Language Disabilities</b>	<u>2,275,744</u>	<u>(5,592)</u>	<u>2,270,152</u>	<u>2,270,151</u>	<u>1</u>
<b>Multiple Disabilities:</b>					
Salaries of Teachers	439,027	64,891	503,918	503,918	-
Other salaries for instruction	439,888	23,474	463,362	460,207	3,155
Purchased Professional-Educational Services	625	233	858	858	-
General supplies	8,000	(2,192)	5,808	4,908	900
Other Objects	6,000	(4,800)	1,200	1,200	-
<b>Total Multiple Disabilities</b>	<u>893,540</u>	<u>81,606</u>	<u>975,146</u>	<u>971,091</u>	<u>4,055</u>

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2024**

	<b>Original Budget</b>	<b>Transfers/ Encumbrances</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final to Actual</b>
<b>Resource Room/Resource Center:</b>					
Salaries of Teachers	\$ 3,379,192	\$ (408,452)	\$ 2,970,740	\$ 2,895,740	\$ 75,000
Other Salaries for Instruction	324,910	61,942	386,852	386,852	-
Purchased Professional-Educational Services	400	(10)	390	390	-
Other purchased services (400-500 series)	750	(750)	-	-	-
General supplies	8,000	(3,130)	4,870	4,740	130
Other Objects	2,000	(2,000)	-	-	-
<b>Total Resource Room/Resource Center</b>	<b>3,715,252</b>	<b>(352,400)</b>	<b>3,362,852</b>	<b>3,287,722</b>	<b>75,130</b>
<b>Autism:</b>					
Salaries of Teachers	450,548	19,381	469,929	469,929	-
Other Salaries for Instruction	678,453	132,785	811,238	811,238	-
General Supplies	6,750	(7)	6,743	6,740	3
<b>Total Autism</b>	<b>1,135,751</b>	<b>152,159</b>	<b>1,287,910</b>	<b>1,287,907</b>	<b>3</b>
<b>Preschool Disabilities - Full-Time:</b>					
Salaries of Teachers	395,423	(28,018)	367,405	363,622	3,783
Other Salaries for Instruction	443,519	60,569	504,088	504,088	-
General Supplies	6,750	(1,415)	5,335	5,106	229
Other Objects	1,800	-	1,800	-	1,800
<b>Total Preschool Disabilities - Full-Time</b>	<b>847,492</b>	<b>31,136</b>	<b>878,628</b>	<b>872,816</b>	<b>5,812</b>
<b>Home Instruction:</b>					
Salaries of Teachers	78,000	(4,290)	73,710	73,710	-
Purchased Professional-Educational Services	17,000	4,325	21,325	16,998	4,327
<b>Total Home Instruction</b>	<b>95,000</b>	<b>35</b>	<b>95,035</b>	<b>90,708</b>	<b>4,327</b>
<b>TOTAL SPECIAL EDUCATION- INSTRUCTION</b>	<b>9,652,198</b>	<b>(62,539)</b>	<b>9,589,659</b>	<b>9,499,513</b>	<b>90,145</b>
<b>Bilingual Education - Instruction</b>					
Salaries of Teachers	195,050	(43,029)	152,021	152,021	-
<b>Total Bilingual Education - Instruction</b>	<b>195,050</b>	<b>(43,029)</b>	<b>152,021</b>	<b>152,021</b>	<b>-</b>
<b>School-Spon. Cocurricular Actvts. - Instruction</b>					
Salaries	387,142	(14,902)	372,240	367,169	5,071
Supplies and Materials	27,050	(12,454)	14,596	12,836	1,760
Other Objects	15,950	(3,598)	12,352	12,287	65
<b>Total School-Spon. Cocurricular Actvts. - Instruction</b>	<b>430,142</b>	<b>(30,954)</b>	<b>399,188</b>	<b>392,292</b>	<b>6,896</b>
<b>School-Spon. Athletics - Instruction</b>					
Salaries	630,368	147,898	778,266	778,265	1
Purchased Services (300-500 series)	171,525	(6,616)	164,909	143,767	21,142
Supplies and Materials	121,150	(50,024)	71,126	70,545	581
Other Objects	36,400	3,267	39,667	36,723	2,944
<b>Total School-Spon. Cocurricular Actvts. - Instruction</b>	<b>959,443</b>	<b>94,525</b>	<b>1,053,968</b>	<b>1,029,300</b>	<b>24,668</b>
<b>Total Instruction</b>	<b>30,067,655</b>	<b>(15,432)</b>	<b>30,052,223</b>	<b>29,837,320</b>	<b>214,903</b>
<b>Undistributed Expenditures - Instruction:</b>					
Tuition to other LEAs within the state - Special	289,128	112,296	401,424	401,162	262
Tuition to other LEAs within the state - Regular	-	19,585	19,585	19,585	-
Tuition to Co. Voc. School Dist. - reg.	220,320	(12,324)	207,996	207,995	1
Tuition to Co.Spec. Serv. & Reg. Day schools	348,600	85,972	434,572	434,572	-
Tuition to Private Sch for Disbl w/i State	1,332,287	(105,179)	1,227,108	1,227,108	-
Tuition - Other	-	48,718	48,718	48,718	-
<b>Total Undistributed Expenditures - Instruction:</b>	<b>2,190,335</b>	<b>149,068</b>	<b>2,339,403</b>	<b>2,339,140</b>	<b>263</b>
<b>Undistributed Expend. - Attend. &amp; Social Work</b>					
Salaries	234,485	(16,464)	218,021	212,109	5,912
<b>Total Undistributed Expend. - Attend. &amp; Social Work</b>	<b>234,485</b>	<b>(16,464)</b>	<b>218,021</b>	<b>212,109</b>	<b>5,912</b>
<b>Undist. Expend. - Health Services</b>					
Salaries	555,334	(49,530)	505,804	504,362	1,442
Purchased professional and technical services	262,500	69,116	331,616	330,431	1,185
Supplies and materials	13,650	880	14,530	14,172	358
<b>Total Undistributed Expenditures - Health Services</b>	<b>831,484</b>	<b>20,466</b>	<b>851,950</b>	<b>848,965</b>	<b>2,985</b>
<b>Undist. Expend. - Other Support Services - Students - Related Service</b>					
Salaries	517,735	1,848	519,583	519,583	-
Purchased Prof. Ed. Services	502,000	65,738	567,738	565,388	2,350
Supplies and Materials	1,000	(358)	642	642	-
<b>Total Undist. Expend. - Other Support Services - Students - Related Service</b>	<b>1,020,735</b>	<b>67,228</b>	<b>1,087,963</b>	<b>1,085,613</b>	<b>2,350</b>
<b>Undist. Expend. - Other Support Services - Students - Extraordinary Services</b>					
Salaries	290,000	(16,042)	273,958	273,958	-
Purchased Prof. Ed. Services	-	-	-	-	-
<b>Total Undist. Expend. - Other Support Services Students - Extraordinary Services</b>	<b>290,000</b>	<b>(16,042)</b>	<b>273,958</b>	<b>273,958</b>	<b>-</b>
<b>Undist. Expend. - Guidance</b>					
Salaries of Other Professional Staff	1,373,407	(57,770)	1,315,637	1,295,624	20,013
Salaries of Secretarial and Clerical Assistants	120,320	15	120,335	120,317	18
Purchased Professional - Educational Services	30,500	(14,440)	16,060	16,010	50
Supplies and Materials	3,588	(831)	2,757	2,757	-
<b>Total Undist. Expend. - Guidance</b>	<b>1,527,815</b>	<b>(73,026)</b>	<b>1,454,789</b>	<b>1,434,708</b>	<b>20,081</b>

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2024**

	<b>Original Budget</b>	<b>Transfers/ Encumbrances</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final to Actual</b>
<b>Undist. Expend. - Child Study Teams</b>					
Salaries of Other Professional Staff	\$ 1,076,947	\$ (5,882)	\$ 1,071,065	\$ 1,071,053	\$ 12
Salaries of Secretarial and Clerical assistants	136,951	(1,989)	134,962	133,994	968
Purchased Professional - Educational Services	291,150	135,479	426,629	420,866	5,763
<b>Total Undist. Expend. - Child Study Teams</b>	<b>1,505,048</b>	<b>127,608</b>	<b>1,632,656</b>	<b>1,625,913</b>	<b>6,743</b>
<b>Undist. Expend.-Imprvmt of Instr. Svcs-Other Support Services-Instr.</b>					
Salaries Superv. Of Instr.	867,048	(65,010)	802,038	802,038	-
Salaries Other Prof. Staff	322,191	55,516	377,707	377,707	-
Salaries Secr. and Clerical Asst.	93,732	6,553	100,285	100,218	67
Purchased Professional - Educational Services	284,600	(8,908)	275,692	273,337	2,355
Supplies and Materials	72,614	(21,644)	50,970	48,589	2,381
<b>Total Undist. Expend.-Imprvmt of Instr. Svcs-Other Support Services-Instr.</b>	<b>1,640,185</b>	<b>(33,493)</b>	<b>1,606,692</b>	<b>1,601,889</b>	<b>4,803</b>
<b>Undist. Expend. - Educational Media Services/School Library</b>					
Salaries	324,434	13,551	337,985	335,562	2,423
Purchased Prof and Tech Svc.	25,590	(1,027)	24,563	24,563	-
Supplies and Materials	25,830	(15,921)	9,909	9,807	102
<b>Total Undist. Expend. - Educational Media Services/School Library</b>	<b>375,854</b>	<b>(3,397)</b>	<b>372,457</b>	<b>369,932</b>	<b>2,525</b>
<b>Undist. Expend. - Instruction Staff Training Services</b>					
Other Purchased Services (400-500 series)	40,031	7,007	47,038	42,436	4,602
<b>Total Undist. Expend. - Instruction Staff Training Services</b>	<b>40,031</b>	<b>7,007</b>	<b>47,038</b>	<b>42,436</b>	<b>4,602</b>
<b>Undist. Expend. - Support Service - General Administration</b>					
Salaries	554,220	2,426	556,646	556,645	1
Unused Vac Payment to Term/Ret Staff	55,000	(55,000)	-	-	-
Legal Services	100,000	66,296	166,296	136,566	29,730
Audit Fees	31,000	-	31,000	31,000	-
Other Purchased Professional Services	24,280	13,331	37,611	37,589	22
Communications/Telephone	222,635	(5,755)	216,880	156,364	60,516
BOE Other Purchased Services	2,500	(400)	2,100	2,100	-
Misc. Purch. Serv.(400-500)	188,567	(34,935)	153,632	151,952	1,680
General Supplies	15,678	(3,445)	12,233	12,121	112
BOE Membership Dues and Fees	28,000	(332)	27,668	27,668	-
Miscellaneous Expenditures	8,754	848	9,602	8,823	779
<b>Total Undist. Expend. - Support Service - General Administration</b>	<b>1,230,634</b>	<b>(16,966)</b>	<b>1,213,668</b>	<b>1,120,828</b>	<b>92,840</b>
<b>Undist. Expend. - Support Service - School Administration</b>					
Salaries of Principals/Assistant principals	1,213,707	(27,648)	1,186,059	1,186,059	-
Salaries of Secretarial and Clerical Assistants	377,848	(15,058)	362,790	362,789	1
Supplies and Materials	29,700	(4,579)	25,121	25,071	50
<b>Total Undist. Expend. - Support Service - School Administration</b>	<b>1,621,255</b>	<b>(47,285)</b>	<b>1,573,970</b>	<b>1,573,919</b>	<b>51</b>
<b>Undistributed Expenditures- Central Services</b>					
Salaries	501,802	(15,496)	486,306	477,620	8,686
Purchased Professional Services	47,060	-	47,060	47,001	59
Purchased Technical Services	4,450	3,347	7,797	7,797	-
Supplies and Materials	6,764	(1,922)	4,842	4,667	175
Miscellaneous Expenditures	10,865	10,488	21,353	21,353	-
<b>Total Central Services</b>	<b>570,941</b>	<b>(3,583)</b>	<b>567,358</b>	<b>558,438</b>	<b>8,920</b>
<b>Administration Information Technology</b>					
Salaries	615,344	3,864	619,208	619,208	-
Purchased Technical Services	87,000	(3,900)	83,100	62,325	20,775
<b>Total Admin info tech</b>	<b>702,344</b>	<b>(36)</b>	<b>702,308</b>	<b>681,533</b>	<b>20,775</b>
<b>Required Maint for School Facilities</b>					
Salaries	339,737	(18,872)	320,865	320,860	5
Cleaning, Repair and Maintenance Services	322,155	(32,543)	289,612	264,174	25,438
General Supplies	168,275	9,803	178,078	162,853	15,225
Other Objects	525	(60)	465	125	340
<b>Total Required Maintenance for School Facilities</b>	<b>830,692</b>	<b>(41,672)</b>	<b>789,020</b>	<b>748,012</b>	<b>41,008</b>
<b>Custodial Services</b>					
Salaries	2,367,463	(64,925)	2,302,538	2,295,865	6,673
Salaries of Non-Instructional Aides	195,822	(16,482)	179,340	179,316	24
Purchased Professional and Technical Services	62,500	-	62,500	62,500	-
Cleaning, Repair and Maintenance Services	15,000	(14,529)	471	450	21
Other Purchased Property Services	55,000	1,964	56,964	56,964	-
Insurance	616,025	(31,415)	584,610	584,610	-
Travel	-	50	50	-	50
Miscellaneous Purchased Services	50	5,950	6,000	4,378	1,622
General Supplies	135,500	35,664	171,164	170,184	980
Energy (Natural Gas)	343,500	23,920	367,420	323,846	43,574
Energy ( Electricity)	493,000	18,955	511,955	506,400	5,555
<b>Total Custodial services</b>	<b>4,283,860</b>	<b>(40,848)</b>	<b>4,243,012</b>	<b>4,184,513</b>	<b>58,499</b>
<b>Care and Upkeep of Grounds</b>					
Salaries	247,044	41,441	288,485	285,009	3,476
Cleaning, Repair and Maintenance Services	40,000	(6,383)	33,617	16,239	17,378
Travel- All Other	-	245	245	-	245
General Supplies	60,600	(22,679)	37,921	36,921	1,000
<b>Total Care and Upkeep of Grounds</b>	<b>347,644</b>	<b>12,624</b>	<b>360,268</b>	<b>338,169</b>	<b>22,099</b>

