



LINWOOD
P U B L I C S C H O O L S

Excellence in Teaching and Learning

Annual Comprehensive Financial Report

of the

Linwood Board of Education

Linwood, New Jersey

for the Fiscal Year ended June 30, 2024

Prepared by:

Linwood Board of Education Finance Department

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Introductory Section



LINWOOD

PUBLIC SCHOOLS

Excellence in Teaching and Learning
Belhaven Middle School
Seaview Elementary School

51 Belhaven Avenue
Linwood, NJ 08221
www.linwoodschoools.org
609.926.6700

January 3, 2025

Honorable President and
Members of the Board of Education
Linwood School District
Atlantic County, NJ 08221

Dear Members of the Board:

The annual comprehensive financial report of the Linwood School District for the fiscal year ended June 30, 2024 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Linwood 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 Annual Comprehensive 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 the principal officials. The financial section includes the basic financial statements and schedules, management's discussion and analysis, as well as the auditor's 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 of 1996, OMB Circular Uniform Guidance and NJ OMB 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section report.

1) REPORTING ENTITY AND ITS SERVICES:

Linwood School District is a Type II district which is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14 as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Linwood Board of Education and all its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels Preschool Handicapped and Inclusion through grade 8. 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 804.0 students, which is a 1.64% decrease from the previous year's enrollment.

The following details the changes in the student enrollment of the District over the last five years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percentage Change</u>
2023-2024	786.0	-2.24%
2022-2023	804.0	1.64%
2021-2022	791.0	-2.44%
2020-2021	810.8	-2.28%
2019-2020	829.7	2.03%
2018-2019	813.2	-0.83%

2) ECONOMIC OUTLOOK

Economic demands placed on the district remain significant and continue to be driven by the challenge of meeting individual needs. While enrollment has remained stable, the demand for these unique and important programs continues to grow. Our economic outlook reflects the support we receive from local taxpayers who fund over eighty percent of our general operating budget, excluding on-behalf payments. During difficult economic times such as those we continue to experience, such support will most certainly be tested.

3) MAJOR INITIATIVES

The Linwood Public Schools continues its commitment to offering excellence in programs and services for the Linwood School Community. The District staff provides instructional programming that meets the needs of individual students and meets the requirements of state mandates, regulations, and the expectations of the New Jersey Student Learning Standards. The Board, administration, and staff are committed to offering educational experiences where students are challenged, thrive, and develop a lifelong love of learning that extends beyond the walls of our schools.

The District has implemented its new Strategic Plan for 2019-2024. The goals and action plans in the areas of Curriculum and Instruction, Reading and Writing, Professional Development, Safety and Security, Communication, Fiscal and Human Resources, and Master Schedule Innovation drive decision making for our District. These goals encompass the feedback from stakeholders throughout our design process that included school staff, District staff, administration, Board of Education members, and community members. As part of the goal development process, each District goal has sub-goals included that focus more attention to the specific needs of students and the District staff and schools.

District staff will engage in further development of Professional Learning Communities and vertical and horizontal articulation reviewing students' data. Our data warehouse – LinkIt! – serves as one basis for analysis of student performance while our certified staff examines instructional best practices. Instructional progress and the further development of specific identified skills for students remains our focus within grade levels, teams, and cohort PLC meetings. Professional development opportunities focus on data-driven instruction and benchmarking systems. Teachers will focus on LinkIt data, ELA benchmarking data, and Math student performance benchmarks to align our PD to our Strategic Plan and District goals. The District has embraced a growth mindset that is still taking

hold, and our staff will recommend professional development, fine-tune district instructional plans, and collaboratively meet and review data as we support student performance across the curriculum.

As instruction is a main goal and focus, so is student and staff well-being. Our schools are implementing SEL activities throughout our programming including a PBIS system of support at Seaview School and a reenergizing of the Renaissance program at Belhaven. Staff wellness through professional development day and other events enhances the climate and culture of our buildings. District curriculums have been updated as well to meet the needs of our students with expanded options for students that will pave the way for more social and emotional learning experiences. We are working to provide further augmentation of technology-based instruction with untethered devices. We support student learning across the curriculum in a one-to-one environment of Chromebooks at almost all grade levels in middle school. Students continue to cultivate their skills through the Google platform, which is heavily used throughout the District.

While we continue our efforts to develop our programming, the District has remained focused on the facilities and campus upgrades for the school community as well. Safety and security measures and projects to support the lifespan of the buildings are always prioritized. Once again, classroom furniture upgrades, continued retrofits of HVAC systems, additions to Long Range Facilities Plans for both schools, and improving space usage are priorities as well. The District will research energy efficiencies through exploring green energy solutions during the upcoming year. The entire school community takes pride in the appearance and functionality of our buildings and campuses. The District remains committed to offering excellent programs and services in facilities that support students, staff, and community safety and security, as well as school pride.

The experiences of the health emergency and ongoing pandemic have impacted our plans as well. This is true through all facets of our programming and planning. Increased need for resources, personnel, PPE, facilities changes and integration of all measures for health and safety have and will continue to impact our initiatives moving forward. This will include services for students and staff as we handle the continued pandemic and into the future to support the academic growth and social and emotional wellness of our school community.

Ultimately, the Linwood School District continues to move forward while confronting the challenges of school funding changes. It is important to note, however, that our District staff, administration, and Board remain committed to educational experiences that offer excellence in all areas – teaching, learning, co-curricular activities, facilities, technology, and social growth.

4) INTERNAL ACCOUNTING CONTROLS:

The management of the City of Linwood Board of Education is responsible for establishing and maintaining an internal control structure to ensure that the assets of the District are protected from the 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. 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 financial assistance, the management of the Linwood Board of Education 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 financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

5) BUDGETARY CONTROLS:

In addition to internal accounting controls, the Linwood School 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 Linwood City Board of School Estimates. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Debt service is handled through the City of Linwood. Project length budgets are approved for the capital improvements and accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year end are either canceled or are included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30th.

6) ACCOUNTING SYSTEM AND REPORTS:

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

7) DEBT ADMINISTRATION:

The Linwood School District was a Type I School District. Effective November 9, 2016, the District became a Type II School District. In the State of New Jersey, all Type I school debt is borne by the municipality rather than the school district. The District acquired debt previously held by the City of Linwood authorized pursuant to School Board Ordinance 10-2013 for school projects completed by the District June 2016. Title 18A:24-63 provides that Board of Education shall assume and pay any notes and other obligations, other than permanent bonds, therefore duly issued or incurred by the municipality pursuant to said ordinance. The temporary note in the amount of \$2,560,000 was transferred to the school district effective July 3, 2018. The School District held the bond sale June 19, 2018. The bond has a twelve year maturity schedule with a Net Interest Cost of 2.970632%.

8) 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 which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9) RISK MANAGEMENT:

The Linwood Board of Education 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.

10) OTHER INFORMATION:

A) *Independent Audit* - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ford, Scott & Associates, L.L.C., CPAs, 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 Amendment of 1996 and the related State Treasury Circular Letter NJ OMB 15-08. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

The City of Linwood (the City) is a suburban community located in Atlantic County. The City comprises an area of four square miles lying approximately nine miles to the west of Atlantic City and bounded by the municipalities of Northfield, Egg Harbor Township and Somers Point.

Somers Point forms the southwestern boundary with the Patcong Creek providing much of the northwesterly boundary. The City of Northfield lies to the northeast, and Scull's Creek and Scull's Bay make up much of the boundary to the east and southeast. The Patcong Creek enlarges to form Mill Pond at the northern corner of the City.

The City of Linwood provides educational facilities for Preschool handicap and kindergarten through the eighth grade at two separate schools. The Seaview Elementary School accommodates Preschool handicapped and Kindergarten through grade four. Grades five through eight attend the Belhaven Middle School.

High School students, grades nine through twelve, attend Mainland Regional High School, located centrally in the City of Linwood.

The original portion of the Seaview School was opened in 1961. Seaview School was renovated, and new construction added to it with its completion in September 1995. Major renovations were completed to the pipe insulation, fire alarm and security systems for 2005. It contains 25 classrooms, LRC's, Gymnasium, Library/Media Center, Computer Lab, Art and Music Rooms and a Cafetorium. It occupies a thirteen-acre site.

The Belhaven School occupies a 4.4 acre site at Belhaven and Wabash Avenue. This facility was constructed in five stages. The original two-story, plus basement, built in 1908, was expanded in 1926. A one-story unit was added in 1957 and in 1970 a two-story classroom wing was provided along with a gymnasium, industrial education area, home economics room and a large music room. The latest addition was completed in 1997 providing a new library, media center, ITV room, computer lab, art room, gymnasium, cafetorium, office areas and other building renovations.

The school system is governed by a nine-member Board of Education who are elected to serve staggered three-year terms. As of June 30, 2024, the District employed 99.4 full time equivalent of instructional staff and 39.9 full time equivalent support services staff. Enrollment as of September 2023 was 786 students, including preschool inclusion.

11) ACKNOWLEDGMENTS:

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

Respectfully submitted,

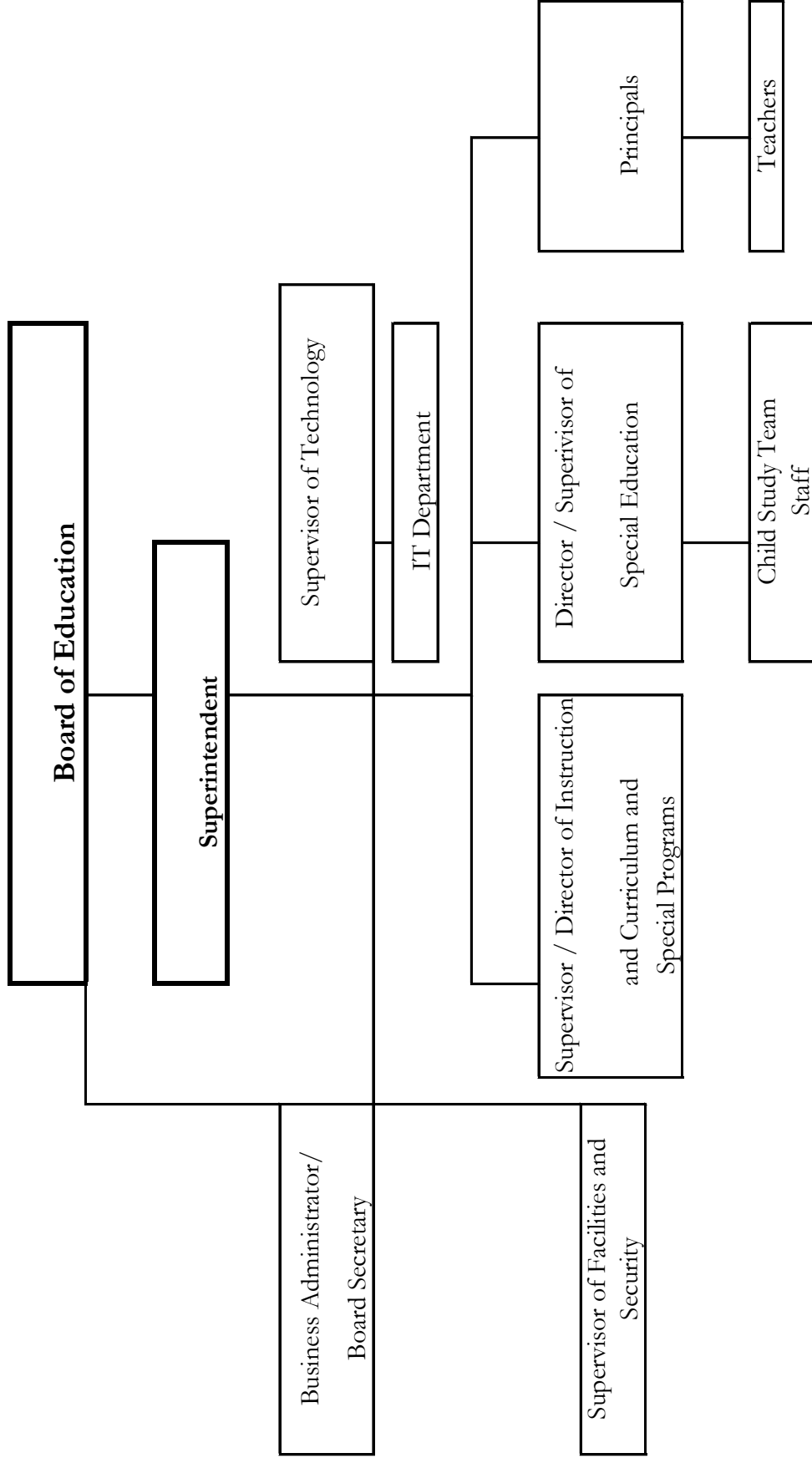
Brian Pruitt

Brian Pruitt
Superintendent of Schools

Patricia Swanson

Patricia Swanson
Business Administrator
Board Secretary

CITY OF LINWOOD BOARD OF EDUCATION
CHART OF ORGANIZATION



LINWOOD BOARD OF EDUCATION

LINWOOD, NEW JERSEY

Roster of Officials

June 30, 2024

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Steven Evinski, President	2024
Emily Ryan, Vice President	2026
Craig Kahn	2025
Holly DiLeo	2025
Chris Schneider	2024
Lisa Bonanno	2026
Steven Pecora	2024
Ryan Rendfrey	2025
Brynn Previti-Randles	2027
<u>Other Officials</u>	
Brian Pruitt, Superintendent	
Patricia Swanson, School Business Administrator/Board Secretary	
Kelly A Batz, Treasurer	
Will Donio, Esq., Solicitor	

LINWOOD BOARD OF EDUCATION

Consultants and Advisors

Audit Firm

Ford Scott and Associates
Ocean City, New Jersey

Attorney

William Donio, Esq.
Atlantic City, New Jersey

Architect of Record

Remington & Vernick
Pleasantville, New Jersey

Official Depositories

Ocean First Bank
New Road, Linwood, NJ 08221

Financial Section



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

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Independent Auditor's Report

Honorable President and
Members of the Board of Education
City of Linwood School District
County of Atlantic, New Jersey

Report on the Audit of 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 the City of Linwood School District, in the County of Atlantic, New Jersey, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibility of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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 an 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 judgement made by a reasonable user based on the financial statements.

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Linwood School District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB 15-08 is 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 Comprehensive Financial Report. The other information comprises of the introductory and statistical sections and have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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 the City of Linwood School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Linwood School District's internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

January 3, 2025

REQUIRED SUPPLEMENTARY INFORMATION
PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Linwood City School District's ("District") annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2024. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statement.

FINANCIAL HIGHLIGHTS

- The net position of the District decreased by \$64,478 from FY 23 to FY 24 which represents a 0.50% decrease from the prior year.
- The State of New Jersey reimbursed the District \$528,150 during the fiscal year ended June 30, 2024 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount, which is not budgeted, is included as both a revenue and appropriation in the financial statements.
- The State of New Jersey contributed on behalf of the District \$3,262,151 during the fiscal year ended June 30, 2024 for the employer's share of pension and post retirement medical contributions for TPAF members. This amount, which is not budgeted, is included as both a revenue and appropriation in the financial statements.
- As required by New Jersey State Statutes, the unreserved fund balance of the general fund is limited to the greater of 2% of the total general fund expenditures or \$250,000. Any excess is required to be designated as Reserved Fund Balance – Excess Surplus and included in the next year's budget as budgeted fund balance. As of June 30, 2024, the District had a total excess surplus of \$1,049,499.
- During the fiscal year ended June 30, 2024, the District's General Fund revenue realized was \$83,672 more than General Fund expenditures. During the prior fiscal year, revenue was more than expenses by \$353,558.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis* (this section), the basic *financial statements*, *required supplementary information*, and an optional section that presents *combining statements for special revenue, capital projects, and fiduciary funds*. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the District's government, reporting on the District's operations in *more detail* than the government-wide statements.
 - The *governmental funds* statements tell how *general government* services like instruction were financed in the *short term* as well as what remains for future spending.
 - The *proprietary fund statements* provide information on activities in which the District operates similar to private business.

- *Fiduciary fund* statements provide information about the financial relationships – like the unemployment trust fund – in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the District’s financial statements, including the portion of the District’s government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

**Major Features of Linwood City School District’s
Government-Wide and Fund Financial Statements
(Figure A-1)**

	Government wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as food service and student activities	Activities the District operates similar to private businesses; N/A	Instances in which the District is the trustee or agent for someone else’s resources, such as payroll agency and student activities.
Required financial statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net position Statement of revenues, expenses, and changes in net assets Statement of cash flows	Statement of fiduciary net position Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term.	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included.	All assets and liabilities, both financial and capital, and short- term and long- term.	All assets and liabilities, both short-term and long- term.

Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses, regardless of when cash is received or paid.	All revenues and expenses during year, regardless of when cash is received or paid.
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Government-Wide Statements

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

The two government-wide statements report the District's *net position* and how they have changed. Net position – the difference between the District's assets and liabilities – is one way to measure the District's financial health, or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of the District's facilities.

The government-wide financial statements of the District are included in one category:

- *Governmental Activities* – most of the District's basic services are included here, such as instruction, administration, and plant operations. Property taxes and state and federal grants finance most of these activities.
- *Business-Type Activities* – this service is provided on a charge for services basis to recover expenses of the program. The Before and After School Program is reported as a business activity.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds* – not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The District has three kinds of funds:

- *Governmental Funds* – Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more

or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement that explains the relationship (or differences) between them.

- *Enterprise Funds* – The District is responsible for activities of the Before and After School Program. A fee is charged to users of the program that covers the cost of services provided by the District. The fund is operated in a manner similar to the private sector.
- *Fiduciary Funds* – The District is responsible for other assets that - because of a trust arrangement – can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The District's fiduciary activities are reported through the Governmental funds.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. Net position of the District increased due to an excess of revenues over expenditures, while depreciation expense exceeded capital outlay additions.

	Governmental Activities		Business-type Activities	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Current and other assets	\$ 4,817,552	\$ 4,927,005	\$ 38,188	\$ 33,444
Capital assets	13,382,159	13,694,704		
Deferred Outflows	96,909	187,647		
Total assets	18,296,620	18,809,356	38,188	33,444
Long-term liabilities	4,727,692	4,781,617		
Other liabilities	288,356	358,574	-	
Deferred Inflows	412,154	731,525		
Total liabilities	5,428,202	5,871,716	-	-
Net assets				
Invested in capital assets	11,439,287	11,726,927		
Restricted	4,180,700	4,199,652		
Unrestricted	(2,751,569)	(2,988,939)	38,188	33,444
Total net position	\$ 12,868,418	\$ 12,937,640	\$ 38,188	\$ 33,444

As required by New Jersey Statutes, the unassigned fund balance of the District is not permitted to exceed the greater of 2% of total general fund expenditures, after reductions for On-behalf TPAF pension and social security and assets acquired under capital leases or \$250,000. Any excess must be appropriated as budgeted fund balance in the subsequent years' budget. As of June 30, 2024, the District did have \$1,049,499 excess fund balance, of which \$519,177 is designated for use in the 2024-2025 district budget.

Changes in Net Position. The total net position of the District decreased approximately \$64,478 predominately due to the increase in expenses and decrease in general revenues.

Governmental Activities

The following schedule summarizes the governmental activities of the District during the 2024 fiscal year.

	Governmental Activities		Business-type Activities		Total	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues						
Program revenue						
Charges for services	\$ -	\$ -	\$ 138,515	\$ 121,966	\$ 138,515	\$ 121,966
Federal grants	482,519	922,667			482,519	922,667
State grants and entitlements	3,091,368	2,557,613			3,091,368	2,557,613
Local Grants	212,969	347,770			212,969	347,770
General revenues						
Property taxes	13,579,138	13,312,536			13,579,138	13,312,536
State aid entitlements	1,340,415	1,231,257			1,340,415	1,231,257
Other	128,470	555,611	467	222	128,937	555,833
Total revenues	<u>18,834,879</u>	<u>18,927,454</u>	<u>138,982</u>	<u>122,188</u>	<u>18,973,861</u>	<u>19,049,642</u>
Expenses						
Instruction:						
Regular	7,706,022	6,989,114			7,706,022	6,989,114
Special Education	2,924,114	2,874,504			2,924,114	2,874,504
Other special instruction	59,775	52,121			59,775	52,121
Other instruction	166,732	197,759			166,732	197,759
Support services:						
Student & instruction related	4,034,302	3,434,280			4,034,302	3,434,280
Tuition	108,286	148,561			108,286	148,561
School administration services	561,765	681,734			561,765	681,734
General & business admin services	1,099,953	1,274,501			1,099,953	1,274,501
Plant operations & maintenance	1,877,982	2,311,901			1,877,982	2,311,901
Pupil transportation	291,890	266,036			291,890	266,036
Principal and Interest Payments	73,280	106,176			73,280	106,176
Business-type activities			134,238	118,352	134,238	118,352
Total expenses	<u>\$ 18,904,101</u>	<u>\$ 18,336,687</u>	<u>\$ 134,238</u>	<u>\$ 118,352</u>	<u>\$ 19,038,339</u>	<u>\$ 18,455,039</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As of the year end, the governmental funds reported a combined fund balance of \$4,554,920 which is \$40,301 less than the beginning of the year. The decrease in fund balance was the result of less revenue in the 2023-2024 compared to prior year. Overall, the financial position of the District remains sound.

Any projects or debt prior to November 9, 2016, was approved by the City of Linwood and would be a direct obligation of the City, unless held as a temporary note. The City authorized a bond ordinance in the amount of \$4,250,000 to fund projects beginning July 1, 2013. The District finished the projects by June 2016. The city held the debt as temporary notes due to the favorable temporary finance market. The temporary notes upon maturity were transferred to the District. The District held a bond sale June 19, 2018, for the sale date of July 3, 2018. The bonds have a twelve - year maturity schedule with a 2.970632% net interest cost.

General Fund Budgetary Highlights

As further explained in the Notes to the Financial Statements, annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the County office and, as a Type II School District, are approved by voters. Transfers of appropriations may be made by Board resolution at any time during the fiscal year. The District is permitted to encumber funds throughout the year for purchases ordered but not yet received. Any open encumbrances as of June 30th carry over to the next fiscal year and are added to the appropriation reflected in the certified budget.

After adjusting total revenue reported on Exhibit C-1 for the Reimbursed TPAF Social Security Contribution and On-behalf TPAF Contribution, which are not budgeted, the District's actual revenues were more than the budget by approximately \$268,330. Again, after adjusting for the Reimbursed TPAF Social Security Contribution and On-behalf TPAF Contribution, actual expenditures were less than the budget by \$1,257,808. Audit exhibit C-1 does not include current year depreciation expense.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2024, the District had invested \$13,382,159 in a broad range of capital assets, including land, construction in progress, buildings, vehicles and machinery. This amount represents a net decrease (including additions and deductions) of approximately \$312,545, or 2.28% over last year.

	Activities	
	2024	2023
Land	\$ 903,250	\$ 903,250
Construction in Progress	1,033,056	591,101
Buildings and Improvements	11,098,692	11,645,720
Machinery & Equipment	347,160	554,633
	<u>\$ 13,382,159</u>	<u>\$ 13,694,704</u>

More detailed information about the District's capital assets is presented in Note 4 to the financial statements.

Long-Term Debt

New Jersey State Statutes governing Type I School Districts require the bonded debt be assumed by the City and provision for amortization of principal and interest on the outstanding debt is included in the City budget. The district was Type I prior to November 9, 2016. When the District became a Type II school district effective 2016 the City of Linwood held temporary notes authorized pursuant to School Board Ordinance 10-2013 for school projects completed by the District June 2016. Title 18A:24-63 provides that Board of Education shall assume and pay any notes and other obligations, other than permanent bonds, therefore duly issued or incurred by the municipality pursuant to said ordinance. The temporary note in the amount of \$2,560,000 was transferred to the school district effective July 3, 2018. The School District held the bond sale June 19, 2018. The bond has a twelve-year maturity schedule with a Net Interest Cost of 2.970632%.

FOR THE FUTURE

The Linwood School District is in good financial condition presently.

In conclusion, the Linwood School District has committed itself to financial excellence for many years. In addition, the District's system for financial planning, budgeting, and internal financial controls are well regarded. The District plans to continue to identify operational efficiencies which allow it to meet the challenges of declining State aid.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to present users (residents, receiving districts, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about the report or need additional financial information, contact the District's Business Administrator at 51 Belhaven Avenue, Linwood, New Jersey 08221.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net assets and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business - type activities of the District.

City of Linwood School District
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 4,363,458	\$ 38,188	\$ 4,401,646
Receivable - State	203,558		203,558
Receivable - Federal	213,289		213,289
Other Accounts Receivable	37,247		37,247
Right to Use Leased Assets	182,872		182,872
Capital assets:			
Land	903,250		903,250
Construction in Progress	1,033,056		1,033,056
Depreciable capital assets, net of depreciation	11,262,981		11,262,981
Total Assets	<u>18,199,711</u>	<u>38,188</u>	<u>18,237,899</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	<u>96,909</u>		<u>96,909</u>
LIABILITIES			
Accounts payable	234,092		234,092
Unearned Revenue	28,540		28,540
Accrued Interest	25,724		25,724
Noncurrent liabilities:			
Due within one year	251,596		251,596
Due beyond one year	2,288,431		2,288,431
Net Pension Liability	2,187,665		2,187,665
Total liabilities	<u>5,016,048</u>	<u>-</u>	<u>5,016,048</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	<u>412,154</u>		<u>412,154</u>
NET POSITION			
Invested in capital assets, net of related debt	11,439,287		11,439,287
Restricted for:			
Capital Reserve	1,722,653		1,722,653
Maintenance Reserve	1,252,344		1,252,344
Excess Surplus - Undesignated	530,322		530,322
Excess Surplus - Designated	519,177		519,177
Subsequent Year's Expenditures	156,204		156,204
Unrestricted	(2,751,569)	38,188	(2,713,381)
Total net position	<u>\$ 12,868,418</u>	<u>\$ 38,188</u>	<u>\$ 12,906,606</u>

See accompanying Notes to Financial Statements

City of Linwood School District
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues				Business - type Activities	Total
		Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities		
Governmental activities:							
Instruction:							
Regular	\$ 4,103,164	\$ 3,602,858	\$ -	\$ 1,028,308	\$ (6,677,714)	\$ -	\$ (6,677,714)
Special education	1,556,979	1,367,135		957,256	(1,966,858)		(1,966,858)
Other special instruction	31,828	27,947		8,938	(50,837)		(50,837)
Other instruction	88,779	77,953		24,932	(141,800)		(141,800)
Support services:							
Tuition	108,286			-	(108,286)		(108,286)
Student & instruction related services	2,128,597	1,905,705		1,677,538	(2,356,764)		(2,356,764)
School administrative services	422,203	139,562		6,376	(555,389)		(555,389)
Central Services	440,165	161,463		7,376	(594,252)		(594,252)
General Administrative services	364,586	133,739		6,110	(492,215)		(492,215)
Plant operations and maintenance	1,415,599	462,383		66,443	(1,811,539)		(1,811,539)
Pupil transportation	213,554	78,336		3,579	(288,311)		(288,311)
Unallocated benefits	7,175,318	(7,175,318)			-		-
Depreciation	781,763	(781,763)			-		-
Interest	73,280				(73,280)		(73,280)
Total governmental activities	18,904,101	-	-	3,786,856	(15,117,245)	-	(15,117,245)
Business Type Activities							
Child Care	134,238		138,515			4,277	4,277
Total government	\$ 19,038,339	\$ -	\$ 138,515	\$ 3,786,856	\$ (15,117,245)	\$ 4,277	\$ (15,112,968)
General revenues:							
Taxes:							
Property taxes							
Federal and State aid not restricted							
Miscellaneous Income							
Total general revenues, special items and transfers							
Change in Net Position							
Net Position—beginning, as restated							
Net Position—ending							

See accompanying Notes to Financial Statements

FUND FINANCIAL STATEMENTS

The individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

City of Linwood School District
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 1,322,162	\$ 66,299	\$ -	\$ 1,388,461
Capital Reserve Account cash	1,722,653			1,722,653
Maintenance Reserve Account cash	1,252,344			1,252,344
Receivable - Federal		213,289		213,289
Receivable - State	203,558	-		203,558
Receivable - Other	1,317	35,930		37,247
Due from other funds	268,449			268,449
Total assets	<u>\$ 4,770,483</u>	<u>\$ 315,518</u>	<u>\$ -</u>	<u>\$ 5,086,001</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	206,169	27,845		234,014
Due to State of NJ		78		78
Interfund Accounts Payable		268,449		268,449
Unearned revenue		28,540		28,540
Total liabilities	<u>206,169</u>	<u>324,912</u>	<u>-</u>	<u>531,081</u>
Fund Balances:				
Restricted for:				
Excess surplus Undesignated	530,322			530,322
Excess surplus Designated	519,177			519,177
Student Activities		66,299		66,299
Committed to:				
Capital Reserve	1,722,653			1,722,653
Maintenance Reserve	1,252,344			1,252,344
Assigned to:				
Designated for subsequent year's expenditures	156,204		-	156,204
Other purposes	21,589			21,589
Unreserved, reported in:				
General fund	362,025			362,025
Special Revenue Fund		(75,693)		(75,693)
Total Fund balances	<u>4,564,314</u>	<u>(9,394)</u>	<u>-</u>	<u>4,554,920</u>
Total liabilities and fund balances	<u>\$ 4,770,483</u>	<u>\$ 315,518</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.				13,382,159
Pension Liabilities Net of Deferred Outflows & Inflows				(2,502,910)
Bonds & Leases Payable				(1,942,872)
Accrued Interest on Bonds & Leases Payable				(25,724)
Some liabilities, such as compensated absences are not due and payable in the current period and therefore are not reported in the funds.				(597,155)
Net position of governmental activities				<u>\$ 12,868,418</u>