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2024**

	<u>Original Budget</u>	<u>Transfers/ Encumbrances</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Security</b>					
Salaries	\$ 202,921	\$ 22,689	\$ 225,610	\$ 225,358	\$ 252
Purchased Professional and Technical Services	195,814	(40,375)	155,439	155,439	-
Cleaning, Repair and Maintenance Services	5,000	(5,000)	-	-	-
General Supplies	-	1,531	1,531	1,531	-
<b>Total Security</b>	<u>403,735</u>	<u>(21,155)</u>	<u>382,580</u>	<u>382,328</u>	<u>252</u>
<b>Total Oper. And Maintenance of Plant Services</b>	<u>5,865,931</u>	<u>(91,051)</u>	<u>5,774,880</u>	<u>5,653,022</u>	<u>121,858</u>
<b>Student Transportation Services</b>					
Salaries of Non-Instructional Aides	53,256	(19,221)	34,035	34,030	5
Salaries for Pupil Transportation (Between Home and School) - Regular	1,416,033	(42,097)	1,373,936	1,373,936	-
Salaries for Pupil Transportation (Other than Between Home and School)	429,500	265,270	694,770	694,770	-
Other Purchased Professional and Technical Services	21,500	1,046	22,546	20,217	2,329
Cleaning, Repair and Maint. Services	16,000	(13,194)	2,806	2,806	-
Lease purchase payments - School buses	298,595	214,047	512,642	512,642	-
Contract Serv.(Spl. Ed. Students) - ESCs & CTSA's	700,000	(94,191)	605,809	582,707	23,102
Contr Serv. - Aid in Lieu Pymts-NonPub Sch	80,000	2,788	82,788	82,588	200
Misc. Purchased Services - Transportation	118,685	(18,532)	100,153	100,153	-
General Supplies	4,293	6,586	10,879	9,720	1,159
Transportation Supplies	463,450	23,855	487,305	473,099	14,206
Other Objects	27,950	352	28,302	28,292	10
<b>Total Student Transportation Services</b>	<u>3,629,262</u>	<u>326,709</u>	<u>3,955,971</u>	<u>3,914,960</u>	<u>41,011</u>
<b>Personal Services- Employee Benefits</b>					
Group insurance	-	1,369	1,369	268	1,101
Social Security Contributions	985,000	253,262	1,238,262	1,237,707	555
Other Retirement Contributions-PERS	1,305,855	(13,416)	1,292,439	1,292,439	-
Other Retirement Contributions-Regular	107,500	59,046	166,546	166,545	1
Unemployment Compensation	95,000	-	95,000	95,000	-
Workmen's Compensation	625,375	(56,437)	568,938	568,938	-
Health Benefits	12,339,941	(1,222,328)	11,117,613	11,114,504	3,109
Tuition Reimbursement	75,000	(11,891)	63,109	63,109	-
Other Employee Benefits	521,440	125,106	646,546	640,902	5,644
Unused sick payments to terminated/retired	334,300	482,625	816,925	816,925	-
<b>Total Personal Services-Employee Benefits</b>	<u>16,389,411</u>	<u>(382,664)</u>	<u>16,006,747</u>	<u>15,996,337</u>	<u>10,410</u>
<b>ON-BEHALF CONTRIBUTIONS</b>					
On-behalf TPAF LTDI (non-budgeted)	-	-	-	3,822	(3,822)
On-behalf TPAF OPEB (post retirement med) (non-budgeted)	-	-	-	3,038,126	(3,038,126)
On-behalf TPAF Pension Contributions (non-budgeted)	-	-	-	11,162,875	(11,162,875)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	2,267,330	(2,267,330)
<b>TOTAL ON-BEHALF CONTRIBUTIONS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,472,153</u>	<u>(16,472,153)</u>
<b>TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS</b>	<u>16,389,411</u>	<u>(382,664)</u>	<u>16,006,747</u>	<u>32,468,490</u>	<u>(16,461,743)</u>
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<u>39,665,750</u>	<u>14,079</u>	<u>39,679,829</u>	<u>55,805,853</u>	<u>(16,126,024)</u>
<b>TOTAL GENERAL CURRENT EXPENDITURES</b>	<u>69,733,405</u>	<u>(1,353)</u>	<u>69,732,052</u>	<u>85,643,173</u>	<u>(15,911,121)</u>
<b>CAPITAL OUTLAY</b>					
<b>Equipment</b>					
<b>Undist.Exp.-Req. Maint. Schl Facilities</b>					
General Administration	-	64,436	64,436	60,009	4,427
Undist. Exp.-Req. Maint. Schl Facilities	-	8,314	8,314	8,101	213
<b>Undistributed exp.-Non-Instructional services</b>					
School Buses -Regular	-	8,850	8,850	8,850	-
<b>Total Equipment</b>	<u>-</u>	<u>81,600</u>	<u>81,600</u>	<u>76,960</u>	<u>4,640</u>
<b>Facilities Acquisition and Construction Services</b>					
Architectural/Engineering Services	105,000	79,750	184,750	143,358	41,392
Other Purchased Pro & Tech Services	-	15,000	15,000	-	15,000
Construction Services	708,401	715,525	1,423,926	1,057,780	366,146
Assessment for Debt Service on SDA Funding	161,352	-	161,352	161,352	-
<b>Total</b>	<u>974,753</u>	<u>810,275</u>	<u>1,785,028</u>	<u>1,362,490</u>	<u>422,538</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>974,753</u>	<u>891,875</u>	<u>1,866,628</u>	<u>1,439,450</u>	<u>427,178</u>
<b>TOTAL EXPENDITURES</b>	<u>70,708,158</u>	<u>890,522</u>	<u>71,598,680</u>	<u>87,082,623</u>	<u>(15,483,943)</u>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over (Under) Expenditures</b>	<u>(5,037,295)</u>	<u>(890,522)</u>	<u>(5,927,817)</u>	<u>(3,859,880)</u>	<u>2,067,937</u>

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2024**

	<u>Original Budget</u>	<u>Transfers/ Encumbrances</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Other Financing Uses:</b>					
Transfer to Capital Projects	-	-	(691,200)	(691,200)	-
<b>Total Other Financing Sources:</b>	-	-	(691,200)	(691,200)	-
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)</b>	(5,037,295)	(1,581,722)	(6,619,017)	(4,551,080)	2,067,937
<b>Fund Balance, July 1</b>	12,977,004	-	12,977,004	12,977,004	-
<b>Fund Balance, June 30</b>	<u>\$ 7,939,709</u>	<u>\$ (1,581,722)</u>	<u>\$ 6,357,987</u>	<u>\$ 8,425,924</u>	<u>\$ 2,067,937</u>
<b>Recapitulation:</b>					
<b>Restricted Fund Balance:</b>					
Maintenance reserve				\$ 1,773	
Emergency Reserve				-	
Tuition Reserve				-	
Excess surplus - current year				-	
Excess surplus-designated for subsequent year's expenditures				423,504	
Capital reserve				4,044,144	
Unemployment compensation				333,173	
<b>Assigned Fund Balance:</b>					
Year-end encumbrances				585,677	
Designated for subsequent year's expenditures				1,727,211	
<b>Unassigned</b>				<u>1,310,442</u>	
<b>Reconciliation to governmental funds statements (GAAP)</b>					
Fund balance per governmental funds (Budgetary)				8,425,924	
Last state aid payment not recognized on GAAP basis				(1,416,496)	
Fund balance per governmental funds (GAAP) - B-1				<u>\$ 7,009,428</u>	

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**For the Year Ended June 30, 2024**

	<b>Original Budget</b>	<b>Budget Transfers</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final to Actual</b>	
<b>REVENUES</b>						
Local sources	\$ 366,626	\$ 459,405	\$ 826,031	\$ 1,406,393	\$ 580,362	
State sources	-	4,441,754	4,441,754	2,225,568	(2,216,186)	
Federal sources	5,030,508	928,859	5,959,367	5,634,000	(325,367)	
<b>Total Revenues</b>	<b>5,397,134</b>	<b>5,830,018</b>	<b>11,227,152</b>	<b>9,265,961</b>	<b>(1,961,191)</b>	
<b>EXPENDITURES</b>						
<b>Instruction:</b>						
Personal services-salaries	3,539,008	907,205	4,446,213	3,798,258	647,955	
Purchased professional and technical services	-	158,504	158,504	114,133	44,371	
Other purchased services	-	-	-	1,929	(1,929)	
General supplies	353,926	226,230	580,156	461,016	119,140	
Tuition	550,000	109,468	659,468	659,468	-	
Other objects	-	4,546	4,546	-	4,546	
<b>Total Instruction</b>	<b>4,442,934</b>	<b>1,405,953</b>	<b>5,848,887</b>	<b>5,034,804</b>	<b>814,083</b>	
<b>Support services:</b>						
Personal services - salaries	64,810	1,295,742	1,360,552	1,002,884	357,668	
Purchased professional and technical services	427,000	171,511	598,511	584,178	14,333	
Other purchased services	-	291,383	291,383	221,262	70,121	
Employee benefits	200,092	2,056,599	2,256,691	1,866,440	390,251	
Travel	22,000	6,258	28,258	16,724	11,534	
Supplies- materials	10,300	95,384	105,684	72,222	33,462	
Scholarships Awarded	-	45,768	45,768	26,950	18,818	Note 1
Student Activities	-	618,132	618,132	301,023	317,109	Note 1
<b>Total support services</b>	<b>724,202</b>	<b>4,580,777</b>	<b>5,304,979</b>	<b>4,091,683</b>	<b>1,213,296</b>	
<b>EXPENDITURES:</b>						
<b>Facilities acquisition and const. serv.:</b>						
Instructional equipment	-	67,530	67,530	64,908	2,622	
Non - Instructional equipment	-	5,756	5,756	5,756	-	
<b>Total facilities acquisition and const. serv.</b>	<b>-</b>	<b>73,286</b>	<b>73,286</b>	<b>70,664</b>	<b>2,622</b>	
<b>Total expenditures</b>	<b>5,167,136</b>	<b>6,060,016</b>	<b>11,227,152</b>	<b>9,197,151</b>	<b>2,030,001</b>	
<b>Total outflows</b>	<b>5,167,136</b>	<b>6,060,016</b>	<b>11,227,152</b>	<b>9,197,151</b>	<b>2,030,001</b>	
<b>Excess (deficiency) of revenues Over (under) expenditures</b>	<b>\$ 229,998.00</b>	<b>\$ (229,998.00)</b>	<b>\$ -</b>	<b>\$ 68,810</b>	<b>\$ 68,810</b>	
<b>Fund Balance, July 1</b>				377,041		
<b>Prior period adjustment</b>				(76,112)		
<b>Fund Balance, June 30</b>				<u>\$ 369,739</u>		
<b>Recapitulation:</b>						
<b>Restricted:</b>						
Scholarships				\$ 18,849		
Student Activities				350,890		
<b>Total Fund Balance</b>				<u>\$ 369,739</u>		

Note 1 - Not required to budget for these funds.



LACEY TOWNSHIP SCHOOL DISTRICT  
Required Supplementary Information  
Budget-to-GAAP Reconciliation  
Note to Required Supplementary Information  
For the Year Ended June 30, 2024

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

		<u>General Fund</u>		<u>Special Revenue Fund</u>		<u>Capital Projects Fund</u>
<b>Sources/inflows of resources</b>						
Actual amounts (budgetary basis) "revenue"						
from the budgetary comparison schedule	[C-1]	\$ 83,222,743	[C-2]	\$ 9,265,961	[F-2]	1,152,000
Difference - budget to GAAP:						
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-		(297,065)		-
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(11,162,875)				
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(1,416,496)		-		-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		1,412,736		-		-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u>\$ 72,056,108</u>	[B-2]	<u>\$ 8,968,896</u>	[B-2]	<u>\$ 1,152,000</u>
<b>Uses/outflows of resources</b>						
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 87,773,823	[C-2]	\$ 9,197,151	[F-2]	1,152,000
Differences - budget to GAAP:						
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(11,162,875)				-
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.		-		(297,065)		(1,040,787)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	<u>\$ 76,610,948</u>	[B-2]	<u>\$ 8,900,086</u>	[B-2]	<u>\$ 111,213</u>

## REQUIRED SUPPLEMENTARY INFORMATION - PART III

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability-PERS**  
**For the Year Ended June 30, 2024**

**Last 10 Fiscal Years\***

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
District's proportion of the net pension liability	0.107942937%	0.107494060%	0.102122871%	0.100770925%	0.099197740%	0.097082525%	0.093450652%	0.094337093%	0.094139238%	0.091937220%
District's proportionate share of the net pension liability	\$ 21,084,642	\$ 23,747,948	\$ 30,245,865	\$ 23,457,861	\$ 19,531,540	\$ 17,492,798	\$ 15,239,357	\$ 11,175,643	\$ 14,206,907	\$ 13,316,531
District's covered-employee payroll	\$ -	\$ 6,984,405	\$ 7,070,140	\$ 7,215,297	\$ 6,820,621	\$ 6,605,274	\$ 6,867,930	\$ 6,805,617	\$ 6,692,863	\$ 7,361,019
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	340.01%	427.80%	325.11%	286.36%	264.83%	221.89%	164.21%	212.27%	180.91%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	62.91%	65.23%

The amounts presented were determined as of the fiscal year-end that occurred one year before the District's fiscal year end.