See accompanying Notes to Financial Statements

City of Linwood School District
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local tax levy	\$ 13,343,638	\$ -	\$ 235,500	\$ 13,579,138
Miscellaneous	128,470			128,470
State sources	5,130,716	813,918		5,944,634
Federal sources		482,519		482,519
Local sources		212,969		212,969
	<u>18,602,824</u>	<u>1,509,406</u>	<u>235,500</u>	<u>20,347,730</u>
Total revenues				
EXPENDITURES				
Current:				
Regular instruction	4,893,390			4,893,390
Special education instruction	1,336,824	520,013		1,856,837
Other special instruction	37,957			37,957
Other instruction	105,876			105,876
Support services and undistributed costs:				
Tuition - Special Education	108,286			108,286
Student & instruction related services	1,677,811	910,511		2,588,322
School administrative services	414,685			414,685
Other administrative services	397,381			397,381
Central Services	479,759			479,759
Plant operations and maintenance	1,373,891			1,373,891
Pupil transportation	232,764			232,764
Unallocated Benefits	7,017,783	157,535		7,175,318
Capital Outlay	442,745	45,320		488,065
Principal and Interest on Bonds			235,500	235,500
	<u>18,519,152</u>	<u>1,633,379</u>	<u>235,500</u>	<u>20,388,031</u>
Total expenditures				
Excess (Deficiency) of revenues over expenditures	<u>83,672</u>	<u>(123,973)</u>	<u>-</u>	<u>(40,301)</u>
OTHER FINANCING SOURCES (USES)				
Local Contribution to				
Preschool Education Program	(100,002)	100,002	-	0
	<u>(100,002)</u>	<u>100,002</u>	<u>-</u>	<u>0</u>
Total other financing sources and uses				
Net change in fund balances	(16,330)	(23,971)	-	(40,301)
Fund balance—July 1	4,580,644	14,577	-	4,595,221
Fund balance—June 30	<u>\$ 4,564,314</u>	<u>\$ (9,394)</u>	<u>\$ -</u>	<u>\$ 4,554,920</u>

See accompanying Notes to Financial Statements

**City of Linwood 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) \$ (40,301)

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 depreciation exceeded capital outlays in the period.

Depreciation expense	\$	(781,763)
Capital outlays		469,218
		(312,545)

Governmental funds report district pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

District pension contributions-PERS		201,864
Cost of benefits earned net of employee contributions		89,895
		291,759

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

Total bond and Lease principal payments		24,905
		24,905
Accrued Interest		1,067
		1,067

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

		(34,106)
		(34,106)

Change in net position of governmental activities

	\$	(69,221)
		(69,221)

City of Linwood School District
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-Type Activities - Enterprise Funds	
	Before and After School Program	Totals
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 38,188	\$ 38,188
Total current assets	38,188	38,188
Total assets	\$ 38,188	\$ 38,188
LIABILITIES		
Current liabilities:		
None	\$ -	\$ -
Total current liabilities	-	-
Noncurrent Liabilities:		
None		
Total noncurrent liabilities	-	-
Total liabilities	-	-
NET POSITION		
Unrestricted	38,188	38,188
Total net position	\$ 38,188	\$ 38,188

See accompanying Notes to Financial Statements

City of Linwood School District
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds	
	Before and After School Program	Total Proprietary
Operating revenues:		
Charges for services:		
Tuition - net of discounts	\$ 138,515	\$ 138,515
Total operating revenues	138,515	138,515
Operating expenses:		
Salaries	69,682	69,682
Rent	13,000	13,000
Services	44,976	44,976
General supplies	6,580	6,580
Total Operating Expenses	134,238	134,238
Operating income	4,277	4,277
Nonoperating revenues (expenses):		
Interest	467	467
Total nonoperating revenues (expenses)	467	467
Change in net position	4,744	4,744
Total net position—beginning	33,444	33,444
Total net position—ending	\$ 38,188	\$ 38,188

See accompanying Notes to Financial Statements

City of Linwood School District
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds	
	Before and After School Program	Total Proprietary
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 138,515	\$ 138,515
Payments for salaries and benefits	(69,682)	(69,682)
Rent	(13,000)	(13,000)
Services	(44,976)	(44,976)
Supplies	(6,580)	(6,580)
Net cash provided by operating activities	<u>4,277</u>	<u>4,277</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
None		
Net cash provided by non-capital financing activities	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
None		
Net cash (used for) capital and related financing activities	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest	467	467
Net cash provided by investing activities	<u>467</u>	<u>467</u>
Net increase in cash and cash equivalents	4,744	4,744
Balances—beginning of year	33,444	33,444
Balances—end of year	<u>\$ 38,188</u>	<u>\$ 38,188</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 4,277	\$ 4,277
Adjustments to reconcile operating income to net cash provided by operating activities		
None		
Total adjustments	<u>-</u>	<u>-</u>
Net cash provided by operating activities	<u>\$ 4,277</u>	<u>\$ 4,277</u>

See accompanying Notes to Financial Statements

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Linwood School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board became a Type II school district effective November 9, 2016, and currently consists of appointed and elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The financial statements of the Board of Education (Board) of the City of Linwood School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

Pensions: 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 Teacher's Pension and Annuity Fund (TPAF) and Public Employee Retirement System (PERS) and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the TPAF and PERS. 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.

A. REPORTING ENTITY

The City of Linwood School District is a Type II district located in the County of Atlantic, State of New Jersey. As a Type II district, the Board of Education members are elected. The Board is comprised of nine members appointed or elected to three-year terms. The purpose of the district is to educate students in grades PreK -8. The City of Linwood School District includes 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 whether:

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

Based on the aforementioned criteria, the District has no component units.

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities.

CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, tuition, interest income, etc.).

The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. The government-wide statements do not include fiduciary activity.

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The following fund types are used by the District:

1. Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

- a. **General fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose.
- c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from temporary notes or serial bonds.
- d. **Debt Service** funds are 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.

Fund Balances – Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

Non-spendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

2. Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District.

3. Enterprise Funds

Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The District's enterprise funds consist of an after school program.

4. Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net Position. They are reported using accounting principles similar to proprietary funds.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since, by definition, these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

Both governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents

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.

For the purposes of determining cash equivalents the District considers all investments with an original maturity of three months or less as cash equivalents.

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

Additionally, the 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.

NJSA 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.

2. Investments

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate).

3. Inventories

Inventories in the general fund consist of expendable supplies held for the District’s use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2024, the District did not have inventory in the general fund or the enterprise fund.

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

4. Capital Assets

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years

GASBS No. 34 requires the District to report and depreciate new infrastructure assets effective with the beginning of the current year. Infrastructure assets include roads, parking lots, underground pipe, etc. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The District has included all infrastructure assets in the current fiscal year.

5. Revenues

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount 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. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

6. Expenditures

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

7. Compensated Absences

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity.

CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

8. Interfund Activity

Interfund activity is reported as either: loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

9. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the county office for approval and are approved by the board of school estimates. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2(g). The Board of Education did not make any material supplementary appropriations during the fiscal year. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools. The following material transfers were made to/(from) budgetary line items:

<u>Account Description</u>	<u>Account Number</u>	<u>Amount</u>
Regular Programs - Instruction	11-110-100-101-00-050	\$ (80,941.00)
Regular Programs - Instruction	11-130-100-101-00-020	50,883.00
Resource Room/Resource Center	11-213-100-101-00-050	59,134.00
Preschool Disabilities - Part Time	11-215-100-106-00-050	(68,799.00)
Preschool Disabilities - Full Time	11-000-217-320-00-050	62,240.00
Other Support Services - Students - Extra Services	11-000-217-100-00-050	(69,420.00)
Other Support Services - Students - Extra Services	11-000-217-320-00-050	44,153.00
Student Transportation Services	11-000-270-515-00-000	(41,399.00)

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the one or more June state aid 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.

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

10. Tuition Receivable

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

The district receives student in regular education grades 1-8 in a parent paid program with tuition fees set annually by the Board of Education. These fees are based on 50% certified cost per pupil fees from the most recent certification.

The district receives students from other public school districts. Tuition charges were established by the Board of Education. The charges are subject to adjustment when final costs have been determined. The district had no tuition receivable from other public school districts.

11. Tuition Payable

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

12. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

13. Allocation of Costs

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the budgetary expenditures by program.

F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for fiscal years beginning after December 15, 2023, may have an effect on the District's financial reporting.

In December 2023, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, "Certain Risk Disclosures". This statement, which is effective for fiscal years beginning after June 15, 2024, may have an effect on the District's financial reporting.

In April 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 103, "Financial Reporting Model Improvements". This statement, which is effective for fiscal years beginning after June 15, 2025, will have an effect on the District's financial reporting.

CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

NOTE 2. CASH

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2024, \$0 of the government's bank balance of \$4,719,555.07 was exposed to custodial credit risk.

NOTE 3. INVESTMENTS

As of June 30, 2024, the district did not have any investments.

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

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

Concentration of Credit Risk. The district places no limit on the amount the district may invest in any one issuer.

NOTE 4. FIXED ASSETS

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

	<u>Beginning Balance</u>	<u>Transfers/Adj. Additions</u>	<u>Transfers/Adj. Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 903,250	\$	\$	\$ 903,250
Construction in Progress	591,101	441,955		1,033,056
Total capital assets not being depreciated	<u>1,494,351</u>	<u>441,955</u>	<u>-</u>	<u>1,936,306</u>
Capital assets being depreciated:				
Buildings and building improvements	27,238,117			27,238,117
Machinery & Equipment	2,257,622	27,263		2,284,885
Total capital assets being depreciated at historical cost	<u>29,495,739</u>	<u>27,263</u>	<u>-</u>	<u>29,523,002</u>
Less accumulated depreciation for:				
Buildings and improvements	(15,592,397)	(547,027)		(16,139,425)
Equipment	(1,702,989)	(234,736)		(1,937,725)
Total Accumulated Depreciation	<u>(17,295,386)</u>	<u>(781,763)</u>	<u>-</u>	<u>(18,077,149)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>12,200,353</u>	<u>(754,500)</u>	<u>-</u>	<u>11,445,853</u>
Governmental activity capital assets, net	<u>\$ 13,694,704</u>	<u>\$ (312,545)</u>	<u>\$ -</u>	<u>\$ 13,382,159</u>

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 4. FIXED ASSETS - CONTINUED

Depreciation expense as charged to governmental functions as follows:

Regular Instruction	\$ 308,983
Special Education	117,246
Other Special	2,397
Other Instructions	6,685
Related Services	163,434
Central Administration	30,294
General Administration	25,092
School Administration	26,184
Plant Operations & Maintenance	86,751
Transportation	14,697
	<u>\$ 781,763</u>

NOTE 5. GENERAL LONG-TERM DEBT

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

	Balance June 30, 2023	Issued	Retired/ Adjustment	Balance June 30, 2024	Due in One Year
Compensated Absences Payable	\$ 477,416	\$ 119,739	\$	\$ 597,155	\$ -
School Bonds	1,940,000		180,000	1,760,000	200,000
Lease Liability	27,777	194,756	39,661	182,872	51,596
	<u>\$ 2,445,193</u>	<u>\$ 314,495</u>	<u>\$ 219,661</u>	<u>\$ 2,540,027</u>	<u>\$ 251,596</u>

A. Bonds Payable – The City of Linwood School District was a Type I School District. When the District became a Type II school district, effective 2016, the City of Linwood held temporary notes authorized pursuant to School Board Ordinance 10-2013 for school projects completed by the District June 2016. Title 18A:24-63 provides that Board of Education shall assume and pay any notes and other obligations, other than permanent bonds, therefore duly issued or incurred by the municipality pursuant to said ordinance. The temporary note in the amount of \$2,560,000 was transferred to the school district effective July 3, 2018. The School District held the bond sale on June 19, 2018. The bond has a twelve-year maturity schedule with a Net Interest Cost of 2.970632%. The balance remaining at June 30, 2024 is \$1,760,000.

B. Bonds Authorized But Not Issued - As of June 30, 2024, the District did not have any outstanding authorized bonds.

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 6. OPERATING LEASES

The District is leasing various copy machines and multifunction printers for the schools and administrative office. The lease terms is 60 months. The following are minimum lease payments due for the lease on an annual basis.

Future minimum lease payments are as follows:

Year Ending June 30,	Payments
2025	60,740
2026	60,740
2027	50,540
2028	22,457
2029	9,952
Total minimum lease payments	204,429
Less: amount representing interest	(21,557)
Present value of lease payments	\$ 182,872

NOTE 7. PENSION PLANS

Description of Plans

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

Teachers' Pension and Annuity Fund

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

Public Employees' Retirement System

The Public Employees' Retirement System was established in January 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full time employees of the State or any county, municipality, school district or public agency

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 7. PENSION PLANS - CONTINUED

provided the employee is not required to be a member of another State-administered retirement system or other state or local jurisdiction.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.50% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The School District's contributions to TPAF for the years ending June 30, 2024, 2023, and 2022, were \$2,563,709, \$2,423,492, and \$2,435,940, respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2024, 2023, and 2022, were \$203,409, \$188,078, and \$200,040, respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2024, 2023, and 2022, the State of New Jersey contributed \$697,748, \$636,646 and \$569,134, respectively, to the TPAF for post-retirement medical benefits and life insurance premiums on behalf of the Board. The State of New Jersey contributed \$694 to TPAF for long-term disability insurance. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed, the Board \$528,150, \$522,846 and \$518,752, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance in GASB 27.

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 7. PENSION PLANS - CONTINUED

- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made several changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 8: PENSION LIABILITIES – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (PERS)

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the District’s pension liabilities. The following information describes the District’s proportionate share of the statewide pension system’s liabilities and expenses.

The following represents the District’s pension liabilities as June 30, 2023:

Public Employees’ Retirement System

The District has a liability of \$2,187,665 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 that was rolled forward to June 30, 2023. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the District’s proportion is 0.01510362010%, which is a decrease of 1.27% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the District recognized negative pension expense of \$89,895. At June 30, 2023, the 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 & actual experience	\$ 20,917	(8,942)
Changes of assumptions	4,806	(132,582)
Net difference between projected and actual earnings on pension plan investments	10,074	
Changes in proportion	61,112	(270,630)
Total	<u>\$ 96,909</u>	<u>\$ (412,154)</u>

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

Year ended June 30,	
2025	\$ 458,416
2026	(72,207)
2027	(581,068)
2028	(108,664)
2029	(11,722)
Total	<u>\$ (315,245)</u>

CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 8: PENSION LIABILITIES – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (PERS)
– CONTINUED

Actuarial Assumptions

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

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 disable 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 generational basis. Mortality improvement is based on Scale MP-2021.

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

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

CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 8: PENSION LIABILITIES – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (PERS)
– CONTINUED

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US 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 will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate.

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the District’s proportionate share of the net pension liability would be if it were 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	\$ 2,637,998	2,187,665	1,804,788

Pension plan fiduciary net position.

Detailed information about the pension plan’s fiduciary net position is available in the separately issued PERS financial report.

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 9 – PENSION LIABILITIES - TEACHERS' PENSION AND ANNUITY FUND (TPAF)

At June 30, 2023, the District liability for its proportionate share of the net pension liability which is considered a Special Funding Situation with the State of New Jersey is reported below.

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

The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ -
State's proportionate share of the net position liability associated with the District	<u>29,839,292</u>
Total	<u><u>29,839,292</u></u>

The net pension liability was measured as of June 30, 2023 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2023, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the District recognized pension expense of \$733,065 and revenue of \$733,065 for support provided by the State.

Actuarial assumptions. The total pension liability in the June 30, 2023 actuarial valuation 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 period included 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%

CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 9 – PENSION LIABILITIES - TEACHERS' PENSION AND ANNUITY FUND (TPAF) – CONTINUED

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

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

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. 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 weighing 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, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
US 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%

CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 9 – PENSION LIABILITIES - TEACHERS' PENSION AND ANNUITY FUND (TPAF) – CONTINUED

Discount rate.

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

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension liability	\$ -	-	-
State's proportionate share of the net position liability associated with the District	\$ 35,185,940.02	29,839,292.00	25,336,143.59

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued TPAF financial report.

Additional Information

Collective balances of the local group at June 30, 2023 are as follows:

Deferred outflows of resources	\$ 2,413,548,676
Deferred inflows of resources	(14,741,373,312)
Net pension liability	51,109,961,824

Collective pension expense for the plan for the measurement period ended June 30, 2023 is \$1,255,623,033.

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 10. OTHER POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan:

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

Total OPEB Liability

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in June 30, 2023 III-3.8 the NJ State ACFR on the Office of Management and Budget's Financial Publications webpage: [NJ OMB - Financial Publications](#)

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 10. OTHER POST-RETIREMENT BENEFITS - CONTINUED

Actuarial assumptions and other imputes. The total OPEB liability in the June 30, 2023, actuarial valuation reported by the State in the State's most recently issued ACFR 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 and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary Increases

<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
2.75% to 4.25%	2.75% to 6.55%	3.25% to 16.25%
based on service years	based on service years	based on service years

Mortality Rates

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2020 "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 June 30, 2022 valuation were based on the results of the TPAF, PERS, and PFRS experience studies for the period July 1, 2018 to June 30, 2021.

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.5% and decreases to a 4.5% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026, and decreases to 4.5% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026, and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

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.

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 10. OTHER POST-RETIREMENT BENEFITS - CONTINUED

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

Balance at 6/30/23 (Based on 6/30/2022 measurement date)	\$ 50,646,462,966.00
Changes for the year:	
Service cost	2,136,235,476.00
Interest	1,844,113,951.00
Changes in Benefit Terms	-
Differences between Expected & Actual Experiences	(980,424,863.00)
Changes in assumptions or other inputs	105,539,463.00
Contributions: Member	47,258,104.00
Benefit payments	<u>(1,437,516,858.00)</u>
Net changes	<u>1,715,205,273.00</u>
Balance at 6/30/23 (Based on 6/30/2022 measurement date)	<u><u>\$ 52,361,668,239.00</u></u>

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

The following presents the total OPEB liability as of June 20, 2023, respectively, calculated using a discount rate as disclosed above as well as what the total nonemployer OPEB would be if it was 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%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability	\$ 61,385,066,712.00	\$ 52,361,668,239.00	\$ 45,116,926,835.00

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability as of June 30, 2023, calculated using the healthcare trend rate as disclosed above as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ 43,468,257,358.00	\$ 52,361,668,239.00	\$ 63,998,719,320.00

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

For the year ended June 30, 2023, the board of education recognized OPEB expense of \$888,101 determined by the State as the total OPEB liability for benefits provided through a defined 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.

**CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 10. OTHER POST-RETIREMENT BENEFITS - CONTINUED

In accordance with GASB 75, the board of education's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,639,717,639.00	\$ (13,791,541,217.00)
Changes in assumptions	7,445,895,322.00	(14,449,948,556.00)
	<u>\$ 15,085,612,961.00</u>	<u>\$ (28,241,489,773.00)</u>

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

Year Ended June 30,	
2024	\$ (2,611,225,301.00)
2025	(2,611,225,301.00)
2026	(2,269,523,460.00)
2027	(1,338,024,839.00)
2028	(273,877,609.00)
Thereafter	<u>(4,052,000,302.00)</u>
	<u>\$ (13,155,876,812.00)</u>

(Contributions made after June 30 are reported as deferred outflow of resources but are not amortized in the expense.)

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

NOTE 11. COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after fifteen years of service.

CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 11. COMPENSATED ABSENCES - CONTINUED

The liability for vested compensated absences of the governmental fund types is recorded in the entity wide statement of financial position. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences.

NOTE 12. DEFERRED COMPENSATION

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

Lincoln Investment Planning, Inc.
Syracusa
Equitable
Vanguard

NOTE 13. RISK MANAGEMENT

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

Property and Liability Insurance - The District joined the SPELL Joint Insurance Fund (JIF) effective July 1, 2017 for commercial insurance coverage for property, liability and surety bonds. The JIF is an established Self-Funded program. Premiums are paid into the fund and are available to pay claims, claim reserves and administrative costs of the program. The trust was established to pay legitimate claims against the Board, which the Board has the obligation to pay such claims. During the fiscal year ended June 30, 2024 the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

Worker's Compensation Fund Joint Insurance Fund – The District is retaining risk by the established self-funded workers' compensation fund through SPELL JIF. Premiums are paid into the fund and are available to pay claims, claim reserves and administrative costs of the program. The trust was established to pay legitimate claims against the Board, for which the Board has the obligation to pay such claims. As of June 30, 2024, the amounts of any claims or settlements did not exceed insurance coverage.

New Jersey Unemployment Compensation Insurance – The District has been included in the State of New Jersey plan since January 1996.

NOTE 14. COMMITMENTS

The District has adopted an encumbrance policy for the fiscal year June 30, 2024 to consider significant encumbrances. All encumbrances are classified as either Assigned Fund Balance in the General Fund and Special Revenue Fund. There were no significant encumbrances outstanding at year end.

CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 15. CONTINGENT LIABILITIES

Federal and State Grants

The District participates in a number of federal and state grant programs. The grant programs are subject to program compliance audits by the grantors or their representatives. The District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs.

NOTE 16. ECONOMIC DEPENDENCY

The District receives support from the federal government and from the state government in the form of aid and specific grants. A significant reduction in the level of support is expected within the State of New Jersey's funding formula. The district expects this to have an effect on programs and activities.

NOTE 17. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2024:

<u>Fund</u>	<u>Inter-fund Receivable</u>	<u>Inter-fund Payable</u>
General	\$ 268,449	\$
Special Revenue		268,449
	<u>\$ 268,449</u>	<u>\$ 268,449</u>

Inter-funds were created throughout the year due to short term borrowings to cover cash flow needs in the various funds. The fund financial inter-funds were eliminated in the governmental-wide statements.

NOTE 18. RECEIVABLES

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

	<u>Governmental Fund Financial Statements</u>	<u>Government Wide Financial Statements</u>
State Aid	\$ 203,558	\$ 203,558
Federal Aid	213,289	213,289
Interfunds	268,449	-
Other	37,247	37,247
Gross Receivables	<u>722,543</u>	<u>454,094</u>
Less: Allowance for Uncollectibles		
Total Receivables, Net	<u>\$ 722,543</u>	<u>\$ 454,094</u>

CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 19. FUND BALANCE APPROPRIATED

The District follows the State of New Jersey's minimum fund balance policy for New Jersey Regular Public School Districts (N.J.S.A. 18A:7F-7). Pursuant to that policy, an undesignated fund balance of 2% of the general fund budget or \$250,000, whichever is greater may be maintained.

Specific classifications of fund balance are summarized below;

Non-Spendable Fund Balance – The District had no non-spendable fund balance at June 30, 2024.

Restricted Fund Balance

Excess Surplus – At June 30, 2024, excess surplus created in FY23 of \$519,177 will be utilized for expenditures in the 2024-2025 budget, while excess surplus created in FY24 of \$530,322 restricted and will be utilized for budget expenditures in 2025-2026.

Committed Fund Balance

Capital Reserve Account – Of the \$1,722,653 balance in the capital reserve account at June 30, 2024, \$0 has been designated for utilization in the 2024-25 budget. These funds are restricted for future capital outlay expenditures for projects in the School District's long-range facilities plan (LRFP).

Maintenance Reserve Account – Of the \$1,252,344 balance in the maintenance reserve account at June 30, 2024, \$0 has been designated for utilization in the 2023-24 budget. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Assigned Fund Balance – At June 30, 2024, the School District assigned \$156,204 of general fund balances to expenditures in the 2024-25 budget, and \$21,589 was assigned for other purposes as of year-end. This represents encumbrances resulting from issuing purchase orders because of normal purchasing activities approved by District officials.

Unassigned Fund Balance – At June 30, 2024, the District has \$472,556 of unassigned fund balance in the general fund.

NOTE 20. EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by PL 2004m c73 (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. The excess fund balance calculated for the year ended June 30, 2024 is \$530,322.

NOTE 21. LITIGATION

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District's management, the outcome of any legal proceedings will not have any adverse effect on the accompanying financial statements.

CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 22. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Linwood Board of Education by inclusion of \$250,000, June 2005 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes 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. A district may also appropriate additional amounts when the express approval of the Board of School Estimates has been obtained either by a separate proposal at budget time or by a special question authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6A:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2023	\$ 1,249,939
Interest earnings	20,051
Unexpended Fund 12	20,007
Deposits	
Board Resolution Transfer	450,000
Withdrawals	
Board Resolution Withdrawal	
8/26/2023 - Security Vestibule	(17,345)
Ending Balance, June 30, 2024	\$ <u><u>1,722,653</u></u>

NOTE 23. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the Linwood Board of Education by inclusion of \$50,000, June 2008 for the accumulation of funds for use as required maintenance expenditures 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.

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	\$ 1,147,186
Interest earnings	14,526
Deposits	
Board Resolution Transfer	300,000
Withdrawals	
2023/2024 Budget	(200,000)
Board Resolution Withdrawal	
7/26/2023 - Chiller Replacement	(9,368)
Ending Balance, June 30, 2024	\$ <u><u>1,252,344</u></u>

CITY OF LINWOOD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 24. RIGHT TO USE ASSETS

The district has recorded right to use assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability, plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place to lease into service. The District has determined the other charges and amortization to be immaterial to the government-wide financial statements and has elected to record the Right to Use Assets at their remaining liability payments.

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Copiers	\$ 27,777	\$ 194,756	\$ 39,661	\$ 182,872
Right to use assets, net	\$ <u>27,777</u>	\$ <u>194,756</u>	\$ <u>39,661</u>	\$ <u>182,872</u>

NOTE 25. SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2024 and January 3, 2025, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure that have not been accounted for in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

Budgetary Comparison Schedules

City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 13,343,638	\$ -	\$ 13,343,638	\$ 13,343,638	\$ -
Tuition from Individuals	21,000		21,000.00	23,732	2,732
Tuition from Other LEA's			-	5,267	5,267
Rentals	13,000		13,000.00	13,000	-
Interest on Investments	4,750		4,750.00	40,361	35,611
Capital Reserve Interest	1,000		1,000.00	21,051	20,051
Maintenance Reserve Interest	500		500.00	15,026	14,526
Miscellaneous			-	10,033	10,033
Total - Local Sources	13,383,888	-	13,383,888	13,472,108	88,220
State Sources:					
Transportation Aid	111,744		111,744	111,744	-
Special Education Aid	630,444		630,444	630,444	-
Equalization Aid	245,807		245,807	245,807	-
Security Aid	64,088		64,088	64,088	-
Adjustment Aid	131,119		131,119	131,119	-
Other State Aid					
- Non-Public Transportation			-	20,475	20,475
- Extraordinary			-	159,635	159,635
On-Behalf TPAF Pension Contributions (non-budgeted)			-	3,262,151	3,262,151
Reimbursed TPAF Social Security Contributions (non-budgeted)			-	528,150	528,150
Total - State Sources	1,183,202	-	1,183,202	5,153,613	3,970,411
Total Revenues	\$ 14,567,090	\$ -	\$ 14,567,090	\$ 18,625,721	\$ 4,058,631

City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool	\$ -	\$ 12,861	\$ 12,861	\$ 12,860	\$ 1
Kindergarten	449,767	(80,941)	368,826	368,825	1
Grades 1-5	2,305,477	17,197	2,322,674	2,306,684	15,990
Grades 6-8	1,830,854	50,883	1,881,737	1,872,067	9,670
Regular Programs - Home Instruction:					
Salaries of Teachers	4,000		4,000	3,775	225
Purchased Professional - Educational Services	1,000		1,000	390	610
Regular Programs - Undistributed Instruction:					
Other Purchased Services	131,922	(232)	131,690	131,688	2
General Supplies	169,035	(21,316)	147,719	136,744	10,975
Textbooks	59,500	858	60,358	60,357	1
Total Regular Programs	4,951,555	(20,690)	4,930,865	4,893,390	37,475
Multiple Disabilities					
Salaries of Teachers	154,342	(9,871)	144,471	142,840	1,631
Other Salaries for Instruction	1,000	(570)	430	260	170
Other Purchased Services	1,900	(614)	1,286	867	419
General Supplies	6,500	638	7,138	4,937	2,201
Textbooks	1,000	(24)	976	692	284
Total Multiple Disabilities	164,742	(10,441)	154,301	149,596	4,705