\* The schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**LACEY TOWNSHIP SCHOOL DISTRICT  
Required Supplementary Information  
Schedule of District Contributions-PERS  
For the Year Ended June 30, 2024**

**Last 10 Fiscal Years\***

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Contractually required contributions	\$ 889,866	\$ 883,741	\$ 911,962	\$ 947,865	\$ 986,697	\$ 944,327	\$ 1,022,303	\$ 1,104,797	\$ 1,187,141	\$ 1,228,767
Contributions in relation to the contractually required contribution	<u>895,190</u>	<u>883,741</u>	<u>935,593</u>	<u>947,865</u>	<u>986,697</u>	<u>944,327</u>	<u>1,022,303</u>	<u>1,104,797</u>	<u>1,187,141</u>	<u>1,458,984</u>
Contribution deficiency (excess)	<u>\$ (5,324)</u>	<u>\$ -</u>	<u>\$ (23,631)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (230,217)</u>
District's covered-employee payroll	\$ 6,984,405	\$ 7,070,140	\$ 7,215,297	\$ 6,820,621	\$ 6,605,274	\$ 6,867,930	\$ 6,805,617	\$ 6,692,863	\$ 7,361,019	\$ 7,432,256
Contributions as a percentage of covered-employee payroll	12.74%	12.50%	12.64%	13.90%	14.94%	13.75%	15.02%	16.51%	16.13%	16.53%

\* The schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability-TPAF**  
**For the Year Ended June 30, 2024**

**Last 10 Fiscal Years\***

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
State's proportion of the net pension liability associated with the District	0.2761674482%	0.2777601437%	0.2771662205%	0.2798576362%	0.0000000000%	0.0000000000%	0.0000000000%	0.0000000000%	0.2592120985%	0.2565589740%
State's proportionate share of the net pension liability associated with the District	\$ 147,602,513	\$ 175,556,272	\$ 218,036,596	\$ 186,690,110	\$ 175,123,023	\$ 158,810,865	\$ 170,049,132	\$ 122,426,871	\$ 133,738,968	\$ 130,928,893
District's covered-employee payroll	\$ 28,523,671	\$ 28,541,864	\$ 27,558,762	\$ 27,621,846	\$ 27,363,660	\$ 29,149,017	\$ 29,278,447	\$ 30,075,340	\$ 31,432,740	\$ 31,509,814
Proportionate share of the net pension liability as a percentage of District's covered-employee payroll	517.47%	615.08%	791.17%	675.88%	639.98%	544.82%	580.80%	407.07%	425.48%	415.52%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	34.68%

The District has a special funding situation and is not required to make any payments for this liability therefore it is not recorded on the ACFR.

The amounts presented were determined as of the fiscal year-end that occurred one year before the District's fiscal year end.

\* The schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of Changes in the Total OPEB Liability and Related Ratios**  
**For the Year Ended June 30, 2024**  
**(Unaudited)**

**Last 10 Fiscal Years\***

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
State's proportion of the OPEB liability associated with the District							
Service cost	\$ 7,662,668	\$ 6,369,288	\$ 5,371,266	\$ 5,232,662	\$ 9,200,411	\$ 7,759,037	\$ 5,891,842
Interest cost	6,145,147	7,100,070	6,496,706	5,200,151	5,374,442	4,670,127	6,488,132
Changes in benefit terms	-	-	-	-	(220,517)	-	-
Differences between expected and actual experiences	-	(19,742,341)	(29,043,675)	40,182,618	(38,143,435)	8,366,808	139,821
Changes in assumptions	(25,521,227)	(18,893,938)	2,166,560	42,900,832	204,398	(47,273,636)	371,319
Member contributions	165,514	152,160	132,223	123,929	137,398	148,401	166,268
Gross benefit payments	<u>(4,494,916)</u>	<u>(4,402,572)</u>	<u>(4,460,535)</u>	<u>(4,088,717)</u>	<u>(4,233,555)</u>	<u>(4,625,899)</u>	<u>(5,057,604)</u>
Net change in total OPEB liability	(16,042,814)	(29,417,333)	(19,337,455)	89,551,475	(27,680,858)	(30,955,162)	7,999,778
Total State's OPEB liability - beginning	<u>210,106,023</u>	<u>194,063,209</u>	<u>164,645,876</u>	<u>145,308,421</u>	<u>234,859,896</u>	<u>207,179,038</u>	<u>176,223,876</u>
Total State's OPEB liability - ending	<u>\$ 194,063,209</u>	<u>\$ 164,645,876</u>	<u>\$ 145,308,421</u>	<u>\$ 234,859,896</u>	<u>\$ 207,179,038</u>	<u>\$ 176,223,876</u>	<u>\$ 184,223,654</u>
District's covered employee payroll	\$ 39,895,333	\$ 33,968,934	\$ 36,146,377	\$ 36,146,377	\$ 36,880,957	\$ 38,125,603	\$ 47,991,151
Total State's OPEB liability as a percentage of covered employee payroll	486%	485%	402%	650%	562%	462%	384%

\* The schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled governments should present information for those years for which information is available.

Lacey Township School District

Notes to the Required Supplementary Information - Part III

For the Year Ended June 30, 2024

**Teachers Pension and Annuity Fund (TPAF)**

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 7.00% as of June 30, 2022, to 7.00% as of June 30, 2023.

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

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 7.00% as of June 30, 2022, to 7.00% as of June 30, 2023.

**State Health Benefit Local Education Retired Employees Plan (OPEB)**

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 3.54% as of June 30, 2022, to 3.65% as of June 30, 2023.

## OTHER SUPPLEMENTARY INFORMATION



D. School Based Budget Schedules  
Not Applicable

E. Special Revenue Fund

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedules of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2024**

	ACSERS 23/24	Title I 23/24	IDEA-Part B-Basic Reg Prog 23/24	IDEA-Part B Preschool 23/24	Title III 23/24	Title IV 23/24	Title II Part A 23/24
<b>Revenues:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	139,508	779,051	1,039,114	36,751	13,684	54,668	103,936
<b>Total revenues</b>	<u>139,508</u>	<u>779,051</u>	<u>1,039,114</u>	<u>36,751</u>	<u>13,684</u>	<u>54,668</u>	<u>103,936</u>
<b>Expenditures:</b>							
Instruction:							
Salaries of teachers	-	404,825	-	-	3,424	28,601	50,000
Purchased services	-	-	73,951	-	-	-	-
General supplies	-	2,077	17,295	3,937	6,900	3,378	-
Tuition	65,378	-	551,810	-	-	-	-
Other Objects	-	-	-	-	-	-	-
<b>Total instruction</b>	<u>65,378</u>	<u>406,902</u>	<u>643,056</u>	<u>3,937</u>	<u>10,324</u>	<u>31,979</u>	<u>50,000</u>
<b>Support services:</b>							
Other support services -							
students - special:							
Salaries of other professional staff	-	-	-	-	-	21,207	3,381
Prof. and tech. services	-	75,779	390,585	32,814	-	-	11,000
Other purchased services	74,130	-	-	-	-	-	-
Employee benefits	-	291,090	-	-	-	-	32,309
Travel	-	579	4,356	-	1,659	1,482	6,807
Supplies and materials	-	4,701	1,117	-	1,701	-	439
Scholarships Awarded	-	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-	-
<b>Total other support services -</b>							
<b>students - special</b>	<u>74,130</u>	<u>372,149</u>	<u>396,058</u>	<u>32,814</u>	<u>3,360</u>	<u>22,689</u>	<u>53,936</u>
<b>Total support services</b>	<u>74,130</u>	<u>372,149</u>	<u>396,058</u>	<u>32,814</u>	<u>3,360</u>	<u>22,689</u>	<u>53,936</u>
<b>Equipment:</b>							
Regular programs instruction	-	-	-	-	-	-	-
Non-instructional equipment	-	-	-	-	-	-	-
<b>Total equipment</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>\$ 139,508</u>	<u>\$ 779,051</u>	<u>\$ 1,039,114</u>	<u>\$ 36,751</u>	<u>\$ 13,684</u>	<u>\$ 54,668</u>	<u>\$ 103,936</u>
<b>Excess (deficiency) of revenues</b>							
<b>Over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, July 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, June 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedules of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2024**

	ARP IDEA BASIC 23/24	ARP Homeless 23/24	ARP Summer Learning & Enrichment 23/24	ARP Evidence Based Comprehensive 23/24	ARP Learning Acceleration 23/24	ARP Mental Health 23/24
<b>Revenues:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	48,383	1,200	21,019	970	28,763	44,176
<b>Total revenues</b>	<u>48,383</u>	<u>1,200</u>	<u>21,019</u>	<u>970</u>	<u>28,763</u>	<u>44,176</u>
<b>Expenditures:</b>						
Instruction:						
Salaries of teachers	87	-	20,347	-	28,763	-
Purchased services	6,016	-	-	-	-	-
General supplies	-	-	672	-	-	-
Tuition	42,280	-	-	-	-	-
Other Objects	-	-	-	-	-	-
<b>Total Instruction</b>	<u>48,383</u>	<u>-</u>	<u>21,019</u>	<u>-</u>	<u>28,763</u>	<u>-</u>
<b>Support services:</b>						
Other support services -						
students - special:						
Salaries of other professional staff	-	-	-	-	-	19,176
Prof. and tech. services	-	-	-	-	-	20,500
Other purchased services	-	1,200	-	-	-	4,500
Employee benefits	-	-	-	-	-	-
Travel	-	-	-	-	-	-
Supplies and materials	-	-	-	970	-	-
Scholarships awarded	-	-	-	-	-	-
Student activities	-	-	-	-	-	-
<b>Total other support services -</b>						
<b>students - special</b>	<u>-</u>	<u>1,200</u>	<u>-</u>	<u>970</u>	<u>-</u>	<u>44,176</u>
<b>Total support services</b>	<u>-</u>	<u>1,200</u>	<u>-</u>	<u>970</u>	<u>-</u>	<u>44,176</u>
<b>Equipment:</b>						
Regular programs instruction	-	-	-	-	-	-
Non-instructional equipment	-	-	-	-	-	-
<b>Total equipment</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>\$ 48,383</u>	<u>\$ 1,200</u>	<u>\$ 21,019</u>	<u>\$ 970</u>	<u>\$ 28,763</u>	<u>\$ 44,176</u>
<b>Excess (deficiency) of revenues</b>						
<b>Over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, July 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, June 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedules of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2024**

(Continued from prior page)

	Scholarship 23/24	Student Activity 23/24	Preschool Expansion Education Aid 23/24	ARP ESSER 23/24	SDA Emergency 23/24	HIGH IMPACT 23/24	Other	Total 2024
<b>Revenues:</b>								
Local sources	\$ 26,950	\$ 370,040	\$ 955,621	\$ -	\$ -	\$ -	\$ 53,782	\$ 1,406,393
State sources	-	-	2,098,431	-	127,137	-	-	2,225,568
Federal sources	-	-	-	3,092,779	-	229,998	-	5,634,000
<b>Total revenues</b>	<b>26,950</b>	<b>370,040</b>	<b>3,054,052</b>	<b>3,092,779</b>	<b>127,137</b>	<b>229,998</b>	<b>53,782</b>	<b>9,265,961</b>
<b>Expenditures:</b>								
Instruction:								
Salaries of teachers	-	-	1,411,554	1,710,731	-	136,926	3,000	3,798,258
Purchased services	-	-	-	34,166	-	-	-	114,133
Other purchased services	-	-	1,929	-	-	-	-	1,929
General supplies	207	-	395,341	-	-	1,784	29,425	461,016
Tuition	-	-	-	-	-	-	-	659,468
Other objects	-	-	-	-	-	-	-	-
<b>Total instruction</b>	<b>207</b>	<b>-</b>	<b>1,808,824</b>	<b>1,744,897</b>	<b>-</b>	<b>138,710</b>	<b>32,425</b>	<b>5,034,804</b>
<b>Support services:</b>								
Other support services -								
students - special:								
Salaries of other professional staff	-	-	763,289	195,831	-	-	-	1,002,884
Prof. and tech. services	-	-	43,000	-	-	-	10,500	584,178
Other purchased services	-	-	3,438	-	127,137	-	10,857	221,262
Employee benefits	-	-	305,830	1,145,923	-	91,288	-	1,866,440
Travel	-	-	1,841	-	-	-	-	16,724
Supplies and materials	-	-	57,166	6,128	-	-	-	72,222
Scholarships Awarded	26,950	-	-	-	-	-	-	26,950
Student Activities	-	301,023	-	-	-	-	-	301,023
<b>Total other support services -</b>	<b>26,950</b>	<b>301,023</b>	<b>1,174,564</b>	<b>1,347,882</b>	<b>127,137</b>	<b>91,288</b>	<b>21,357</b>	<b>4,091,683</b>
<b>students - special</b>								
<b>Total support services</b>	<b>26,950</b>	<b>301,023</b>	<b>1,174,564</b>	<b>1,347,882</b>	<b>127,137</b>	<b>91,288</b>	<b>21,357</b>	<b>4,091,683</b>
<b>Equipment:</b>								
Instruction equipment	-	-	64,908	-	-	-	-	64,908
Non-instructional equipment	-	-	5,756	-	-	-	-	5,756
<b>Total equipment</b>	<b>-</b>	<b>-</b>	<b>70,664</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70,664</b>
<b>Total expenditures</b>	<b>\$ 27,157</b>	<b>\$ 301,023</b>	<b>\$ 3,054,052</b>	<b>\$ 3,092,779</b>	<b>\$ 127,137</b>	<b>\$ 229,998</b>	<b>\$ 53,782</b>	<b>\$ 9,197,151</b>
<b>Excess (deficiency) of revenues</b>								
<b>Over (under) expenditures</b>	(207)	69,017	-	-	-	-	-	68,810
<b>Fund Balance, July 1</b>	19,056	281,873	-	-	-	-	76,112	377,041
<b>Prior Period Adjustment</b>	-	-	-	-	-	-	(76,112)	(76,112)
<b>Fund Balance, June 30</b>	<b>\$ 18,849</b>	<b>\$ 350,890</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 369,739</b>