City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Resource Room/Resource Center:					
Salaries of Teachers	\$ 915,309	\$ 59,134	\$ 974,443	\$ 972,365	\$ 2,078
Other Salaries for Instruction	75,583	(14,780)	60,803	60,567	236
Other Purchased Services	7,000	(4,438)	2,562	2,562	-
General Supplies	12,600	(727)	11,873	10,435	1,438
Textbooks	8,000	(5,100)	2,900	2,900	-
Total Resource Room/Resource Center	1,018,492	34,089	1,052,581	1,048,829	3,752
Preschool Disabilities - Part Time:					
Salaries of Teachers	68,799	(68,799)	-	-	-
General Supplies	2,500	(2,500)	-	-	-
Total Preschool Disabilities - Part Time	71,299	(71,299)	-	-	-
Preschool Disabilities - Full Time					
Salaries of Teachers	62,186	(2,295)	59,891	59,683	208
Other Salaries for Instruction	12,950	62,420	75,370	75,370	-
Supplies	3,500	(1,207)	2,293	2,292	1
Total Preschool Disabilities - Full Time	78,636	58,918	137,554	137,345	209
Special Education - Home Instruction					
Salaries of Teachers	5,000	(998)	4,002	1,054	2,948
Purchased Educational Services	2,000	(2,000)	-	-	-
Total Special Education - Home Instruction	7,000	(2,998)	4,002	1,054	2,948
Total Special Education - Instruction	1,340,169	8,269	1,348,438	1,336,824	11,614

City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Basic Skills/Remedial- Instruction					
Salaries of Teachers	\$ 28,688	\$ (1,609)	\$ 27,079	\$ 26,993	\$ 86
Other Salaries for Instruction	1,000	(1,000)	-		-
Other Purchased Services	4,200	(4,200)	-		-
General Supplies	2,000	(771)	1,229	1,192	37
Textbooks	4,260	(261)	3,999		3,999
Total Basic Skills/Remedial - Instruction	40,148	(7,841)	32,307	28,185	4,122
Bilingual Education - Instruction:					
Salaries of Teachers	8,928	241	9,169	9,169	-
Other Purchased Services	1,000	(241)	759		759
Supplies	2,500	(428)	2,072	603	1,469
Total Bilingual Education - Instruction	12,428	(428)	12,000	9,772	2,228
School Sponsored Cocurricular Activities - Instruction:					
Salaries	54,641		54,641	22,509	32,132
Purchased Services	1,000		1,000	560	440
Supplies	4,000		4,000	3,522	478
Total School Sponsored Cocurricular Activities - Instruction	59,641	-	59,641	26,591	33,050

**City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
School Sponsored Athletics - Instruction					
Salaries	\$ 56,435	\$ -	\$ 56,435	\$ 52,127	\$ 4,308
Purchased Services	6,000		6,000	5,785	215
Supplies and Materials	6,500		6,500	4,885	1,615
Total School Sponsored Athletics - Instruction	68,935	-	68,935	62,797	6,138
Before/After School Programs/Instruction					
Salaries	3,800	-	3,800	-	3,800
Supplies	250		250		250
Total Before/After School Programs	4,050	-	4,050	-	4,050
Other Supplemental Instruction					
Salaries	16,509		16,509	16,488	21
Total Other Supplemental	16,509	-	16,509	16,488	21
Total Instruction	6,493,435	(20,690)	6,472,745	6,374,047	98,698

City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs	\$ 30,000	\$ -	\$ 30,000	\$ 13,330	\$ 16,670
Tuition to CSSD & Regional Day Schools	104,033		104,033	94,956	9,077
Total Undistributed Expenditures - Instruction	134,033	-	134,033	108,286	25,747
Undistributed Expenditures - Attendance and Social Work:					
Salaries	53,042	536	53,578	53,577	1
Other Purchased Services	3,500	(536)	2,964	2,500	464
Total Undistributed Expenditures - Attendance and Social Work	56,542	-	56,542	56,077	465
Undistributed Expenditures - Health Services:					
Salaries	114,152	-	114,152	112,642	1,510
Other Purchased Services	10,600		10,600	8,027	2,573
Supplies and Materials	10,500		10,500	8,637	1,863
Other Objects	320		320		320
Total Undistributed Expenditures - Health Services	135,572	-	135,572	129,306	6,266
Undistributed Expenditures - Speech, OT, PT & Related Services					
Salaries	357,420		357,420	357,419	1
Purchased Professional Educational Services	43,000	29,046	72,046	68,959	3,087
Supplies and Materials	5,000	(1,971)	3,029	2,893	136
Total Undistributed Expenditures - Other Support Services - Students - Related Services	405,420	27,075	432,495	429,271	3,224

**City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Undistributed Expenditures - Other Support Services - Students - Extra Services					
Salaries	\$ 389,451	\$ (69,420)	\$ 320,031	\$ 277,981	\$ 42,050
Purchased Professional Educational Services	76,612	44,153	120,765	115,142	5,623
Supplies and Materials	2,000	(1,808)	192	191	1
Total Undistributed Expenditures - Other Support Services - Students - Extra Services	468,063	(27,075)	440,988	393,314	47,674
Undistributed Expenditures - Other Support Services - Guidance					
Salaries of Other Professional Staff	149,963	694	150,657	150,532	125
Other Salaries	13,100	(694)	12,406	6,031	6,375
Other Purchased Services	1,700		1,700		1,700
Supplies and Materials	6,000		6,000	837	5,163
Other Objects	300		300	129	171
Total Undistributed Expenditures - Other Support Services - Guidance	171,063	-	171,063	157,529	13,534

City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Undistributed Expenditures - Other Support Services -					
Child Study Team					
Salaries of Other Professional Staff	\$ 343,993	\$ 1,830	\$ 345,823	\$ 313,243	\$ 32,580
Salaries of Secretarial and Clerical Assistants	21,400		21,400	21,399	1
Other Salaries	8,000	86	8,086	7,220	866
Unused Vacation Payment	2,100		2,100		2,100
Purchased Professional - Educational Services	13,000	(2,116)	10,884	4,800	6,084
Purchased Professional - Technical Services	13,750		13,750	12,986	764
Misc. Purchased Services	6,246	(1,820)	4,426	2,811	1,615
Supplies and Materials	7,500	(215)	7,285	4,814	2,471
Miscellaneous Expenditures	2,000	2,235	4,235	4,235	-
Total Undistributed Expenditures - Other Support Services -	417,989	-	417,989	371,508	46,481
Child Study Team					
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisor of Instruction	20,000	13,300	33,300	31,700	1,600
Salaries of Other Professional Staff	18,000	(13,396)	4,604	4,601	3
Salaries of Secretarial & Clerical	21,399	1	21,400	21,399	1
Unused Vacation Payment	3,435	95	3,530	3,529	1
Purchased Professional - Educational Services	6,000		6,000		6,000
Other Purchased Services	6,500		6,500		6,500
Supplies and Materials	8,500		8,500		8,500
Other Objects	1,500		1,500		1,500
Total Undistributed Expenditures - Improv. of Instr. Services	85,334	-	85,334	61,229	24,105

City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Undistributed Expenditures - Educational Media Services - School Library					
Salaries - Technology Coordinators	\$ 56,522	\$ (6,130)	\$ 50,392	\$ 50,391	\$ 1
Other Purchased Services	5,500	5,632	11,132	5,208	5,924
Supplies and Materials	7,500	498	7,998	7,997	1
Other Objects	200		200		200
Total Undistributed Expenditures - Educational Media Services - School Library	69,722	-	69,722	63,596	6,126
Undistributed Expenditures - Instructional Staff Training					
Salaries of Other Professional Staff	7,760	(3,705)	4,055	99	3,956
Other Purchased Professional and Technical Services	13,650	(390)	13,260	9,868	3,392
Travel	1,900	4,095	5,995	5,994	1
Supplies and Materials	1,000		1,000	20	980
Total Undistributed Expenditures - Instructional Staff Training	24,310	-	24,310	15,981	8,329
Undistributed Expenditures - Support Services - Gen. Admin.:					
Salaries	208,848	10,718	219,566	219,566	-
Legal Services	75,000	(6,890)	68,110	48,811	19,299
Audit Fees	22,343		22,343	21,500	843
Other Purchased Professional Services	16,500		16,500	12,845	3,655
Purchased Technical Services	5,500		5,500	4,701	799
Communications/Telephone	54,706	(3,828)	50,878	40,890	9,988
Board Travel	1,500	600	2,100	2,100	-
Other Purchased Services	69,516	(600)	68,916	50,966	17,950
General Supplies	8,395		8,395	5,151	3,244
Board Training and Meeting Supplies	500		500	226	274
Board Memberships	7,000		7,000	6,959	41
Miscellaneous Expenditures	2,500		2,500	970	1,530
Total Undistributed Expenditures - Support Services - Gen. Admin.	472,308	-	472,308	414,685	57,623
Undistributed Expenditures - Support Serv. - School Admin.:					
Salaries of Principals/Assistant Principals	229,069	4,775	233,844	232,689	1,155
Salaries of Other Professional Staff	108,866	(4,775)	108,866	107,389	1,477
Unused Vacation Payment	8,965		4,190		4,190
Other Purchased Services	34,182		34,182	13,235	20,947
Supplies and Materials	22,500	20,690	43,190	41,973	1,217
Miscellaneous Expenditures	3,000		3,000	2,095	905

City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Total Undistributed Expenditures - Support Serv. - School Admin.	406,582	20,690	427,272	397,381	29,891
Undistributed Expenditures - Central Services					
Salary	215,522		215,522	213,728	1,794
Purchased Professional Services	6,500		6,500	1,350	5,150
Miscellaneous Purchased Services	40,000	(967)	39,033	37,424	1,609
Supplies and Materials	6,750	967	7,717	5,449	2,268
Miscellaneous Expense	2,500		2,500	1,350	1,150
Total Undistributed Expenditures - Support Serv. - Central Services	271,272	-	271,272	259,301	11,971
Undistributed Expenditures - Technical Services					
Salary	111,575	(4,110)	107,465	107,464	1
Unused Vacation Payment	2,250	4,924	7,174	7,174	-
Other Purchased Services	117,000	(814)	116,186	95,354	20,832
Supplies and Materials	10,800		10,800	9,311	1,489
Other Objects	2,345		2,345	1,155	1,190
Total Undistributed Expenditures - Support Serv. - Technical Services	243,970	-	243,970	220,458	23,512
Undistributed Expenditures - Required Maintenance for School Facilities					
Salaries	163,696	2,602	166,298	166,298	-
Cleaning Repairs and Maintenance Services	252,308	6,766	259,074	214,159	44,915
General Supplies	41,500	(100)	41,400	7,553	33,847
Miscellaneous Expense	525	100	625	625	-
Total Undistributed Expenditures - Required Maintenance for School Facilities	458,029	9,368	467,397	388,635	78,762

City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Undistributed Expenditures - Operation and Maintenance of Plant Services:					
Salaries	\$ 339,847	\$ (600)	\$ 339,247	\$ 328,865	\$ 10,382
Salaries of Non-Instructional	17,124	(5,200)	11,924	11,923	1
Cleaning, Repair and Maintenance Services	39,000	(12,382)	26,618	13,758	12,860
Other Purchased Property Services	38,000	4,485	42,485	42,484	1
Insurance	64,302		64,302	63,868	434
Miscellaneous Purchased Services	29,000	5,000	34,000	28,160	5,840
General Supplies	82,000	(3,621)	78,379	68,900	9,479
Energy (Heat)	90,837	(18,761)	72,076	72,076	-
Energy (Electricity)	210,000	25,203	235,203	194,761	40,442
Energy (Gas)	2,000		2,000	1,473	527
Other Objects	1,000	76	1,076	504	572
Total Undistributed Expenditures - Operation and Maintenance of Plant Services	913,110	(5,800)	907,310	826,772	80,538
Undistributed Expenditures - Grounds					
Salaries	19,220		19,220	19,220	-
Cleaning, Repairs & Maintenance Services	37,000		37,000	19,697	17,303
General Supplies	5,000		5,000	2,533	2,467
Total Undistributed Expenditures - Grounds	61,220	-	61,220	41,450	19,770
Undistributed Expenditures - Security					
Salaries	34,751	25,020	59,771	59,770	1
Purchased Professional and Technical Services	58,167	(1,437)	56,730	51,789	4,941
Cleaning, Repairs & Maintenance Services	22,500	(16,651)	5,849	5,322	527
General Supplies	9,500	(1,132)	8,368	153	8,215
Total Undistributed Expenditures - Security	124,918	5,800	130,718	117,034	13,684

City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Undistributed Expenditures - Student Transportation Services:					
Contracted Services - (Between Home and School) - Vendors	\$ -	\$ 2,330	\$ 2,330	\$ 2,330	\$ -
Contracted Services - (Other Than Between Home and School) - Vendors	10,000	4,400	14,400	14,400	-
Contracted Services - (Between Home and School) - Joint Agmnts	90,022	27,447	117,469	104,851	12,618
Contracted Services (Special Ed Students) - Joint Agreements		18,146	18,146	14,348	3,798
Contracted Services - Aid in Lieu of Payments	22,000	(10,945)	11,055	11,054	1
Contract Services (Special Ed Students)-Joint Agreements	138,904	(41,399)	97,505	85,761	11,744
Supplies		21	21	20	1
Total Undistributed Expenditures - Student Transportation Serv.	260,926	-	260,926	232,764	28,162
Unallocated Benefits:					
Social Security Contributions	182,000	-	182,000	165,545	16,455
Other Retirement - Regular	211,140	(343)	210,797	203,409	7,388
Defined Contribution Retirement Program	22,000		22,000	8,600	13,400
Unemployment Compensation	40,000	1,131	41,131	41,130	1
Workmen's Compensation	138,878	8,334	147,212	147,212	-
Health Benefits	3,101,422	(24,122)	3,077,300	2,590,966	486,334
Tuition Reimbursements	60,000		60,000	9,850	50,150
Unused Sick Payment to Terminated/Retired Staff	36,884	15,376	52,260	52,260	-
Other Employee Benefits	16,350	(376)	15,974	8,510	7,464
Total Unallocated Benefits	3,808,674	-	3,808,674	3,227,482	581,192
On-behalf TPAF Pension Contributions (non-budgeted)				3,262,151	(3,262,151)
Reimbursed TPAF Social Security Contributions (non-budgeted)				528,150	(528,150)
Total On-behalf Contributions	-	-	-	3,790,301	(3,790,301)
Total Undistributed Expenditures	8,989,057	30,058	9,019,115	11,702,360	(2,683,245)
Total Current Expense	15,482,492	9,368	15,491,860	18,076,407	(2,584,547)