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Preschool Education Aid Expenditures**  
**Budgetary Basis**  
**For the Year Ended June 30, 2024**

	Budget	Actual	Variance
<b>Expenditures:</b>			
<b>Instruction:</b>			
Salaries of teachers	\$ 1,340,903	\$ 977,424	\$ 363,479
Other Sal. For Instruction	570,908	434,130	136,778
Other purchased services	1,929	1,929	-
General supplies	399,534	395,341	4,193
<b>Total instruction</b>	<b>2,313,274</b>	<b>1,808,824</b>	<b>504,450</b>
<b>Support services:</b>			
Salaries of Supervisors of Instruction	50,340	38,156	12,184
Salaries of Program Directors	85,320	55,255	30,065
Salaries of Other Professional Staff	421,337	300,668	120,669
Salaries of Secr. And Clerical Assistants	67,933	56,251	11,682
Other Salaries	257,203	155,055	102,148
Salaries of Community Parent Involvement Spec.	60,119	48,290	11,829
Salaries of Master Teachers	142,238	109,614	32,624
Personal Services - Employee Benefits	641,949	305,830	336,119
Purchased Educational Services - Contracted Pre-K	2,422	-	2,422
Other purchased professional services	43,000	43,000	-
Cleaning, repair, and maintenance services	35,420	3,438	31,982
Travel	1,841	1,841	-
Supplies and materials	85,840	57,166	28,674
<b>Total support services</b>	<b>1,894,962</b>	<b>1,174,564</b>	<b>720,398</b>
<b>Facilities acquisition and cont. serv:</b>			
Instruction equipment	64,908	64,908	-
Non-instructional equipment	5,756	5,756	-
<b>Total Facilities acquisition and cont. serv:</b>	<b>70,664</b>	<b>70,664</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 4,278,900</b>	<b>\$ 3,054,052</b>	<b>\$ 1,224,848</b>

**CALCULATION OF BUDGET & CARRYOVER**

Total 2023-24 PreK/ECPA Aid Allocation	\$ 3,323,279
Add: Actual PreK/ECPA Aid Carryover June 30, 2023	
Add: Budgeted Transfer From General Fund	955,621
Total Funds Available for 2023-24 Budget	4,278,900
Less: 2023-24 Budgeted PreK/ECPA (Including prior year budgeted carryover)	(4,278,900)
Available & Unbudgeted Funds as of June 30, 2024	
Add: June 30, 2024 Unexpended PreK Aid	1,224,848
2023-2024 - Actual Carryover - PreK Aid	\$ 1,224,848
2023-24 PreK Aid Carryover Budgeted in 2024-FY	\$ 1,224,848

## F. Capital Projects Fund

**LACEY TOWNSHIP SCHOOL DISTRICT  
Capital Projects Fund  
Summary Schedule of Project Expenditures  
For the Year Ended June 30, 2024**

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations June 30, 2024
			Prior Years	Current Year	
PRE-K Alterations and Renovations	4/18/2024	1,152,000	-	111,213	1,040,787
Totals		<u>\$ 1,152,000</u>	<u>\$ -</u>	<u>\$ 111,213</u>	<u>\$ 1,040,787</u>



**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Summary Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budgetary Basis**  
**For the Year Ended June 30, 2024**

**Revenues and Other Financing Sources**

State Sources - Grants	\$ 460,800
Bond proceeds and transfers	-
Contribution from private source	-
Transfer from capital reserve	691,200
Transfer from capital outlay	-
Total revenues	<u>1,152,000</u>

**Expenditures and Other Financing Uses**

Purchased professional and technical services	-
Land and improvements	-
Construction services	1,152,000
Other objects	-
Equipment purchases	-
Transfer to debt service fund	-
Total expenditures	<u>1,152,000</u>

Excess of revenues over expenditures	-
Fund balance - beginning	-
Fund balance - ending	<u><u>\$ -</u></u>

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balance and Project Status-Budgetary Basis**  
**PEEA Expansion**  
**For the Year Ended June 30, 2024**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
<b>Revenues and Other Financing Sources</b>				
State Sources - SSB-VEEVR Grant	\$ -	\$ 460,800	\$ 460,800	\$ 460,800
Bond proceeds and transfers	-	-	-	-
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	691,200	691,200	691,200
Transfer from capital outlay	-	-	-	-
Total revenues	-	1,152,000	1,152,000	1,152,000
<b>Expenditures and Other Financing Uses</b>				
Purchased prof. and tech. services	-	-	-	-
Land and improvements	-	-	-	-
Construction services	-	1,152,000	1,152,000	1,152,000
Equipment purchases	-	-	-	-
Total expenditures	-	1,152,000	1,152,000	1,152,000
Excess (deficiency) or revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -
Additional project information:				
Project Number	2480-055-23-PK01			
Grant Date	11/14/2023			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	1,152,000			
Additional Authorized Cost	-			
Revised Authorized Cost	1,152,000			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	100.00%			
Original target completion date	-			
Revised target completion date	-			

G. Proprietary Funds  
See B-4 through B-6

H. Fiduciary Funds  
Not Applicable

## I. Long-Term Debt

LACEY TOWNSHIP SCHOOL DISTRICT  
Long-Term Debt  
Schedule of Serial Bonds  
June 30, 2024

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount Of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Refinanced</u>	<u>Balance June 30, 2024</u>
Refunding School Bonds Series 2016A	9/8/2016	11,595,000	1/15/2025	1,440,000	4.000%					
			1/15/2026	660,000	4.000%					
			1/15/2027	660,000	4.000%					
			1/15/2028	760,000	4.000%					
			1/15/2029	855,000	4.000%					
			1/15/2030	855,000	4.000%	\$ 6,615,000	\$ -	\$ 1,385,000	\$ -	\$ 5,230,000
Refunding School Bonds Series 2016	1/13/2016	16,090,000				-	-	-	-	-
			4/1/2025	1,505,000	5.000%					
			4/1/2026	1,465,000	5.000%	4,485,000	-	1,515,000	-	2,970,000
						<u>\$ 11,100,000</u>	<u>\$ -</u>	<u>\$ 2,900,000</u>	<u>\$ -</u>	<u>\$ 8,200,000</u>

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Long-Term Debt**  
**Schedule of Obligations Under Financed Purchases**  
**June 30, 2024**

<u>Lessor</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Amount of Original Lease Principal</u>	<u>Interest</u>	<u>Interest Rate</u>	<u>Amount Outstanding July 1, 2023</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2024</u>
Copier	9/1/2018	5 Years	\$ 432,000		4.78%	\$ 38,356	-	38,356	\$ -
School Buses	8/15/2019	5 Years	350,000	28,236	3.50%	70,000	-	70,000	-
School Buses	4/30/2020	5 Years	376,000	15,165	2.02%	75,200	-	75,200	-
School Buses	4/30/2021	5 Years	316,000	8,577	1.34%	189,600	-	62,028	127,572
School Buses	7/1/2023	7 Years	463,000	68,179	4.22%	-	463,000	64,454	398,546
						<u>\$ 373,156</u>	<u>463,000</u>	<u>310,038</u>	<u>\$ 526,118</u>

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**For the Year Ended June 30, 2024**

	<b>Original Budget</b>	<b>Budget Transfers</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative) Final to Actual</b>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 2,827,986	\$ -	\$ 2,827,986	\$ 2,827,986	\$ -
Miscellaneous	-	-	-	-	-
State Sources:					
Debt Service Aid Type II	560,864	-	560,864	560,864	-
Debt Service Aid Type I	-	-	-	-	-
Total - State Sources	560,864	-	560,864	560,864	-
<b>Total Revenues</b>	<b>3,388,850</b>	<b>-</b>	<b>3,388,850</b>	<b>3,388,850</b>	<b>-</b>
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	488,850	-	488,850	488,850	-
Redemption of Principal	2,900,000	-	2,900,000	2,900,000	-
Total Regular Debt Service	3,388,850	-	3,388,850	3,388,850	-
<b>Total Expenditures</b>	<b>3,388,850</b>	<b>-</b>	<b>3,388,850</b>	<b>3,388,850</b>	<b>-</b>
	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures</b>					
Budgeted Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



## LACEY TOWNSHIP SCHOOL DISTRICT

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

<u>Purpose</u>	<u>Date of Lease</u>	<u>Term of Subscription</u>	<u>Amount of Original Lease Principal</u>	<u>Interest</u>	<u>Interest Rate</u>	<u>Amount Outstanding July 1, 2023</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2024</u>
Educational software	2/16/2023	3 Years	\$ 95,956	2,616	2.50%	\$ 63,971	-	31,985	\$ 31,986
						<u>\$ 63,971</u>	<u>-</u>	<u>31,985</u>	<u>\$ 31,986</u>

## STATISTICAL SECTION

**Lacey Township School District  
Statistical Section**

<u><b>Contents</b></u>	<u><b>Page</b></u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	105-110
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	111-114
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	115-118
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	119-120
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	121-125

**Sources:** *Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports (ACFR) for the relevant year.*

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 11,165,085	\$ 10,799,607	\$ 10,587,219	\$ 11,388,749	\$ 13,253,081	\$ 16,846,919	\$ 19,018,432	\$ 20,724,642	\$ 24,523,483	\$ 29,370,606
Restricted	1,789,230	1,760,939	3,225,375	4,588,472	5,982,354	7,566,293	9,643,340	10,685,352	7,785,201	6,213,120
Unrestricted	(27,402,090)	(24,639,494)	(23,899,938)	(23,909,827)	(25,718,174)	(26,806,222)	(23,098,414)	(17,714,034)	(15,345,875)	(12,611,786)
Total governmental activities net position	<u>(14,447,775)</u>	<u>(12,078,948)</u>	<u>(10,087,344)</u>	<u>(7,932,606)</u>	<u>(6,482,739)</u>	<u>(2,393,010)</u>	<u>5,563,358</u>	<u>13,695,960</u>	<u>16,962,809</u>	<u>22,971,940</u>
Business-type activities										
Net investment in capital assets	73,961	70,051	74,091	66,211	70,290	68,681	62,004	61,793	74,156	208,828
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	269,771	267,422	390,792	347,293	379,099	258,719	52,644	607,716	678,837	419,929
Total business-type activities net position	<u>343,732</u>	<u>337,473</u>	<u>464,883</u>	<u>413,504</u>	<u>449,389</u>	<u>327,400</u>	<u>114,648</u>	<u>669,509</u>	<u>752,993</u>	<u>628,757</u>
District-wide										
Net investment in capital assets	11,239,046	10,869,658	10,661,310	11,454,960	13,323,371	16,915,600	19,080,436	20,786,435	24,597,639	29,579,434
Restricted	1,789,230	1,760,939	3,225,375	4,588,472	5,982,354	7,566,293	9,643,340	10,685,352	7,785,201	6,213,120
Unrestricted	(27,132,319)	(24,372,072)	(23,509,146)	(23,562,534)	(25,339,075)	(26,547,503)	(23,045,770)	(17,106,318)	(14,667,038)	(12,191,857)
Total district net position	<u>\$ (14,104,043)</u>	<u>\$ (11,741,475)</u>	<u>\$ (9,622,461)</u>	<u>\$ (7,519,102)</u>	<u>\$ (6,033,350)</u>	<u>\$ (2,065,610)</u>	<u>\$ 5,678,006</u>	<u>\$ 14,365,469</u>	<u>\$ 17,715,802</u>	<u>\$ 23,600,697</u>

Source: ACFR Schedule A-1 and District records.