City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Capital Outlay:					
Equipment:					
Undistributed Expenditures:					
Administrative Technology	\$ 20,000	\$ (10,523)	\$ 9,477		\$ 9,477
Facilities		6,800	6,800		6,800
Instructional Equipment					
Auditory Impairments		3,723	3,723	3,723	-
Total Equipment	20,000	-	20,000	3,723	16,277
Facilities Acquisition and Construction Services					
Architectural and Engineering Services	10,000		10,000	10,000	-
Construction Services	427,107	17,345	444,452	410,175	34,277
Debt Service Assessment	18,847		18,847	18,847	-
Increase in Capital Reserve	1,000		1,000		1,000
Increase in Maintenance Reserve	500		500		500
Total Facilities Acquisition and Construction Services	457,454	17,345	474,799	439,022	35,777
Total Capital Outlay	477,454	17,345	494,799	442,745	52,054
Total Expenditures	15,959,946	26,713	15,986,659	18,519,152	(2,532,493)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,392,856)	(26,713)	(1,419,569)	106,569	1,526,138

City of Linwood School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Other Sources and (Uses) of Funds:					
Local Contribution to Preschool Education Program	(100,002)		(100,002)	(100,002)	-
Fund Balances, July 1	(1,492,858)	(26,713)	(1,519,571)	6,567	1,526,138
Fund Balances, June 30	4,668,278	-	4,668,278	4,668,278	-
	<u>\$ 3,175,420</u>	<u>\$ (26,713)</u>	<u>\$ 3,148,707</u>	<u>\$ 4,674,845</u>	<u>\$ 1,526,138</u>
<u>Recapitulation of Fund Balance</u>					
Reserve for Encumbrances				\$ 21,589	
Excess Surplus - Current Year				530,322	
Excess Surplus - Prior Year				519,177	
Capital Reserve				1,722,653	
Maintenance Reserve				1,252,344	
Unreserved Surplus Designated for Subsequent Year's Expenditures				156,204	
Unrestricted Fund Balance				<u>472,556</u>	
				4,674,845	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized				(110,532)	
Fund Balance per Governmental Funds				<u>\$ 4,564,313</u>	

**City of Linwood School District
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2024**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final Budget to Actual
REVENUES:					
Local Sources:					
Revenue from Local Sources	\$ 157,621	\$ 162,211	\$ 319,832	\$ 314,536	\$ (5,296)
Total - Local Sources	157,621	162,211	319,832	314,536	(5,296)
State Sources:					
State Sources	810,258	19,255	829,513	825,745	(3,768)
Total - State Sources	810,258	19,255	829,513	825,745	(3,768)
Federal Sources:					
Federal Sources	311,756	287,022	598,778	441,314	157,464
Total - Federal Sources	311,756	287,022	598,778	441,314	157,464
Total Revenues	1,279,635	468,488	1,748,123	1,581,595	148,400
EXPENDITURES:					
Instruction					
Salaries of Teachers	459,613	38,743	498,356	398,410	99,946
Other Salaries for Instruction	50,660	10,820	61,480	61,480	-
Purchased professional educational service	1,000	4,000	5,000	3,070	1,930
Other Purchased Services (400-500 series)		450	450	450	-
General Supplies	25,614	45,946	71,560	56,603	14,957
Total instruction	536,887	99,959	636,846	520,013	116,833

City of Linwood School District
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Support Services					
Salaries of Supervisors of Instruction	2,600	(1,000)	1,600	1,600	-
Salaries of Program Directors	37,458		37,458	37,458	-
Salaries of Other Professional Staff	43,585	24,395	67,980	36,273	31,707
Salaries of Secr. & Clerical Assistants	5,558		5,558	5,558	-
Other Salaries	13,671	(1,728)	11,943	11,943	-
Salaries of Community Parent Involvement Specialists	5,000		5,000	5,000	-
Salaries of Master Teachers		91,686	91,686	91,686	-
Personal Services - Employee Benefits	135,000	37,319	172,319	157,535	14,784
Purchased Professional - Educational Services	415,000	(36,970)	378,030	378,027	3
Purchased professional technical service	27,424	67,723	95,147	89,372	5,775
Contr. Transportation Service (Field Trips)	2,000		2,000	1,450	550
Other Purchased Services	29,852	(14,649)	15,203	12,706	2,497
Supplies & Materials	20,000	159,472	179,472	179,472	-
Total support services	737,148	326,248	1,063,396	1,008,080	55,316
Contribution to Charter Schools			-		
Capital Outlay:					
Instructional Equipment	5,600	14,417	20,017	17,457	2,560
Non-Instructional Equipment		6,083	6,083	6,083	-
Facilities		21,780	21,780	21,780	-
Total Capital Outlay	5,600	42,280	47,880	45,320	2,560
Total expenditures	1,279,635	468,487	1,748,122	1,573,413	174,709
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 1	\$ 1	\$ 8,182	\$ 323,109

**NOTES TO THE
REQUIRED SUPPLEMENTARY INFORMATION**

City of Linwood School District
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

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

		General Fund	Special Revenue
		<u> </u>	<u> </u>
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	C-1; C-2	\$ 18,625,721	\$ 1,581,595
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized			
Prior Year			61,531
Current Year			(1,565)
State Aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		87,635	43,540
State Aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		<u>(110,532)</u>	<u>(75,693)</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	B-2	<u><u>\$ 18,602,824</u></u>	<u><u>\$ 1,609,408</u></u>
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	C-1; C-2	18,519,152	1,573,413
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes			
Prior Year			61,531
Current Year			<u>(1,565)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	B-2	<u><u>\$ 18,519,152</u></u>	<u><u>\$ 1,633,379</u></u>

REQUIRED SUPPLEMENTARY INFORMATION
PART III

City of Linwood School District
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employee Retirement System
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.0151036201%	0.0149144201%	0.0170811398%	0.0167340439%	0.0171696378%	0.0166928574%	0.0170398487%	0.0173612652%	0.0191716765%	0.0192661061%
District's proportionate of the net pension liability (asset)	\$ 2,187,665	\$ 2,250,791	\$ 2,023,517	\$ 2,728,885	\$ 3,093,708	\$ 3,286,740	\$ 3,966,604	\$ 5,141,909	\$ 4,370,213	\$ 3,607,142
District's covered payroll	\$ 1,256,849	\$ 1,185,632	\$ 1,130,173	\$ 1,198,921	\$ 1,219,684	\$ 1,197,883	\$ 1,172,186	\$ 1,172,944	\$ 1,178,942	\$ 1,331,545
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	174.06%	189.84%	179.04%	227.61%	253.65%	274.38%	338.39%	438.38%	370.69%	270.90%
Plan fiduciary net position as a percentage of the total pension liability	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

Source: GASB 68 report on Public Employees' Retirement System; District records

**City of Linwood School District
Schedule of District Contributions
Public Employee Retirement System
Last Ten Fiscal Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 201,864	\$ 188,078	\$ 200,040	\$ 183,062	\$ 167,010	\$ 166,040	\$ 157,856	\$ 154,235	\$ 167,374	\$ 158,827
Contributions in relation to the contractually required contribution	201,864	188,078	200,040	183,062	167,010	166,040	157,856	154,235	167,374	158,827
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 1,256,849	\$ 1,185,632	\$ 1,130,173	\$ 1,198,921	\$ 1,219,684	\$ 1,197,883	\$ 1,172,186	\$ 1,172,944	\$ 1,178,942	\$ 1,331,545
Contributions as a percentage of covered-employee payroll	16.06%	15.86%	17.70%	15.27%	13.69%	13.86%	13.47%	13.15%	14.20%	11.93%

Source: GASB 68 report on Public Employees' Retirement System; District records

City of Linwood School District
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	29,839,292	30,105,109	27,080,085	38,884,192	35,016,821	38,143,253	42,453,738	49,845,542	40,683,913	36,468,438
Total	<u>\$ 29,839,292</u>	<u>\$ 30,105,109</u>	<u>\$ 27,080,085</u>	<u>\$ 38,884,192</u>	<u>\$ 35,016,821</u>	<u>\$ 38,143,253</u>	<u>\$ 42,453,738</u>	<u>\$ 49,845,542</u>	<u>\$ 40,683,913</u>	<u>\$ 36,468,438</u>
District's covered payroll	\$ 7,291,101	\$ 7,222,465	\$ 7,084,676	\$ 6,429,955	\$ 6,332,720	\$ 6,085,306	\$ 5,958,815	\$ 6,277,658	\$ 6,445,788	\$ 6,435,835
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

Source: GASB 68 report on Public Employees' Retirement System; District records

CITY OF LINWOOD SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net OPEB Liability
Public Employee Retirement System and Teachers' Pension and Annuity Fund
Last Seven Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
State's proportionate share of the net OPEB liability (asset) associated with the District	\$ 38,774,606	\$ 37,042,004	\$ 43,147,872	\$ 50,014,086	\$ 31,941,719	\$ 34,573,061	\$ 38,670,539	\$ 41,871,109
Total	<u>\$ 38,774,606</u>	<u>\$ 37,042,004</u>	<u>\$ 43,147,872</u>	<u>\$ 50,014,086</u>	<u>\$ 31,941,719</u>	<u>\$ 34,573,061</u>	<u>\$ 38,670,539</u>	<u>\$ 41,871,109</u>
District's covered payroll	8,547,950	8,408,097	8,214,849	7,628,876	7,552,404	7,283,189	7,131,001	7,450,602
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of OPEB associated with the District:								
Service Cost	\$ 1,343,664	\$ 1,711,847	\$ 1,945,199	\$ 1,144,790	\$ 1,060,253	\$ 1,286,771	\$ 1,551,540	
Interest Cost	1,365,594	981,654	1,119,301	1,143,379	1,360,773	1,414,636	1,225,338	
Change in Benefit Terms	(25,302)	2,078,644	(9,074,276)	7,492,656	(4,577,171)	(1,938,933)	(5,114,738)	
Differences between Expected & Actual Changes in Assumptions	78,154	(9,936,850)	42,569	9,135,855	476,254	(3,967,432)	32,982	
Member Contributions	34,995	31,194	28,615	26,391	29,065	31,951	(895,692)	
Benefit Payments	(1,064,503)	(972,357)	(881,696)	(870,704)	(980,516)	(924,471)	(3,200,570)	
Change in Total Opeb Liability	<u>1,732,602</u>	<u>(6,105,868)</u>	<u>(6,866,214)</u>	<u>18,072,367</u>	<u>(2,631,342)</u>	<u>(4,097,478)</u>		
State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance	37,042,004	43,147,872	50,014,086	31,941,719	34,573,061	38,670,539	41,871,109	
Ending Balance	<u>\$ 38,774,606</u>	<u>\$ 37,042,004</u>	<u>\$ 43,147,872</u>	<u>\$ 50,014,086</u>	<u>\$ 31,941,719</u>	<u>\$ 34,573,061</u>	<u>\$ 38,670,539</u>	
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	453.61%	440.55%	525.24%	655.59%	422.93%	474.70%	542.29%	

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

Note: This schedule is required by GASB 75 to be show information for a 10 year period.

However, information is only currently available for six years.

Additional years will be presented as they become available.

Other Supplementary Information

SPECIAL REVENUE FUND DETAIL STATEMENTS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for a specific purpose.

City of Linwood School District
Special Revenue Fund
Combining Schedule of Revenue and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2024

	Linwood Education Foundation	Parent and Teacher Association	Atlanticare	Preschool Education Aid	SDA Grant	Title I	IDEA/ Basic	Title II A	Total
REVENUES:									
State Sources	\$	\$	\$	\$ 806,490	\$ 19,255	\$	\$	\$	\$ 825,745
Federal Sources						108,018	191,111	19,235	441,314
Local Sources	28,672	4,408	418	100,002					314,536
Total revenues	28,672	4,408	418	906,492	19,255	108,018	191,111	19,235	1,581,595
EXPENDITURES									
Instruction:									
Salaries of teachers				147,362		72,427	124,480		398,410
Other Salaries for Instruction				61,480					61,480
Other purchased services		450							450
Purchased professional educational service									3,070
General supplies	9,946	3,958	418	29,951		6,700	716		56,603
Total instruction	9,946	4,408	418	238,793	-	79,127	125,196	-	520,013
Support services:									
Salaries of Supervisors of Instruction				1,600					1,600
Salaries of Program Directors				37,458					37,458
Salaries of Other Professional Staff				20,003			3,849		36,273
Salaries of Secr. & Clerical/Assistants				5,558					5,558
Other Salaries				11,943					11,943
Salaries of Community Parent Involvement Specialists				5,000					5,000
Salaries of Master Teachers				91,686					91,686
Personal services- employee benefits				111,993		28,891	8,066		157,535
Purchased professional educational service				378,027					378,027
Purchased professional technical service							54,000	15,235	89,372
Other Purchased Services								4,000	12,706
Contr. Transportation Service (Field Trips)									1,450
Supplies and materials	1,269			-					179,472
Total support services	1,269	-	-	667,699	-	28,891	65,915	19,235	1,008,080
Capital Outlay:									
Instructional Equipment	17,457								17,457
Non-Instructional Equipment									6,083
Facilities					19,255				21,780
Total Capital Outlay	17,457	-	-	-	19,255	-	-	-	45,320
Total expenditures	28,672	4,408	418	906,492	19,255	108,018	191,111	19,235	1,573,413
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,182

City of Linwood School District
Special Revenue Fund
Combining Schedule of Revenue and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2024

	IDEA Preschool	CRRSA Summer Learning	ARP ESSER	ARP Evidence Based Beyond School Day	CRRSA Learning Acceleration	CRRSA Mental Health	ARP Mental Health Support Staffing	ARP Accelerated Learning Coach	Subtotal
REVENUES:									
State Sources	\$ 5,422	\$ 13,830	\$ 8,608	\$ 24,110	\$ 6,166	\$ 13,814	\$ 13,544	\$ 24,775	\$ -
Federal Sources									110,269
Local Sources									-
Total revenues	5,422	13,830	8,608	24,110	6,166	13,814	13,544	24,775	110,269
EXPENDITURES									
Instruction:									
Salaries of teachers	4,568	10,988		21,513	5,356		7,025	4,691	54,141
General supplies	505							2,048	2,553
Total instruction	5,073	10,988	-	21,513	5,356	-	7,025	6,739	56,694
Support services:									
Salaries of Supervisors of Instruction									-
Salaries of Program Directors									-
Salaries of Other Professional Staff						12,320	101		12,421
Personal services- employee benefits	349	2,842		2,597	410	949	1,069	369	8,585
Purchased professional technical service					400	545		17,667	18,612
Supplies and materials							5,349		5,349
Total support services	349	2,842	-	2,597	810	13,814	6,519	18,036	44,967
Capital Outlay:									
Instructional Equipment			6,083						-
Non-Instructional Equipment			2,525						6,083
Facilities									2,525
Total Capital Outlay	-	-	8,608	-	-	-	-	-	8,608
Total expenditures	5,422	13,830	8,608	24,110	6,166	13,814	13,544	24,775	110,269
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

City of Linwood School District
Special Revenue Fund
Combining Schedule of Revenue and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2024

	Title IV	Student Activities	Subtotal
REVENUES:			
State Sources	\$	\$	\$
Federal Sources	12,681		12,681
Local Sources		181,036	181,036
Total revenues	12,681	181,036	193,717
EXPENDITURES			
Instruction:			
Salaries of teachers			-
Purchased professional educational service	3,070		3,070
General supplies	2,361		2,361
Total instruction	5,431	-	5,431
Support services:			
Purchased professional technical service	1,525		1,525
Other purchased services	5,725		5,725
Supplies and materials		172,854	172,854
Total support services	7,250	172,854	180,104
Capital Outlay:			
Instructional Equipment			-
Facilities			-
Total Capital Outlay	-	-	-
Total expenditures	12,681	172,854	185,535
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 8,182	\$ 8,182

City of Linwood School District
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
For the Year Ended June 30, 2024

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 147,362	\$ 147,362	\$ -
Other Salaries for Instruction	61,480	61,480	-
General Supplies	30,606	29,951	655
Total Instruction	<u>239,448</u>	<u>238,793</u>	<u>655</u>
Support Services:			
Salaries of Supervisors of Instruction	1,600	1,600	-
Salaries of Program Directors	37,458	37,458	-
Salaries of Other Professional Staff	20,003	20,003	-
Salaries of Secr. & Clerical Assistants	5,558	5,558	-
Other Salaries	11,943	11,943	-
Salaries of Community Parent Involvement Specialists	5,000	5,000	-
Salaries of Master Teachers	91,686	91,686	-
Personal Services - Employee Benefits	111,993	111,993	-
Purchased Professional - Educational Services	378,030	378,027	3
Other Purchased Professional Services	2,981	2,981	-
Contr. Transportation Service (Field Trips)	2,000	1,450	550
Total Support Services	<u>668,252</u>	<u>667,699</u>	<u>553</u>
Facilities acquisition and Const. Services			
Instructional Equipment	2,560		2,560
Total facilities acquisition and Const. Services	<u>2,560</u>	<u>-</u>	<u>2,560</u>
Contribution to charter schools			
Total Expenditures	<u>\$ 910,260</u>	<u>\$ 906,492</u>	<u>\$ 3,768</u>

CALCULATION OF BUDGET & CARRYOVER

Total revised 2023-24 Preschool Education Aid Allocation :	\$ 810,258
Add: Actual Carryover (June 30, 2023) :	1,340
Add: Budgeted Transfer from the General Fund 2023-24 :	100,002
Total Preschool Education Aid Funds Available :	<u>911,600</u>
Less: 2023-24 Budgeted Preschool Education Aid	<u>(910,260)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2024 :	<u>1,340</u>
Add: June 30, 2024 ended Preschool Education Aid :	3,768
2023-24 Carryover - Preschool Education Aid/Preschool :	<u>\$ 5,108</u>
23-24 Preschool Education Aid Carryover Budgeted for Preschool Programs 2024-25 :	<u>\$ 1,339</u>

See Accompanying Auditor's Report

LONG-TERM DEBT SCHEDULES

The long-term debt schedules are used to reflect the outstanding principal balance of the general long-term liabilities of the school district. This includes serial bonds outstanding, the outstanding principal balance on capital leases.

**City of Linwood School District
Schedule of General Serial Bonds
As of June 30, 2024**

Improvement Description	Date of Issue	Amount of Original Issue	Maturities of Bonds					
			Outstanding		Interest Rate	Balance June 30, 2023	Balance June 30, 2024	
			Date	Amount				
School Bonds, Series 2018	7/3/2018	2,560,000	7/15/2024	200,000	3.000%	1,940,000	180,000	1,760,000
			7/15/2025	210,000	3.000%			
			7/15/2026	230,000	3.000%			
			7/15/2027	280,000	3.000%			
			7/15/2028	280,000	3.000%			
			7/15/2029	280,000	3.000%			
			7/15/2030	280,000	3.000%			
						\$ 1,940,000	180,000	1,760,000

City of Linwood School District
Schedule of Lease Obligations
As of June 30, 2024

Purpose	Date of Issue	Term	Amount of Original Issue	Interest Rate	Balance	
					June 30, 2023	June 30, 2024
					Increased	Decreased
Copiers	1/15/2022	5 Years	44,161	5.000%	\$ 27,777	\$ 8,811
7 Copiers	10/1/2022	5 Years	132,112	5.000%	110,634	25,104
6 Copiers	11/1/2023	5 Years	84,122	5.000%	84,122	5,746
					<u>\$ 27,777</u>	<u>\$ 39,661</u>
					<u>\$ 194,756</u>	<u>\$ 182,872</u>

City of Linwood School District
Budgetary Comparison Schedule
Debt Service Fund
For the Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 235,500		235,500	235,500	-
Total - Local Sources	235,500	-	235,500	235,500	-
Total Revenues	235,500	-	235,500	235,500	-
EXPENDITURES:					
Regular Debt Service:					
Redemption of Principal	180,000		180,000	180,000	-
Interest on Bonds	55,500		55,500	55,500	-
Total Regular Debt Service	235,500	-	235,500	235,500	-
Total Expenditures	235,500	-	235,500	235,500	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources(Uses):					
Bond Proceeds			-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	-	-	-	-	-
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	\$ -	-	-	-	-

Statistical Section

City of Linwood School District
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Invested in capital assets, net of related debt	\$ 16,626,933	\$ 16,624,520	\$ 16,102,697	\$ 15,746,633	\$ 15,505,788	\$ 14,750,855	\$ 14,269,062	\$ 13,905,846	\$ 13,694,704	\$ 11,439,287
Restricted	2,503,873	2,874,673	2,852,816	2,510,474	2,314,193	2,872,458	3,023,485	3,544,104	4,199,654	4,180,700
Unrestricted	(3,757,514)	(4,249,099)	(4,978,697)	(6,544,868)	(6,407,564)	(4,136,855)	(3,539,083)	(2,956,908)	(4,956,716)	(2,751,569)
Total governmental activities net position	\$ 15,373,292	\$ 15,250,094	\$ 13,976,816	\$ 11,712,239	\$ 11,412,417	\$ 13,486,458	\$ 13,753,464	\$ 14,493,042	\$ 12,937,642	\$ 12,868,418
Business-type activities										
Unrestricted	21,426	56,208	50,012	45,605	44,625	28,242	14,882	29,608	33,444	38,188
Total business-type activities net position	\$ 21,426	\$ 56,208	\$ 50,012	\$ 45,605	\$ 44,625	\$ 28,242	\$ 14,882	\$ 29,608	\$ 33,444	\$ 38,188
District-wide										
Invested in capital assets, net of related debt	\$ 16,626,933	\$ 16,624,520	\$ 16,102,697	\$ 15,746,633	\$ 15,505,788	\$ 14,750,855	\$ 14,269,062	\$ 13,905,846	\$ 13,694,704	\$ 11,439,287
Restricted	2,503,873	2,874,673	2,852,816	2,510,474	2,314,193	2,872,458	3,023,485	3,544,104	4,199,654	4,180,700
Unrestricted	(3,736,088)	(4,192,891)	(4,928,685)	(6,499,263)	(6,362,939)	(4,108,613)	(3,524,201)	(2,927,300)	(4,923,272)	(2,751,569)
Total district net position	\$ 15,394,718	\$ 15,306,302	\$ 14,026,828	\$ 11,757,844	\$ 11,457,042	\$ 13,514,700	\$ 13,768,346	\$ 14,522,650	\$ 12,971,086	\$ 12,868,418

Source: ACFR Schedule A-1

City of Linwood School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
Instruction										
Regular	\$ 7,829,568	\$ 7,964,706	\$ 8,628,752	\$ 8,928,769	\$ 7,867,960	\$ 6,391,029	\$ 7,621,900	\$ 8,813,684	\$ 6,989,114	\$ 7,706,022
Special education	2,054,226	2,181,381	2,512,965	2,927,692	2,375,973	1,874,700	2,490,359	3,057,704	2,874,504	2,924,114
Other special education	690,759	645,998	676,317	844,759	545,905	335,771	324,145	322,581	52,121	59,775
Other instruction	206,036	197,938	197,821	192,466	229,022	200,807	207,736	276,815	197,759	166,732
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Tuition	130,598	159,964	144,291	199,815	227,288	175,913	96,018	91,819	148,561	108,286
Student & instruction related services	2,251,394	2,730,790	3,239,485	3,376,419	3,091,171	2,533,190	2,800,863	3,527,927	3,434,280	4,034,302
General administrative services	641,990	703,286	669,407	742,257	642,918	466,473	545,073	547,924	498,325	498,325
School administrative services	544,828	726,228	626,851	759,204	692,698	832,512	594,414	653,206	681,734	561,765
Business administrative and technology services	550,854	598,479	666,976	784,647	653,236	537,052	639,964	657,191	722,117	601,628
Plant operations and maintenance	2,096,898	2,034,279	1,996,640	2,765,866	2,171,700	1,675,920	2,223,069	2,393,970	2,311,901	1,877,982
Pupil transportation	136,680	148,906	213,525	192,710	129,360	134,024	139,008	257,934	266,036	291,890
Special Schools										
Charter Schools										
Interest on long-term debt					39,560		229,150	243,922	106,176	73,280
Unallocated depreciation										
Total governmental activities expenses	17,133,831	18,091,955	19,573,030	21,714,604	18,666,791	15,379,991	17,911,699	20,844,677	18,336,687	18,904,101
Business-type activities:										
Child Care	74,414	81,403	115,205	112,704	133,156	111,679	37,455	86,286	118,352	134,238
Total business-type activities expense	74,414	81,403	115,205	112,704	133,156	111,679	37,455	86,286	118,352	134,238
Total district expenses	\$ 17,208,245	\$ 18,173,358	\$ 19,688,235	\$ 21,827,308	\$ 18,799,947	\$ 15,491,670	\$ 17,949,154	\$ 20,930,963	\$ 18,455,039	\$ 19,038,339
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	144,055	162,002	222,747	227,547	208,961	204,691	-	-	-	-
General Administrative Services										
Plant operations and maintenance	32,273	-	-	-	-	-	-	-	-	-
Operating grants and contributions	3,301,697	4,033,833	5,308,931	6,108,947	4,741,299	2,984,738	3,640,790	6,725,620	3,828,050	3,786,856
Capital grants and contributions										
Total governmental activities program revenues	3,478,025	4,195,835	5,531,678	6,336,494	4,950,260	3,189,429	3,640,790	6,725,620	3,828,050	3,786,856
Business-type activities:										
Charges for services										
Child care	72,442	116,110	108,777	107,993	131,774	94,635	14,022	100,984	121,966	138,515
Operating grants and contributions										
Capital grants and contributions										
Total business type activities program revenues	72,442	116,110	108,777	107,993	131,774	94,635	14,022	100,984	121,966	138,515
Total district program revenues	\$ 3,550,467	\$ 4,311,945	\$ 5,640,455	\$ 6,444,487	\$ 5,082,034	\$ 3,284,064	\$ 3,654,812	\$ 6,826,604	\$ 3,950,016	\$ 3,925,371
Net (Expense)/Revenue										
Governmental activities	\$ (13,655,806)	\$ (13,896,120)	\$ (14,041,352)	\$ (15,378,110)	\$ (13,716,531)	\$ (12,190,562)	\$ (14,270,909)	\$ (14,119,057)	\$ (14,508,637)	\$ (15,117,245)
Business-type activities	(1,972)	34,707	(6,428)	(4,711)	(1,382)	(17,044)	(23,433)	14,698	3,614	4,277
Total district-wide net expense	\$ (13,657,778)	\$ (13,861,413)	\$ (14,047,780)	\$ (15,382,821)	\$ (13,717,913)	\$ (12,207,606)	\$ (14,294,342)	\$ (14,104,359)	\$ (14,505,023)	\$ (15,112,968)

City of Linwood School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 11,376,075	\$ 11,517,868	\$ 11,228,084	\$ 11,354,178	\$ 11,526,749	\$ 12,543,717	\$ 12,801,892	\$ 13,060,033	\$ 13,312,536	\$ 13,579,138
Taxes levied for debt service	1,620,550	1,658,433	1,720,436	1,699,323	1,702,805	1,600,393	1,495,807	1,387,912	1,231,257	1,340,415
Unrestricted grants and contributions	831,596	559,411								
Funds received from the City of Linwood	(173,228)	(37,887)	(222,098)							
Loss on Disposal of Equipment	115,181	73,897	62,641	70,041	71,303	79,493	145,148	410,791	555,611	128,470
Miscellaneous income					5,554	-	-	-	-	
Bond Proceeds	13,770,174	13,771,722	12,789,063	13,123,543	13,306,411	14,223,603	14,442,847	14,858,736	15,099,404	15,048,023
Total governmental activities										
Business-type activities:										
Investment earnings	53	75	233	305	402	661	73	28	222	467
Transfers							10,000			
Total business-type activities	53	75	233	305	402	661	10,073	28	222	467
Total district-wide	\$ 13,770,227	\$ 13,771,797	\$ 12,789,296	\$ 13,123,848	\$ 13,306,813	\$ 14,224,264	\$ 14,452,920	\$ 14,858,764	\$ 15,099,626	\$ 15,048,490
Change in Net Position										
Governmental activities	\$ 114,368	\$ (124,398)	\$ (1,252,289)	\$ (2,254,567)	\$ (410,120)	\$ 2,033,041	\$ 171,938	\$ 739,679	\$ 590,767	\$ (69,222)
Business-type activities	(1,919)	34,782	(6,195)	(4,407)	(980)	(16,383)	(13,360)	14,726	3,836	4,744
Total district	\$ 112,449	\$ (89,616)	\$ (1,258,484)	\$ (2,258,974)	\$ (411,100)	\$ 2,016,658	\$ 158,578	\$ 754,405	\$ 594,603	\$ (64,478)

Source: ACFR Schedule A-2

City of Linwood School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Unaudited