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
Governmental activities										
Instruction										
Regular	\$ 24,485,567	\$ 23,524,652	\$ 21,889,525	\$ 22,743,587	\$ 43,687,406	\$ 38,302,623	\$ 38,194,017	\$ 36,166,982	\$ 30,042,892	\$ 25,264,442
Special education	6,650,473	7,131,374	7,145,866	7,214,208	15,089,264	14,816,127	15,717,544	16,317,965	17,631,710	10,221,075
Other special education	1,480,905	1,510,517	1,562,297	1,624,222	-	-	-	-	293,248	1,586,041
Other instruction	-	-	-	-	3,360,743	3,042,502	2,813,921	2,808,869	2,265,774	-
Support Services:										
Tuition	-	-	-	-	1,942,863	1,898,178	1,929,939	2,032,926	1,994,481	-
Student & instruction related services	-	-	-	-	9,125,741	8,744,770	9,610,108	10,129,816	13,925,295	-
Instruction	2,613,472	2,716,205	2,884,134	2,712,874	-	-	-	-	-	4,133,120
Attendance and social work	251,700	222,909	197,948	205,333	-	-	-	-	-	212,109
Health services	600,624	602,206	538,336	612,928	-	-	-	-	-	1,045,671
Improvement of instr. services	1,769,130	1,790,641	1,421,315	1,549,001	-	-	-	-	-	1,674,111
Educational media services	424,491	433,462	420,637	372,546	410,340	408,439	354,916	349,474	355,862	369,932
Instruction staff training	56,423	61,567	37,607	59,886	43,835	31,510	22,773	28,153	42,374	42,436
Other Administrative services	1,240,863	1,546,351	1,624,392	1,282,793	1,510,437	1,702,200	1,509,283	1,511,104	2,451,294	1,517,822
School Administrative services	-	-	-	-	2,025,583	2,015,366	2,029,092	1,920,796	2,435,247	-
General administration	948,532	860,630	1,094,239	1,133,247	-	-	-	-	-	1,120,828
Central Services	554,588	597,772	487,873	512,716	764,421	759,991	743,476	732,570	540,885	558,438
Plant operations and maintenance	6,218,740	6,108,858	4,626,130	5,192,745	7,190,352	6,980,282	6,468,079	8,072,880	8,055,567	3,562,489
Administrative information technology	-	-	633,422	602,340	939,162	949,837	882,730	830,489	684,164	681,533
Pupil transportation	2,998,784	2,877,930	3,209,224	3,325,947	4,943,452	4,573,339	4,389,000	4,278,445	5,241,261	3,914,960
Other support services	3,377,656	3,416,190	3,200,719	3,380,011	-	-	-	-	-	6,376,826
Business and other support services	-	-	-	-	-	-	-	-	-	-
Non-budgeted expenditures	2,966,345	4,671,054	4,581,484	4,650,233	-	-	-	-	-	4,846,278
Special Schools	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	1,557,828	2,011,363	2,030,173	641,148	1,489,975	724,842	572,224	884,036	7,780,254	47,864
Unallocated employee benefits	15,237,999	15,747,519	17,954,591	18,404,189	-	-	-	-	-	11,613,436
Total governmental activities expenses	73,434,120	75,831,200	75,539,912	76,219,954	92,523,574	84,950,006	85,237,102	86,064,505	93,740,308	78,789,411
Business-type activities:										
Food service	1,442,100	1,363,573	1,260,465	1,415,757	1,193,160	1,029,530	873,603	1,303,806	1,487,571	1,606,329
Child Care	334,606	287,548	254,055	217,771	250,080	3,643	-	-	-	-
Total business-type activities expense	1,776,706	1,651,121	1,514,520	1,633,528	1,443,240	1,033,173	873,603	1,303,806	1,487,571	1,606,329
Total district expenses	\$ 75,210,826	\$ 77,482,321	\$ 77,054,432	\$ 77,853,482	\$ 93,966,814	\$ 85,983,179	\$ 86,110,705	\$ 87,368,311	\$ 95,227,879	\$ 80,395,740
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pupil transportation	-	-	-	-	-	-	-	-	-	-
Central and other support services	-	-	-	-	-	-	-	-	-	370,040
Operating grants and contributions	2,966,345	4,671,054	4,581,484	4,650,233	20,585,584	15,168,108	17,553,793	15,842,543	4,912,897	13,445,134
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	2,966,345	4,671,054	4,581,484	4,650,233	20,585,584	15,168,108	17,553,793	15,842,543	4,912,897	13,815,174

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-type activities:										
Charges for services										
Food service	\$ 755,941	\$ 737,288	\$ 768,833	\$ 745,450	\$ 701,118	\$ 437,725	\$ 13,125	\$ 86,210	\$ 609,484	\$ 618,450
Child Care	271,807	275,787	253,190	248,428	225,184	-	-	-	-	-
Operating grants and contributions	667,905	631,787	619,407	588,781	552,823	473,459	647,726	1,772,457	940,911	863,643
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	1,695,653	1,644,862	1,641,430	1,582,659	1,479,125	911,184	660,851	1,858,667	1,550,395	1,482,093
Total district program revenues	<u>\$ 4,661,998</u>	<u>\$ 6,315,916</u>	<u>\$ 6,222,914</u>	<u>\$ 6,232,892</u>	<u>\$ 22,064,709</u>	<u>\$ 16,079,292</u>	<u>\$ 18,214,644</u>	<u>\$ 17,701,210</u>	<u>\$ 6,463,292</u>	<u>\$ 15,297,267</u>
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (70,467,775)	\$ (71,160,146)	\$ (70,958,428)	\$ (71,569,721)	\$ (71,937,990)	\$ (69,781,898)	\$ (67,683,309)	\$ (70,221,962)	\$ (81,827,411)	\$ (64,974,237)
Business-type activities	(81,053)	(6,259)	126,910	(50,879)	35,885	(121,989)	(212,752)	554,861	62,824	(124,236)
Total district-wide net expense	<u>\$ (70,548,828)</u>	<u>\$ (71,166,405)</u>	<u>\$ (70,831,518)</u>	<u>\$ (71,620,600)</u>	<u>\$ (71,902,105)</u>	<u>\$ (69,903,887)</u>	<u>\$ (67,896,061)</u>	<u>\$ (69,667,101)</u>	<u>\$ (81,764,587)</u>	<u>\$ (65,098,473)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 41,393,480	\$ 42,435,625	\$ 44,747,538	\$ 45,642,489	\$ 47,375,232	\$ 48,322,737	\$ 49,672,584	\$ 50,966,035	\$ 51,985,356	\$ 53,192,929
Taxes levied for debt service	3,776,467	3,675,013	3,383,058	3,172,854	3,214,591	3,232,542	3,181,367	3,094,913	3,014,615	2,827,986
Unrestricted grants and contributions	24,173,405	24,327,929	24,054,405	24,289,284	22,167,885	21,629,035	20,685,549	23,572,273	27,452,968	13,596,224
Tuition Received	-	-	-	-	-	-	-	-	-	-
Solar Renewable Energy Credits	605,033	449,764	251,302	449,764	364,257	322,585	185,461	89,423	254,156	-
Investment earnings	-	-	-	-	-	-	-	-	-	465,990
Miscellaneous income	452,925	516,053	513,729	170,068	265,892	364,727	1,694,810	846,402	2,295,707	976,351
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>70,401,310</u>	<u>71,404,384</u>	<u>72,950,032</u>	<u>73,724,459</u>	<u>73,387,857</u>	<u>73,871,626</u>	<u>75,419,771</u>	<u>78,569,046</u>	<u>85,002,802</u>	<u>71,059,480</u>
Business-type activities:										
Miscellaneous income	-	-	-	-	-	-	-	-	20,660	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,660</u>	<u>-</u>
Total district-wide	<u>\$ 70,401,310</u>	<u>\$ 71,404,384</u>	<u>\$ 72,950,032</u>	<u>\$ 73,724,459</u>	<u>\$ 73,387,857</u>	<u>\$ 73,871,626</u>	<u>\$ 75,419,771</u>	<u>\$ 78,569,046</u>	<u>\$ 85,023,462</u>	<u>\$ 71,059,480</u>
<b>Change in Position</b>										
Governmental activities	\$ (66,465)	\$ 244,238	\$ 1,991,604	\$ 2,154,738	\$ 1,449,867	\$ 4,089,729	\$ 7,736,462	\$ 8,347,084	\$ 3,175,391	\$ 6,085,243
Business-type activities	(81,053)	(6,259)	126,910	(50,879)	35,885	(121,989)	(212,752)	554,861	83,484	(124,236)
Total district	<u>\$ (147,518)</u>	<u>\$ 237,979</u>	<u>\$ 2,118,514</u>	<u>\$ 2,103,859</u>	<u>\$ 1,485,752</u>	<u>\$ 3,967,740</u>	<u>\$ 7,523,710</u>	<u>\$ 8,901,945</u>	<u>\$ 3,258,875</u>	<u>\$ 5,961,007</u>

Source: ACFR Schedule A-2 and District records.

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	\$ -	\$ -	\$ 2,825,791	\$ 4,532,324	\$ 5,982,354	\$ 7,566,293	\$ 9,411,113	\$ 10,454,612	\$ 7,400,619	\$ 4,802,594
Committed	39,228	130,985	-	-	-	-	-	-	-	-
Assigned	1,750,000	939,915	153,397	693,620	862,564	-	731,465	2,532,240	3,873,361	2,312,888
Unassigned	-	-	135,502	(128,795)	-	(263,956)	1,280,018	1,307,099	290,288	(106,054)
Reserved	-	500,000	-	-	-	-	-	-	-	-
Unreserved	(1,145,262)	(873,395)	-	-	-	-	-	-	-	-
Total general fund	<u>\$ 643,966</u>	<u>\$ 697,505</u>	<u>\$ 3,114,690</u>	<u>\$ 5,097,149</u>	<u>\$ 6,844,918</u>	<u>\$ 7,302,337</u>	<u>\$ 11,422,596</u>	<u>\$ 14,293,951</u>	<u>\$ 11,564,268</u>	<u>\$ 7,009,428</u>
All Other Governmental Funds										
Reserved	\$ 5,179,555	\$ 5,179,555	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted										
Special revenue fund	-	-	-	-	-	-	232,227	230,740	377,041	369,739
Debt service fund	2	190,039	246,187	56,148	-	-	-	-	-	-
Capital projects fund	-	-	-	-	-	-	-	-	-	1,040,787
Total all other governmental funds	<u>\$ 5,179,557</u>	<u>\$ 5,369,594</u>	<u>\$ 246,187</u>	<u>\$ 56,148</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 232,227</u>	<u>\$ 230,740</u>	<u>\$ 377,041</u>	<u>\$ 1,410,526</u>

Source: ACFR Schedule B-1 and District records.

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues</b>										
Tax levy	45,169,947	46,110,638	48,130,596	48,815,343	50,589,823	51,555,279	52,853,951	54,060,948	54,999,971	56,020,915
Tuition charges	167,414	60,875	31,372	112,175	99,414	77,164	145,503	142,934	235,395	259,946
Interest earnings	3,091	3,842	4,949	12,189	24,449	25,416	18,746	19,410	185,790	465,990
Solar Renewable Energy Credits	605,033	449,764	251,302	658,812	364,257	322,585	185,461	89,423	254,156	-
Miscellaneous	282,420	451,336	477,408	(163,344)	255,694	357,824	1,685,948	756,619	1,034,374	2,102,497
Transportation fees	-	-	-	-	-	-	-	-	-	20,301
State sources	25,357,006	27,071,687	26,853,695	27,020,733	31,606,933	31,484,949	32,584,109	37,273,166	35,122,785	20,605,210
Federal sources	1,782,744	1,927,296	1,782,194	1,918,784	1,868,626	1,844,945	2,923,643	3,785,653	4,363,686	5,399,795
Other financing sources	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>73,367,655</b>	<b>76,075,438</b>	<b>77,531,516</b>	<b>78,374,692</b>	<b>84,809,196</b>	<b>85,668,162</b>	<b>90,397,361</b>	<b>96,128,153</b>	<b>96,196,157</b>	<b>84,874,654</b>
<b>Expenditures</b>										
Instruction										
Regular instruction	21,892,026	21,350,848	19,613,799	20,576,854	21,068,779	20,984,327	21,072,605	21,469,296	19,664,812	23,151,657
Special education instruction	6,558,936	7,054,651	7,065,546	7,137,735	6,328,372	7,159,468	7,572,344	8,543,466	12,249,692	10,146,506
Other special instruction	1,465,649	1,497,730	1,548,910	1,611,477	948,608	957,639	1,099,423	1,143,137	191,948	1,573,613
Other instruction	-	-	-	-	1,620,759	1,666,853	1,552,511	1,667,389	1,483,080	-
Support Services:										
Tuition	-	-	-	-	1,942,863	1,898,178	1,929,939	1,609,387	1,994,481	-
Instruction	4,123,248	4,289,466	4,077,877	4,045,203	5,336,994	5,353,952	6,177,145	6,848,774	8,783,597	3,921,842
Attendance and social work	251,700	222,909	197,948	205,333	218,505	231,872	227,782	228,365	250,273	212,109
Health services	600,624	602,206	538,336	612,928	597,270	573,408	629,062	851,771	817,822	1,045,671
Other support services	-	-	-	-	-	-	-	-	-	6,376,826
Improvement of instruction	-	-	-	-	-	-	-	-	-	1,674,111
Educational media services	424,491	433,462	420,637	372,546	410,340	408,439	354,916	349,474	355,862	369,932
Instruction staff training	56,423	61,567	37,607	59,886	43,835	31,510	25,345	39,947	42,374	42,436
Other administrative services	3,377,656	3,408,729	3,200,719	3,380,011	1,124,467	1,289,197	1,135,224	1,196,282	1,181,330	1,120,828
School administrative services	2,406,114	2,328,493	2,482,873	2,549,888	1,396,976	1,448,032	1,506,258	1,520,618	1,594,010	1,573,919
School central services	554,588	597,772	487,873	512,716	527,195	546,050	551,905	579,947	540,885	558,438
School admin info technology	-	-	633,422	602,340	647,708	682,454	655,278	657,465	684,164	681,533
Allowed maintenance for school facilities	-	-	-	-	-	-	-	-	-	748,012
Other operation & maintenance of plant	5,936,417	5,964,246	5,125,685	4,979,787	5,158,892	5,273,429	5,054,170	5,803,062	5,532,911	4,905,010
Student transportation services	2,998,784	2,877,930	3,209,224	3,325,947	3,409,332	3,285,925	3,258,090	3,387,076	3,430,709	3,914,960
Business and other support services	-	-	-	-	-	-	-	-	-	-
Unallocated employee benefits	15,253,093	16,115,424	17,840,688	17,754,656	23,010,263	22,866,643	24,039,174	25,682,764	26,546,145	15,996,337
Non-budgeted expenditures	2,966,345	4,671,054	4,581,484	4,650,233	4,326,458	4,200,720	4,445,580	4,727,645	5,177,087	5,309,278
Special Schools	-	-	-	-	-	-	-	-	-	-
Charter Schools	-	-	-	-	-	-	-	-	-	-
Capital outlay	668,787	377,053	177,544	298,994	1,438,031	2,777,145	1,774,879	3,140,868	4,686,560	1,615,571
Debt service:										
Principal	2,755,000	2,810,000	2,670,000	2,745,000	2,755,000	2,790,000	2,860,000	2,895,000	2,950,000	2,900,000
Interest and other charges	1,517,600	1,168,322	1,148,011	1,160,738	1,236,927	1,135,502	1,035,152	916,552	784,452	488,850
<b>Total expenditures</b>	<b>73,807,481</b>	<b>75,831,862</b>	<b>75,058,183</b>	<b>76,582,272</b>	<b>83,547,574</b>	<b>85,560,743</b>	<b>86,956,782</b>	<b>93,258,285</b>	<b>98,942,194</b>	<b>88,327,439</b>
Excess (Deficiency) of revenues over (under) expenditures	(439,826)	243,576	2,473,333	1,792,420	1,261,622	107,419	3,440,579	2,869,868	(2,746,037)	(3,452,785)
<b>Other Financing sources (uses)</b>										
Proceeds from borrowing	-	-	-	-	-	-	-	-	-	-
Capital leases & SBITAs (non-budgeted)	-	-	-	-	430,000	350,000	692,000	-	95,956	-
Proceeds of refunding bonds	-	(16,090,000)	(11,595,000)	-	-	-	-	-	-	-
Proceeds from bond issuance	-	16,090,000	11,595,000	-	-	-	-	-	-	-
Transfers in	1,577	-	-	-	-	-	-	-	-	691,200
Transfers out	(1,577)	-	-	-	-	-	-	-	-	(691,200)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>430,000</b>	<b>350,000</b>	<b>692,000</b>	<b>-</b>	<b>95,956</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(439,826)</b>	<b>243,576</b>	<b>2,473,333</b>	<b>1,792,420</b>	<b>1,691,622</b>	<b>457,419</b>	<b>4,132,579</b>	<b>2,869,868</b>	<b>(2,650,081)</b>	<b>(3,452,785)</b>
Debt service as a percentage of noncapital expenditures	6.14%	5.27%	5.10%	5.12%	4.86%	4.74%	4.57%	4.23%	3.96%	3.91%

Source: ACFR Schedule B-2 and District records

Note: Noncapital expenditures are total expenditures less capital outlay.



**LACEY TOWNSHIP SCHOOL DISTRICT**  
**General Fund - Other Local Revenue by Source**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	<u>Sale of Capital Assets</u>	<u>Interest on Investments</u>	<u>Tuition</u>	<u>Rentals</u>	<u>Prior Year Refunds</u>	<u>Transportation Fees</u>	<u>Student Fines/Lost Textbooks</u>	<u>Miscellaneous</u>	<u>Annual Totals</u>
Fiscal Year Ending June 30,									
2015	4,532	3,091	-	-	14,834	-	4,240	775,861	802,558
2016	22,279	3,842	-	-	36,372	-	3,809	584,569	650,871
2017	2,096	4,949	-	1,110	6,383	-	2,250	264,129	280,917
2018	1,500	12,189	112,175	10,435	38,717	-	1,815	580,399	757,230
2019	-	24,449	99,414	-	-	6,334	-	499,952	630,149
2020	-	25,416	77,164	1,920	22,784	17,160	2,272	540,596	687,312
2021	-	18,746	145,503	-	113,904	5,181	1,221	1,386,388	1,670,943
2022	-	19,410	142,934	-	-	12,514	-	501,977	676,835
2023	-	185,790	235,395	7,490	4,724	12,545	20	696,948	1,142,912
2024	-	464,717	123,015	-	-	20,301	-	574,362	1,182,395

Source: District records

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Calendar Year Ended Dec 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>b</sup>
2015	99,467,900	3,158,811,800	4,202,300	1,000,000	319,523,800	€ 190,066,500	4,759,000	3,777,831,300	N/A	-	3,777,831,300	3,782,292,706	d 1.2200
2016	98,051,800	3,179,379,400	4,242,300	957,200	320,674,300	€ 190,066,500	4,759,000	3,798,130,500	N/A	-	3,798,130,500	3,850,550,781	d 1.2700
2017	97,817,900	3,199,509,750	4,049,800	957,200	319,895,555	€ 190,585,300	4,759,000	3,817,574,505	N/A	-	3,817,574,505	3,785,195,332	d 1.2800
2018	103,385,900	3,234,796,950	4,031,600	962,000	315,846,455	€ 190,235,400	4,759,000	3,854,017,305	N/A	-	3,854,017,305	3,795,191,832	c 1.3100
2019	102,937,100	3,283,136,850	4,031,600	954,800	312,325,663	€ 190,235,400	4,759,000	3,898,380,413	N/A	-	3,898,380,413	3,889,046,701	c 1.3200
2020	88,422,700	3,324,613,750	3,473,500	45,300	319,303,343	€ 171,077,300	4,759,000	3,911,694,893	N/A	-	3,911,694,893	3,974,786,747	c 1.3500
2021	88,422,700	3,324,613,750	3,473,500	45,300	319,303,343	€ 171,077,300	4,759,000	3,911,694,893	N/A	-	3,911,694,893	3,974,786,747	c 1.3700
2022	72,111,600	3,414,325,000	3,473,500	45,300	317,759,000	€ 168,534,200	4,759,000	3,981,007,600	N/A	-	3,981,007,600	3,981,007,600	c 1.3700
2023	74,035,800	3,441,495,500	3,087,500	42,000	315,512,300	€ 168,534,200	4,759,000	4,007,466,300	N/A	-	4,007,466,300	5,188,329,462	c 1.4000
2024	68,751,200	3,475,707,300	3,087,500	43,600	308,312,300	€ 168,534,200	4,759,000	4,029,195,100	N/A	-	4,029,195,100	5,725,728,435	c 1.5190

**Source:** Municipal Tax Assessor

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

Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

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

**b** Tax rates are per \$100 and for year following calendar year end as shown

**c** Based on county abstract of ratables column 11 net valuation for county tax apportionment

**d** Table of Equalized Valuations per the NJ Dept of Treasury

**e** Commercial values include tax exempt property

**N/A** At the time of ACFR completion, this data was not yet available

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
*(rate per \$100 of assessed value)*

	Lacey Township School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	(From J-6) Total Direct School Tax Rate	Municipal <sup>c</sup>	Ocean County <sup>c</sup>	
Fiscal Year Ended June 30,						
2015	1.2210	-	1.2210	0.3080	0.4010	1.9300
2016	1.2670	-	1.2670	0.3480	0.4060	2.0210
2017	1.2790	-	1.2790	0.3570	0.3930	2.0290
2018	1.3130	-	1.3130	0.3730	0.4050	2.0910
2019	1.3220	-	1.3220	0.3860	0.4080	2.1160
2020	1.3510	-	1.3510	0.3990	0.4040	2.1540
2021	1.3690	-	1.3690	0.4440	0.4120	2.2250
2022	1.3820	-	1.3820	0.4580	0.4230	2.2630
2023	1.3980	-	1.3980	0.5070	0.4640	2.3690
2024	1.5190	-	1.5190	0.5340	0.4810	2.5340

Source: Municipal Tax Collector

**Note:**

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

- a** The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.
- b** Rates for debt service are based on each year's requirements.
- c** Municipal and county tax rate were obtained from county.

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

	2024				2015		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value		Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Exelon Generation Co, LLC	111,486,700		2.78%	Exelon Generation Co, LLC	114,054,400	1	3.56%
JCP & L	33,133,100		0.83%	JCP & L	50,059,100	2	1.56%
Piedmont Associates	26,968,500		0.67%	PR Lacey, LLC	29,860,800	3	0.93%
Wal-Mart R.E. Business Trust	20,656,100		0.52%	Exelon Generation Co, LLC	20,656,100	4	0.64%
Toll Land XI, LP	14,200,000		0.35%	Wal-Mart R.E. Business Trust	17,205,400	5	0.54%
Forked River Residences, LLC	8,521,500		0.21%	Toll Land XI, LP	15,668,500	6	0.49%
Kohls	7,029,600		0.18%	Forked River Residences, LLC	9,580,100	7	0.30%
Cav-Burt, LLC	5,795,100		0.14%	Forked River Power, LLC	7,554,000	8	0.24%
Taxpayer 1	5,071,500		0.13%	Taxpayer 1	7,257,800	9	0.23%
Marina At Southwinds, LLC	4,954,000		0.12%	Cav-Burt, LLC	5,302,300	10	0.17%
Total	\$237,816,100		5.93%	Total	\$ 277,198,500		8.65%

**Source:** Municipal Tax Assessor

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

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	45,169,947	45,169,947	100.00%	N/A
2016	46,110,638	46,110,638	100.00%	N/A
2017	48,130,596	48,130,596	100.00%	N/A
2018	48,815,343	48,815,343	100.00%	N/A
2019	50,589,823	50,589,823	100.00%	N/A
2020	51,555,279	51,555,279	100.00%	N/A
2021	52,853,950	52,853,950	100.00%	N/A
2022	54,060,948	54,060,948	100.00%	N/A
2023	54,999,971	54,999,971	100.00%	N/A
2024	56,020,915	56,020,915	100.00%	N/A

**Source: Municipal Chief Financial Officer**

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Year Ended June 30,	Governmental Activities				Business- Type Activities	Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds <sup>b</sup>	Certificates of Participation	Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2015	35,680,000	-	111,672	-	-	35,791,672	0.08%	1,219.00
2016	31,190,000	-	363,811	-	-	31,553,811	0.09%	1,258.00
2017	28,095,000	-	256,977	-	-	28,351,977	0.10%	1,104.00
2018	25,350,000	-	568,983	-	-	25,918,983	0.11%	899.00
2019	22,595,000	-	709,061	-	-	23,304,061	0.12%	842.00
2020	19,805,000	-	699,802	-	-	20,504,802	0.14%	708.00
2021	16,945,000	-	993,347	-	-	17,938,347	0.17%	603.00
2022	14,050,000	-	637,015	-	-	14,687,015	0.20%	538.00
2023	11,100,000	-	422,617	-	-	11,522,617	0.69%	394.00
2024	8,200,000	-	558,104	-	-	8,758,104	N/A	-

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

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

**b** Includes Early Retirement Incentive Plan (ERIP) refunding

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding				
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
2015	35,680,000	-	35,680,000	0.94%	28,451.00
2016	31,190,000	-	31,190,000	0.81%	28,569.00
2017	28,095,000	-	28,095,000	0.74%	28,569.00
2018	25,350,000	-	25,350,000	0.67%	28,819.00
2019	22,595,000	-	22,595,000	0.58%	27,667.00
2020	19,805,000	-	19,805,000	0.50%	29,295.00
2021	16,945,000	-	16,945,000	0.43%	29,760.00
2022	14,050,000	-	14,050,000	0.35%	29,273.00
2023	11,100,000	-	11,100,000	0.28%	29,273.00
2024	8,200,000	-	8,200,000	0.16%	N/A

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

**a** Use Estimated County equalized value from J-6

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

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2024**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Lacey Township	\$ 24,148,256	100.00% d	\$ 24,148,256
Other debt	-	-	-
County of Ocean - Township's Share (XXX%)	\$ 497,859,761	3.66%	<u>18,221,667</u>
Subtotal, overlapping debt			\$ 42,369,923
<b>Point Pleasant School District Direct Debt</b>			<u>8,200,000</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 50,569,923</u></u>

**Sources:** Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation.  
Debt outstanding data provided by each governmental unit.



**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

Equalized valuation basis

2023	\$ 5,725,728,435	a
2022	\$ 5,152,074,026	b
2021	\$ 4,403,105,787	b
<b>[A]</b>	<b>\$ 15,280,908,248</b>	

Average equalized valuation of taxable property **[A/3]** \$ 5,093,636,083

Debt limit (4 % of average equalization value) **[B]** 203,745,443  
**[C]** \$ 8,758,104  
**[B-C]** \$ 194,987,339

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 155,348,203	\$ 153,280,761	\$ 153,410,015	\$ 153,158,144	\$ 154,266,296	\$ 154,521,235	\$ 156,290,269	\$ 157,391,965	\$ 181,844,915	\$ 203,745,443
Total net debt applicable to limit	<u>35,680,000</u>	<u>31,190,000</u>	<u>28,095,000</u>	<u>25,350,000</u>	<u>22,595,000</u>	<u>19,805,000</u>	<u>16,945,000</u>	<u>14,050,000</u>	<u>11,100,000</u>	<u>8,758,104</u>
Legal debt margin	<u>\$ 119,668,203</u>	<u>\$ 122,090,761</u>	<u>\$ 125,315,015</u>	<u>\$ 127,808,144</u>	<u>\$ 131,671,296</u>	<u>\$ 134,716,235</u>	<u>\$ 139,345,269</u>	<u>\$ 143,341,965</u>	<u>\$ 170,744,915</u>	<u>\$ 194,987,339</u>
Total net debt applicable to the limit as a percentage of debt limit	22.97%	20.35%	18.31%	16.55%	14.65%	12.82%	10.84%	8.93%	6.10%	4.30%

**Source:**

- a A4f of budget submission from current year  
b Equalized valuation bases were obtained from the Annual Report of the State of New Jersey,  
Department of Treasury, Division of Taxation

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>	
2015	28,451	N/A	46,109	5.50%	
2016	28,569	N/A	47,413	5.10%	
2017	28,569	N/A	46,109	5.10%	
2018	28,819	N/A	47,413	4.50%	
2019	27,667	N/A	50,184	4.30%	
2020	29,295	N/A	52,008	9.50%	e
2021	29,760	N/A	53,139	9.00%	e
2022	29,273	N/A	57,344	6.10%	e
2023	29,273	N/A	60,823	3.60%	e
2024	29,714	N/A	59,332	4.10%	

**Source:**

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented

<sup>c</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

<sup>e</sup> Unemployment rate was impacted by COVID-19

LACEY TOWNSHIP SCHOOL DISTRICT  
Principal Employers  
Current Year and Nine Years Ago

Employer	2024			2015		
	Employees	Rank [Optional]	Percentage of Total Municipal Employment	Employees	Rank [Optional]	Percentage of Total Municipal Employment
	-		0%	-		0.00%
	-		0%	-		0.00%
	-		0%	-		0.00%
	-		0%	-		0.00%
	-		0%	-		0.00%
	-		0%	-		0.00%
	-		0.00%	-		0.00%

Source: Municipal Tax Collector

Municipality didn't have the information available at the time of publication of this report.

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Full-time Equivalent District Employees by Function/Program**  
**Last Ten Fiscal Years**

<b><u>Function/Program</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>
Instruction										
Regular	283.0	276.0	254.0	260.0	259.0	249.7	247.0	249.2	227.6	206.0
Special education	141.0	143.0	144.0	143.0	155.0	145.5	189.4	189.0	230.2	199.8
Other instruction	4.0	4.0	4.0	4.0	4.0	4.0	4.0	6.0	7.0	5.6 a
Support Services:										
Student & instruction related services	80.0	82.0	72.0	71.0	71.0	74.9	73.0	74.1	77.7	75.0
General administration	13.0	13.0	12.0	14.0	13.0	12.7	12.4	12.7	12.0	14.0
School administrative services	17.0	16.0	24.0	25.0	24.0	24.0	24.6	25.0	18.0	17.0
Other administrative services	-	-	-	-	-	-	-	-	7.0	7.0
Plant operations and maintenance	122.0	124.0	114.0	112.0	100.0	88.5	85.5	88.9	83.6	65.3
Pupil transportation	44.0	46.0	46.0	44.0	41.0	39.6	38.2	36.0	41.2	40.6
Total	<u>704.0</u>	<u>704.0</u>	<u>670.0</u>	<u>673.0</u>	<u>667.0</u>	<u>638.9</u>	<u>674.1</u>	<u>680.9</u>	<u>704.3</u>	<u>630.3</u>

**Source:** District Personnel Records

a - This figure includes special education aides.

b - This figure was only reported beginning in 2022.

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Operating Statistics**  
**Last Ten Fiscal Years**

**Pupil/Teacher Ratio**

<b>Fiscal Year</b>	<b>Enrollment</b>	<b>Operating Expenditures <sup>a</sup></b>	<b>Cost Per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff <sup>b</sup></b>	<b>Elementary</b>	<b>Middle School</b>	<b>High School</b>	<b>Average Daily Enrollment (ADE) <sup>c</sup></b>	<b>Average Daily Attendance (ADA) <sup>c</sup></b>	<b>% Change in Average Daily Enrollment</b>	<b>Student Attendance Percentage</b>
2015	4,415	65,899,752	14,926 d	-2.99%	366	12 e	11 e	11 e	4,299	4,000	N/A	93.04%
2016	4,281	71,476,487	16,696 d	11.86%	360	12 e	12 e	11 e	4,142	3,858	-3.65%	93.14%
2017	4,134 f	69,305,171	16,765 d	0.41%	346 e	12 e	12 e	11 e	4,013	3,741	-3.11%	93.22%
2018	4,113 f	70,698,695	17,189 d	2.53%	345 e	12 e	12 e	11 e	3,987	3,696	-0.65%	92.70%
2019	4,128 f	77,773,485	18,840 d	9.61%	349 e	e	e	e	3,958	3,706	-0.73%	93.63%
2020	4,000 f	79,921,503	19,980 d	6.05%	333 e	e	e	e	3,938	3,786	-0.51%	96.14%
2021	3,991 f	80,021,122	20,050 d	0.35%	419 e	e	e	e	3,772	3,567	-4.22%	94.57%
2022	3,957 f	85,534,203	21,616 d	7.81%	438 e	e	e	e	3,802	3,540	0.80%	93.11%
2023	3,768 f	90,482,534	24,013 d	11.08%	458 e	e	e	e	3,768	3,488	-0.89%	92.60%
2024	3,709	81,514,881	21,978 d	-8.48%	406				3,825	3,543	1.52%	92.62%

**Sources:** District records

**Note:** Enrollment based on annual October district count ASSA 10/15/22 count for FYE 2023.

- a Operating expenditures equal total expenditures less debt service, on behalf contributions and capital outlay per schedule c -1
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- e from School performance report card issued in current fiscal year
- f ASSA total enrollment (count sent and shared time as 1.0)
- N/A Information was not published at the time of this report

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**School Building Information**  
**Last Ten Fiscal Years**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>District Building</b>										
<u>Elementary</u>										
Forked River Elementary (1959)										
Square Feet	45,800	45,800	45,800	45,800	45,800	45,800	45,800	45,800	45,800	45,800
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	493	452	407	-	395	418	418	461	461	461
Lanoka Harbor Elementary (1969)										
Square Feet	51,630	51,630	51,630	51,630	51,630	51,630	51,630	51,630	51,630	51,630
Capacity (students)	750	750	750	750	750	750	750	750	750	750
Enrollment	543	504	479	456	488	504	504	453	453	466
Cedar Creek Elementary (1990)										
Square Feet	64,420	64,420	64,420	64,420	64,420	64,420	64,420	64,420	64,420	64,420
Capacity (Students)	700	700	700	700	700	700	700	700	700	700
Enrollment	559	536	526	515	502	496	496	443	443	439
Mill Pond Elementary (1980)										
Square Feet	100,250	100,250	100,250	100,250	100,250	100,250	100,250	100,250	100,250	100,250
Capacity (Students)	975	975	975	975	975	975	975	975	975	975
Enrollment	763	786	775	779	772	733	733	665	665	374
<u>Middle School</u>										
Lacey Twp Middle School (2000)										
Square Feet	105,335	105,335	105,335	105,335	105,335	105,335	105,335	105,335	105,335	105,335
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	648	645	672	689	676	672	672	620	620	845
<u>High School</u>										
Lacey Township High School (1981)										
Square Feet	276,175	276,175	276,175	276,175	276,175	276,175	276,175	276,175	276,175	276,175
Capacity (students)	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Enrollment	1,337	1,279	1,185	1,179	1,189	1,177	1,177	1,237	1,237	1,176
<u>Other</u>										
Board Office (1989)										
Square Feet	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Grounds Department (1995) (b)										
Square Feet	8,960	8,960	8,960	8,960	8,960	8,960	8,960	8,960	8,960	8,960
Number of Schools at June 30, 2024										
Elementary = 4										
Middle School = 1										
Senior High School = 1										
Other = 2										
<b>Source:</b> District Facilities Office										

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Schedule of Required Maintenance Expenditures by School Facility**  
**Last Ten Fiscal Years**

* School Facilities Project # (s)	Lacey Township High School	Lacey Township Middle School	Mill Pond Elementary	Cedar Creek Elementary	Lanoka Harbor Elementary	Forked River Elementary	Total
2015	464,905	310,394	352,461	241,171	266,732	267,586	1,903,249
2016	848,588	311,487	297,451	189,969	154,219	136,706	1,938,420
2017	244,228	104,326	84,348	72,324	56,867	48,728	610,821
2018	252,925	96,468	91,811	58,997	47,284	41,944	589,429
2019	350,777	133,789	127,330	81,822	65,577	58,172	817,467
2020	336,671	123,471	117,336	75,156	60,585	52,683	765,902
2021	268,934	98,629	93,728	60,035	48,396	42,882	612,604
2022	419,115	93,585	66,535	153,024	145,637	75,005	952,901
2023	307,877	112,912	107,301	68,729	55,404	49,092	701,315
2024	317,320	122,542	114,417	75,982	62,744	55,007	748,012
Total School Facilities	\$ 3,811,340	\$ 1,507,603	\$ 1,452,718	\$ 1,077,209	\$ 963,445	\$ 827,805	\$ 9,640,120

\* School facilities as defined under EFCFA.  
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: District records

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Insurance Schedule**  
**June 30, 2024**

	<u>Coverage</u>	<u>Deductible</u>
<b>School Package Policy (1):</b>		
Building & Contents (ALL LOCATIONS)	\$ 187,246,759	\$ 5,000
Equipment Breakdown	100,000,000	5,000
Computers - EDP Blanket	2,000,000	1,000
General Liability	31,000,000	
General Automobile Liability	31,000,000	
Employee Benefit Liability	31,000,000	-
Crime - Employee Dishonesty	100,000	500
School Leaders Errors & Omissions	31,000,000	10,000
Workers' Compensation:		
Employers Liability	\$ 3,000,000	
Excess Coverage	\$ 25,000,000	
Terrorism	\$ 1,000,000	
 Surety Bonds:		
Board Secretary	\$ 360,000	\$ 500
 Environmental:		
Limit of Liability	\$ 1,000,000	10,000
 Student Accident Insurance (2)		
Accident Medical Benefit	\$ 5,000,000	\$ 25,000
Catastrophic Cash Benefit	1,000,000	25,000
 Cyber Liability	2,000,000	Various

(1) New Jersey School Boards Assoc Insurance Group

(2) Axis Global Accident & Health

(3) Beazley Environmental



## SINGLE AUDIT SECTION



K-1

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

Honorable President and  
Members of the Board of Education  
Lacey Township Board of Education  
County of Ocean  
Lanoka Harbor, 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, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Lacey Township Board of Education in the County of Ocean, 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 Lacey Township Board of Education basic financial statements, and have issued our report thereon dated January 3, 2025.

**Report on Internal Control Over Financial Reporting**

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

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

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

### **Report on Compliance and Other Matters**

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

### **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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

Jump, Perry and Company L.L.P.  
Toms River, New Jersey



Kathryn Perry, Partner  
Licensed Public School Accountant  
No. CS 20CS00226400

January 3, 2025



K-2

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

Honorable President and  
Members of the Board of Education  
Lacey Township Board of Education  
County of Ocean  
Lanoka Harbor, New Jersey

**Report on Compliance for Each Major Federal and State Program**  
***Opinion on Each Major Federal and State Program***

We have audited the Lacey Township Board of Education's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey OMB Circular 15-08 that could have a direct and material effect on each of Lacey Township Board of Education's major federal programs for the year ended June 30, 2024. Lacey Township Board of Education's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Lacey 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 of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the New Jersey OMB Circular 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 Lacey Township Board of Education and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Lacey Township Board of Education's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Lacey 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*, Uniform Guidance and the New Jersey OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Lacey Township Board of Education's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Lacey 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 Lacey 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 the New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Lacey 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.

## Report on Internal Control Over Compliance

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

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

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

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 the New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose

Respectfully Submitted,

Jump, Perry and Company L.L.P.  
Toms River, New Jersey



Kathryn Perry, Partner  
Licensed Public School Accountant  
No. CS 20CS00226400

Toms River, New Jersey  
January 3, 2025

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Schedule of Expenditures of Federal Awards, Schedule A**  
**For the Year Ended June 30, 2024**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal FAIN Number	Grant Period	Award Amount	Balance at July 1, 2023	Adjustments	Cash Received	Budgetary Expenditures	Balance at June 30, 2024		
									Deferred Revenue	Accounts Receivable	Due to Grantor
U.S. Department of Health & Human Services Passed-through New Jersey Department of Human Services: General Fund: Medical Assistance Program	93.778	2405NJ5MAP	7/1/23-6/30/24	\$ 62,860	\$ -	\$ -	\$ 62,860	\$ (62,860)	\$ -	\$ -	\$ -
Total General Fund					-	-	62,860	(62,860)	-	-	-
U.S. Department of Education Passed-through State Department of Education:											
Non-Public Teaching	N/A	Unknown	N/A	1,733	(805)	-	805	-	-	-	-
Title I, Basic Allocation	84.010	S010A230030	7/1/23-6/30/24	745,036	-	-	518,721	(779,051)	-	(260,330)	-
Title I, Basic Allocation	84.010	S010A220030	7/1/22-6/30/23	803,755	(275,133)	-	275,133	-	-	-	-
Title I, Basic Allocation	84.010	S010A220030	7/1/22-6/30/23	585,601	(257)	-	257	-	-	-	-
Title II - Part A	84.367	S367A230029	7/1/23-6/30/24	102,407	-	-	72,587	(103,936)	-	(31,349)	-
Title II - Part A	84.367	S367A220029	7/1/22-6/30/23	144,592	(31,669)	-	31,669	-	-	-	-
Title III	84.365	S365A230030	7/1/23-6/30/24	14,535	-	-	7,179	(13,684)	-	(6,505)	-
Title IV - Part A	84.424	S424A220031	7/1/22-6/30/23	48,580	(3,323)	-	3,323	-	-	-	-
Title IV - Part A	84.424	S424A230031	7/1/23-6/30/24	60,685	-	-	29,273	(54,668)	-	(25,395)	-
Elementary and Secondary Education Cluster:											
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(45,000)	-	45,000	-	-	-	-
ESSER II	84.425D	S425D210027	3/13/20-9/30/23	2,139,835	(131,563)	-	131,563	-	-	-	-
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	1,371,243	(1)	-	1	-	-	-	-
ARP - ESSER	84.425U	S425U240027	3/13/20-9/30/24	4,809,142	(1,287,997)	-	1,932,177	(3,092,779)	-	(2,448,599)	-
ARP - Accelerated Learning Coach & Ed	84.425U	S425U240027	3/13/20-9/30/24	345,741	(316,978)	-	316,978	(28,763)	-	(28,763)	-
ARP - Evidence Based Summer Learning & Enrichment	84.425U	S425U240027	3/13/20-9/30/24	40,000	(2,814)	-	23,220	(21,019)	-	(613)	-
ARP - Evidence Based Comprehensive Beyond the Schc	84.425U	S425U240027	3/13/20-9/30/24	40,000	(13,162)	-	14,132	(970)	-	-	-
ARP - NJTSS Mental Health Support	84.425U	S425U240027	3/13/20-9/30/24	45,000	(824)	-	11,926	(44,176)	-	(33,074)	-
ARP - Homeless II	84.425W	S425W240031	3/13/20-9/30/24	-	-	-	1,200	(1,200)	-	-	-
Subtotal Elementary and Secondary Education Cluster					(1,798,339)	-	2,476,197	(3,188,907)	-	(2,511,049)	-
Special Education Cluster:											
I.D.E.A. Part B Basic	84.027	H027A240100	7/1/23-6/30/24	1,084,202	-	-	586,703	(1,039,114)	-	(452,411)	-
I.D.E.A. Part B Basic	84.027	H027A230100	7/1/22-6/30/23	1,025,427	(95,281)	-	95,281	-	-	-	-
I.D.E.A. Part B Basic	84.027	H027A230100	7/1/22-9/30/23	1,003,274	2,161	-	(2,161)	-	-	-	-
I.D.E.A. Part B Preschool	84.173	H173A240114	7/1/23-6/30/24	37,814	-	-	36,751	(36,751)	-	-	-
ARP I.D.E.A. Part B Basic	84.027X	H027X230100	7/1/22-6/30/23	1,674,744	3,063	-	45,320	(48,383)	-	-	-
Subtotal of Special Education Cluster					(118,442)	-	790,279	(1,124,248)	-	(452,411)	-
U.S. Department of Treasury Passed-through State Department of Education:											
High-Impact Tutoring	21.027	E2400391	7/1/23-6/30/24	229,998	-	-	159,731	(229,998)	-	(70,267)	-
Bridging the Digital Divide	21.019	SLT007	7/1/22-6/30/23	346,456	669	-	(669)	-	-	-	-
Additional or Compensatory Special Education and Related Services	21.027	SLFRFDOE1SES	7/1/23-6/30/24	139,508	-	-	69,754	(139,508)	-	(69,754)	-
Total Special Revenue Fund					(2,227,299)	-	4,434,239	(5,634,000)	-	(3,427,060)	-
U.S. Department of Agriculture Passed-through State Department of Agriculture:											
Food Distribution Program	10.555	241NJ304N1099	7/1/23-6/30/24	113,700	-	-	113,700	(113,700)	-	-	-
Child Nutrition Cluster:											
P-EBT Administrative Costs Grant	10.649	202424N180341	7/1/23-6/30/24	3,256	-	-	3,256	(3,256)	-	-	-
Supply Chain Assistance Funding	10.555	241NJ344N8903	7/1/23-6/30/24	90,908	-	-	90,908	(90,908)	-	-	-
School Breakfast Program	10.553	231NJ304N1099	7/1/22-6/30/23	111,371	(7,446)	-	7,446	-	-	-	-
School Breakfast Program	10.553	241NJ304N1099	7/1/23-6/30/24	119,019	-	-	108,912	(119,019)	-	(10,107)	-
National School Lunch Program	10.555	231NJ304N1099	7/1/22-6/30/23	454,762	(22,605)	-	22,605	-	-	-	-
National School Lunch Program	10.555	241NJ304N1099	7/1/23-6/30/24	481,331	-	-	452,679	(481,331)	-	(28,652)	-
Subtotal of Child Nutrition Cluster					(30,051)	-	685,806	(694,514)	-	(38,759)	-
Total Enterprise (Food Service) Fund					(30,051)	-	799,506	(808,214)	-	(38,759)	-
Total Expenditures of Federal Awards					\$ (2,257,350)	\$ -	\$ 5,296,605	\$ (6,505,074)	\$ -	\$ (3,465,819)	\$ -

See accompanying notes to schedules of expenditures.

**LACEY TOWNSHIP SCHOOL DISTRICT**  
**Schedule of Expenditures of State Financial Assistance, Schedule B**  
**For the Year Ended June 30, 2024**

										MEMO	
State Grantor/ Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at July 1, 2023	Cash Received	Budgetary Expenditures	Deferred Revenue at June 30, 2024	(Accounts Receivable) at June 30, 2024	Due to Grantor at June 30, 2024	Budgetary Receivable	Cumulative Total Expenditures
New Jersey Department of Education											
General Fund:											
Extraordinary Aid	23-100-034-5120-473	7/1/22-6/30/23	\$ 801,340	\$ (801,340)	\$ 801,340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Extraordinary Aid	24-100-034-5120-473	7/1/23-6/30/24	981,183	-	-	(981,183)	-	(981,183)	-	-	(981,183)
Special Education Categorical Aid	24-495-034-5120-089	7/1/23-6/30/24	2,504,516	-	2,165,706	(2,504,516)	-	-	-	(338,810)	(2,504,516)
Nonpublic Transportation Aid	23-495-034-5120-045	7/1/22-6/30/23	20,930	-	-	(20,930)	-	(20,930)	-	-	(20,930)
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	7,254,061	-	6,272,736	(7,254,061)	-	-	-	(981,325)	(7,254,061)
Stabilization Aid	24-495-034-5120-078	7/1/23-6/30/24	579,457	-	579,457	(579,457)	-	-	-	-	(579,457)
Categorical Security Aid	24-495-034-5120-084	7/1/23-6/30/24	483,794	-	418,347	(483,794)	-	-	-	(65,447)	(483,794)
Categorical Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	228,519	-	197,605	(228,519)	-	-	-	(30,914)	(228,519)
Categorical Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	29,846	(29,846)	29,846	-	-	-	-	-	-
Add. or Compensatory Spec Ed & Related Services	N/A	7/1/22-6/30/23	265,574	(122,113)	122,113	-	-	-	-	-	-
On-Behalf TPAF Pension Contribution	24-495-034-5094-002	7/1/23-6/30/24	11,162,875	-	11,162,875	(11,162,875)	-	-	-	-	(11,162,875)
On-Behalf TPAF Post-Retirement Medical	24-495-034-5094-001	7/1/23-6/30/24	3,038,126	-	3,038,126	(3,038,126)	-	-	-	-	(3,038,126)
On-Behalf TPAF Long-Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	3,822	-	3,822	(3,822)	-	-	-	-	(3,822)
Reimbursed TPAF Social Security Tax Contribution	23-495-034-5094-003	7/1/22-6/30/23	2,380,419	(114,672)	114,672	-	-	-	-	-	-
Reimbursed TPAF Social Security Tax Contribution	24-495-034-5094-003	7/1/23-6/30/24	2,267,330	-	2,155,220	(2,267,330)	-	(112,110)	-	-	(2,267,330)
Total General Fund				(1,067,971)	27,061,865	(28,524,613)	-	(1,114,223)	-	(1,416,496)	(28,524,613)
Special Revenue Fund:											
SDA Emergency	23-100-034-5120-519	7/1/22-6/30/23	92,708	20,726	92,709	(127,137)	-	(34,428)	-	-	-
Preschool Expansion Education Aid	24-495-034-5120-086	7/1/23-6/30/24	3,323,279	-	3,323,279	(2,098,431)	1,224,848	-	-	-	-
Total Special Revenue Fund				20,726	3,415,988	(2,225,568)	1,224,848	(34,428)	-	-	-
Debt Service Fund:											
Debt service aid	24-495-034-5120-017	7/1/23-6/30/24	560,864	-	560,864	(560,864)	-	-	-	-	-
Total Debt service Aid				-	560,864	(560,864)	-	-	-	-	-
Enterprise Fund:											
State School Breakfast Program	23-100-010-3350-023	7/1/22-6/30/23	2,081	(149)	149	-	-	-	-	-	-
State School Breakfast Program	24-100-010-3350-023	7/1/23-6/30/24	6,364	-	5,762	(6,364)	-	(602)	-	-	-
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	19,670	(950)	950	-	-	-	-	-	-
State School Lunch Program	24-100-010-3350-023	7/1/23-6/30/24	36,130	-	33,905	(36,130)	-	(2,225)	-	-	-
Total Enterprise Fund				(1,099)	40,766	(42,494)	-	(2,827)	-	-	-
Total Expenditures of State Awards				\$ (1,048,344)	\$ 32,231,483	\$ (32,505,539)	\$ 1,224,848	\$ (1,117,050)	\$ -	\$ (1,416,496)	\$ (28,524,613)
State Financial Assistance Not Subject to Single Audit Determination											
On-Behalf TPAF Pension Contribution	24-495-034-5094-002	7/1/23-6/30/24	11,162,875	-	11,162,875	(11,162,875)	-	-	-	-	(11,162,875)
On-Behalf TPAF Post-Retirement Medical	24-495-034-5094-001	7/1/23-6/30/24	3,038,126	-	3,038,126	(3,038,126)	-	-	-	-	(3,038,126)
On-Behalf TPAF Long-Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	3,822	-	3,822	(3,822)	-	-	-	-	(3,822)
Total State Financial Assistance Not Subject to Single Audit Determination				-	14,204,823	(14,204,823)	-	-	-	-	(14,204,823)
Total Expenditures of State Awards Subject to Single Audit Determination				\$ (1,048,344)	\$ 18,026,660	\$ (18,300,716)	\$ 1,224,848	\$ (1,117,050)	\$ -	\$ (1,416,496)	\$ (14,319,790)

See accompanying notes to schedules of expenditures.



## Lacey Township School District

## Notes to the Schedules of Awards and Financial Assistance

June 30, 2024

## 1. General

The accompanying schedules of expenditures of award present the activity of all federal and state awards of the Board of Education of Lacey 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 and state awards passed through other government agencies are included on the schedules of expenditures of federal and state awards.

## 2. Basis of Accounting

The accompanying schedules of expenditures of federal and state awards are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements.

## 3. Relationship to General Purpose Financial Statements

## Relationship to Basic Financial Statements

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

## Lacey Township School District

## Notes to the Schedules of Awards and Financial Assistance (continued)

June 30, 2024

## 3. Relationship to General Purpose Financial Statements (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$54,111 for the general fund and \$(112,203) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the GAAP basis of accounting for the general and special revenue fund. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 62,860	\$ 17,357,978	\$ 17,420,838
Special Revenue Fund	5,336,935	2,225,568	7,562,503
Capital Projects Fund	-	460,800	460,800
Debt Service Fund	-	560,864	560,864
Food Service Fund	<u>821,149</u>	<u>42,494</u>	<u>863,643</u>
Total awards and financial assistance	\$ <u>6,220,944</u>	\$ <u>20,647,704</u>	\$ <u>26,868,648</u>

## 4. Relationship to Federal and State Financial Reports

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

## 5. Other

TPAF Social Security and Post Retirement/Medical Benefits Contributions represent the amounts reimbursed by the State for the employer's share of social security contributions and Post Retirement/Medical Benefits for TPAF members for the year ended June 30, 2024.

The TPAF post retirement/medical benefits expenditures are not subject to New Jersey OMB Circular 15-08.

## 6. Indirect Costs

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

## Lacey Township School District

## Schedule of Findings and Questioned Costs

June 30, 2024

**Section I - Summary of Auditor's Results**Financial Statement SectionType of auditor's report issued: Unmodified opinion

Internal control over financial reporting:

- 1) Material weakness(es) identified? \_\_\_\_\_yes X no
- 2) Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_yes X none reported

Noncompliance material to general-purpose financial statements noted? \_\_\_\_\_yes X no

Federal Awards Section

Internal Control over major programs:

- 1) Material weakness(es) identified? \_\_\_\_\_yes X no
- 2) Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section .516(a) of the Uniform Guidance? \_\_\_\_\_yes X no

Identification of major programs:

<u>Assistance Listing</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>Number(s)</u>		

Elementary and Secondary Education Cluster:

84.425U	S425U210027	ARP - ESSER
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Dollar threshold used to distinguish between type A and type B programs: \$750,000Auditee qualified as low-risk auditee? X yes \_\_\_\_\_no

## Lacey Township School District

## Schedule of Findings and Questioned Costs (continued)

June 30, 2024

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

## State Awards Section

Dollar threshold used to distinguish between type A and type B programs: \$750,000Auditee qualified as low-risk auditee?   X   yes        none reported

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

Unmodified Opinion

Internal Control over major programs:

1) Material weakness(es) identified?        yes   X   no2) Significant deficiencies identified that  
are not considered to be material  
weaknesses?        yes   X   none reportedAny audit findings disclosed that are required  
to be reported in accordance with NJOMB  
Circular Letter 15-08?       yes   X   no

Identification of major programs:

GMIS Number(s)

Name of State Program

**State Aid-Public (Cluster)**

495-034-5120-089

Special Education Categorical Aid

495-034-5120-078

Equalization Aid/ Stabilization Aid

495-034-5120-084

Security Aid

495-034-5120-086

Preschool Expansion Education Aid

Lacey Township School District

Schedule of Findings and Questioned Costs (continued)

June 30, 2024

Section II - Financial Statement Findings - N/A

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs -  
N/A

Lacey Township School District  
Summary Schedule of Prior Year Audit Findings  
June 30, 2024

Summary Schedule of Prior Year Audit Findings - N/A