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	\$ 824,903	\$ 912,772	\$ 633,754	\$ 620,503	\$ 602,632	\$ 1,200,045	\$ 1,110,102	\$ 1,066,596	\$ 1,073,184	\$ 1,049,499
Committed	1,158,161	1,473,763	1,779,029	1,872,702	1,696,753	1,470,411	1,672,011	1,798,665	2,397,125	2,974,997
Assigned	520,809	488,138	340,033	17,268	14,808	201,902	241,370	678,843	729,343	177,793
Unassigned	173,632	203,452	258,582	273,365	325,094	306,978	614,772	682,982	380,992	362,025
Reserved										
Unreserved										
Total general fund	\$ 2,677,505	\$ 3,078,125	\$ 3,011,398	\$ 2,783,838	\$ 2,639,287	\$ 3,179,336	\$ 3,638,255	\$ 4,227,086	\$ 4,580,644	\$ 4,564,314
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,299
Unreserved, reported in:										
Special revenue fund							74,692	68,612	14,577	(75,693)
Total all other governmental funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,692	\$ 68,612	\$ 14,577	\$ (9,394)

Source: ACFR Schedule B-1

City of Linwood School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Unaudited

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax levy	\$ 11,376,075	\$ 11,517,868	\$ 11,228,084	\$ 11,354,178	\$ 11,526,749	\$ 12,543,717	\$ 12,801,892	\$ 13,060,033	\$ 13,312,536	\$ 13,579,138
Tuition charges	144,055	162,002	222,747	227,547	208,961	200,942	103,915	249,975	29,547	28,999
Miscellaneous	6,428	4,646	17,617	22,735	29,173	83,242	41,234	160,816	526,064	99,471
Local Sources	229,323	124,075	116,057	54,822	90,709	53,459	109,334	133,334	347,770	212,969
State sources	3,000,729	3,239,709	2,252,355	5,267,260	3,817,063	3,876,800	4,169,189	4,934,728	5,156,736	5,944,634
Federal sources	228,878	259,551	266,271	289,563	284,330	225,820	301,098	549,661	922,667	482,519
Total revenue	14,985,488	15,307,851	14,103,131	17,216,106	15,956,985	16,983,980	17,526,662	19,088,547	20,295,320	20,347,730
Expenditures										
Instruction										
Regular Instruction	4,587,761	4,451,480	4,351,507	4,185,206	4,330,406	4,437,611	4,603,120	4,750,643	4,820,345	4,893,390
Special education instruction	1,203,680	1,229,191	1,267,296	1,372,835	1,324,478	1,296,784	1,504,011	1,648,126	1,854,715	1,856,837
Other special instruction	373,873	309,639	341,069	386,041	304,270	226,554	189,723	173,874	35,948	37,957
Other instruction	117,197	116,562	99,762	100,255	127,674	139,649	125,459	149,205	124,942	105,876
Support Services:										
Tuition	130,598	159,964	144,291	164,766	227,288	175,913	96,018	91,819	148,561	108,286
Student & instruction related services	1,547,111	1,526,260	1,633,683	1,583,333	1,723,236	1,761,677	1,691,535	1,901,580	2,380,049	2,588,322
General administrative services	441,162	445,944	399,135	397,483	426,414	644,194	409,444	352,320	372,131	397,381
School Administrative services	374,394	431,856	400,590	409,287	401,505	361,389	375,457	420,017	459,273	414,685
Business Administrative & Technology Services	378,535	367,438	375,123	445,222	427,279	425,551	440,131	422,579	486,478	479,759
Plant operations and maintenance	1,437,144	1,249,159	1,274,720	1,486,167	1,356,447	1,243,824	1,595,570	1,539,342	1,563,139	1,373,891
Pupil transportation	94,284	98,697	131,680	103,548	80,699	89,285	95,702	165,942	179,224	232,764
Unallocated employee benefits	2,665,760	2,717,064	3,199,920	2,953,207	80,699	89,285	95,702	165,942	179,224	232,764
On Behalf Payments - TPAP & FICA	1,379,112	1,580,105	3,199,920	3,565,952	5,224,179	5,279,750	5,548,533	6,239,401	6,743,142	7,175,318
Charter Schools	1,136,790	794,283	330,093	390,344	113,666	149,051	173,365	425,773	597,312	488,065
Capital outlay										
Debt service:										
Principal										
Interest and other charges										
Total expenditures	15,867,401	15,477,642	13,948,869	17,543,645	16,107,101	16,443,832	17,067,218	18,505,696	19,995,797	20,388,031
Excess (Deficiency) of revenues over (under) expenditures	(881,913)	(169,791)	154,262	(327,540)	(150,116)	540,148	459,444	582,851	299,523	(40,301)
Other Financing sources (uses)										
Capital leases (non-budgeted)										
Bond proceeds	831,596	559,411			5,554	-	-	-	-	-
Total other financing sources (uses)	831,596	559,411	-	-	5,554	-	-	-	-	-
Net change in fund balances	\$ (50,317)	\$ 389,620	\$ 154,262	\$ (327,540)	\$ (144,562)	\$ 540,148	\$ 459,444	\$ 582,851	\$ 299,523	\$ (40,301)
Debt service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	0.0%	0.2%	1.3%	1.3%	1.2%	1.2%	1.2%

Source: ACFR Schedule B-2

City of Linwood School District
General & Special Revenue Fund Other Local Revenue By Source
Last Ten Years
Unaudited

<u>Fiscal Year Ended June 30,</u>	<u>Interest on Investments</u>	<u>Tuition Revenue</u>	<u>Building Use And Rentals</u>	<u>Shared Services Revenue</u>	<u>Misc.</u>	<u>Total</u>
2015	6,428	144,055	14,223	32,273	172,837	369,816
2016	4,646	162,002	19,775	-	104,300	290,723
2017	17,617	222,747	19,505	-	40,854	300,723
2018	22,735	227,547	17,380	-	47,442	315,104
2019	-	-	15,175	-	263,664	284,184
2020	27,991	200,942	16,600	-	38,651	284,184
2021	11,566	103,915	-	-	29,667	145,148
2022	3,603	149,975	1,600	-	255,613	410,791
2023	-	29,547	13,960	-	512,104	555,611
2024	76,438	28,999	13,000	-	10,033	128,470

Source: District Records

City of Linwood School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2015	18,239,300.00	845,963,100.00	876,200.00	38,300.00	120,935,300.00		986,052,200.00	-	986,052,200.00	1.16	996,616,333.00
2016	17,526,500.00	842,408,500.00	876,200.00	38,300.00	117,900,700.00		978,750,200.00	-	978,750,200.00	1.16	958,713,096.00
2017	15,718,000.00	828,083,400.00	-	-	117,749,100.00		961,550,500.00	-	961,550,500.00	1.17	958,713,096.00
2018	14,122,400.00	817,881,000.00	-	-	117,903,400.00		949,906,800.00	-	949,906,800.00	1.20	949,695,300.00
2019	14,122,400.00	817,669,500.00	-	-	117,903,400.00		949,695,300.00	-	949,695,300.00	1.24	896,277,180.00
2020	14,122,400.00	817,669,500.00	-	-	117,903,400.00		949,695,300.00	-	949,695,300.00	1.36	917,423,291.00
2021	12,032,300.00	805,899,700.00	-	-	112,674,100.00		930,606,100.00	-	930,606,100.00	1.39	944,206,127.00
2022	12,161,600.00	809,574,500.00	-	-	109,334,900.00		931,071,000.00	-	931,071,000.00	1.42	953,556,561.00
2023	11,405,300.00	814,769,800.00	-	-	107,889,200.00	321,000.00	934,385,300.00	-	934,385,300.00	1.44	1,061,386,358.00
2024	10,648,900.00	822,114,000.00	-	-	108,981,000.00	321,000.00	942,064,900.00	-	942,064,900.00	1.47	1,223,275,653.00

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100 of Assessed Valuation

c A majority of the difference between the net valuation taxable and the estimated actual value is due to a tax abatement program within the District which is not deducted from the estimated actual value.

City of Linwood School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

(rate per \$100 of assessed value)

Unaudited

Fiscal Year Ended June 30,	City of Linwood School District			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total District	Mainland Regional High School District	City of Linwood	Atlantic County ^c	
2015	1.160	0.043	1.203	0.648	0.902	0.472	3.225
2016	1.162	0.050	1.212	0.645	0.900	0.465	3.222
2017	1.174	0.057	1.231	0.684	0.928	0.491	3.334
2018	1.203	0.059	1.336	0.708	0.948	0.484	3.481
2019	1.293	0.043	1.336	0.712	0.961	0.472	3.481
2020	1.363	0.042	1.405	0.704	0.961	0.486	3.556
2021	1.390	0.039	1.429	0.703	0.962	0.512	3.606
2022	1.418	0.022	1.440	0.720	0.980	0.498	3.638
2023	1.439	0.022	1.461	0.734	1.015	0.527	3.737
2024	1.466	0.021	1.487	0.760	1.032	0.536	3.815

Source: District Records and 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. The District is a Type I District and does not issue debt directly.

c Includes the general County tax as well as the County Health and Open Spaces taxes.

**City of Linwood School District
Principal Property Tax Payers,
Current Year and Ten Years Ago
Unaudited**

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
SF III Cornerstone, LLC	\$ 21,100,000	1	2.24%			
Brandall Central Ave LLC	7,500,000	2	0.80%			
Linwood Care Property LLC	6,829,900	3	0.72%			
Central Park East	4,260,000	4	0.45%	6,934,600	4	0.70%
Central Square	3,885,600	5	0.41%	9,865,200	2	1.00%
Alexon Enterprises, LLC	2,490,500	6	0.26%	2,490,500	9	0.25%
Linwood CC Land LLC	2,468,000	7	0.26%			
Central Square	2,385,300	8	0.25%			
Linwood Professional Plaza	2,300,000	9	0.24%	3,019,700	8	0.31%
GLB Management LLC	1,738,000	10	0.18%			
CCC Atlantic, LLC				23,260,000	1	2.36%
Brendall Estates, LLC				8,000,000	3	0.81%
CPL (Nursing Home)				6,829,900	5	0.69%
Linwood Golf & Country Club				3,600,000	6	0.37%
Individual Taxpayer #1				3,291,800	7	0.33%
Individual Taxpayer #2				2,373,900	10	0.24%
Total	<u>\$ 54,957,300</u>		<u>5.83%</u>	<u>\$ 69,665,600</u>		<u>7.07%</u>

Source: District ACFR & Municipal Tax Assessor

**City of Linwood School District
Property Tax Levies and Collections,
Last Ten Fiscal Years
Unaudited**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	11,376,075	11,153,974	98.05%	-
2016	11,517,868	11,376,075	98.77%	-
2017	11,517,868	11,517,868	100.00%	-
2018	11,354,178	11,517,868	101.44%	-
2019	11,526,749	11,354,178	91.89%	-
2020	12,543,717	11,526,749	91.89%	-
2021	12,801,892	12,801,892	100.00%	-
2022	13,060,033	13,060,033	100.00%	-
2023	13,312,536	13,312,536	100.00%	-
2024	13,579,138	13,579,138	100.00%	-

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

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

City of Linwood School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District	
2015	3,076,007			3,502,000		6,578,007	2170.04%
2016	2,740,691			3,502,000		6,242,691	2045.12%
2017	2,410,375			3,447,000		5,857,375	1.87%
2018	2,057,864			3,362,000		5,419,864	1727.20%
2019	6,819,287			606,000		7,425,287	2366.29%
2020	3,744,377			606,000		4,350,377	1342.58%
2021	3,210,000			-		3,210,000	955.54%
2022	2,685,000			-		2,685,000	692.62%
2023	2,330,000			-		2,330,000	573.96%
2024	1,955,000					1,955,000	502.54%

Source: City of Linwood Finance Office Records

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

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

b The District was a Type I District and did not directly issue debt. Bonds were issued by the City of Linwood.

City of Linwood School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^c
	General Obligation Bonds ^b	Deductions	Net General Bonded Debt Outstanding		
2015	3,076,007	-	3,076,007	0.31%	44,053
2016	2,740,691	-	2,740,691	0.28%	44,771
2017	2,410,375	-	2,410,375	0.25%	46,557
2018	2,057,864	-	2,057,864	0.22%	46,557
2019	1,699,287	-	1,699,287	0.18%	46,557
2020	1,324,377	-	1,324,377	0.14%	48,668
2021	940,000	-	940,000	0.10%	50,631
2022	575,000	-	575,000	0.06%	55,802
2023	390,000	-	390,000	0.04%	58,310
2024	195,000	-	195,000	0.02%	55,918

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

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

^b The District was a Type I District and did not directly issue debt. Bonds were issued by the City of Linwood.

^c Population data can be found in Exhibit NJ J-14.

City of Linwood School District
Ratios of Overlapping Governmental Activities Debt
As of December 31, 2023
Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
City of Linwood	\$ 10,803,623	100.00%	\$ 10,803,623
Other debt			
Mainland Regional High School Debt (City's Share)	18,375,000.00	30.36%	5,578,792
County of Atlantic (City's Share)	233,275,017.57	2.70%	6,289,260
Subtotal, Overlapping Debt			22,671,675
Linwood School District Direct Debt			1,760,000
Total Direct and Overlapping Debt			<u>\$ 24,431,675</u>

Sources: Linwood Finance Officer, Atlantic County Finance Office and Utility Authorities

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Linwood. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

City of Linwood School District
Legal Debt Margin Information,
Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2023

Equalized valuation basis	
2023	\$ 1,212,070,697
2022	1,056,474,526
2021	951,929,317
[A]	<u>\$ 3,220,474,540</u>

Average equalized valuation of taxable property	[A/3]	\$ 1,073,491,513
Debt Limit (3% of Avg Equal Value)	[B]	32,204,745 ^a
Net school debt	[C]	1,955,000
Legal debt margin	[B-C]	<u>\$ 30,249,745</u>

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 32,279,753	\$ 30,058,294	\$ 29,187,087	\$ 18,990,752	\$ 27,349,020	\$ 27,191,157	\$ 27,579,066	\$ 28,135,587	\$ 29,526,100	\$ 32,204,745
Total net debt applicable to limit	7,806,323	6,242,691	5,857,375	5,419,864	6,534,574	1,930,377	940,000	575,000	2,330,000	1,955,000
Legal debt margin	<u>\$ 27,184,227</u>	<u>\$ 24,373,430</u>	<u>\$ 23,815,603</u>	<u>\$ 23,329,712</u>	<u>\$ 13,570,888</u>	<u>\$ 25,260,780</u>	<u>\$ 26,639,066</u>	<u>\$ 27,560,587</u>	<u>\$ 29,874,745</u>	<u>\$ 30,249,745</u>
Total net debt applicable to the limit as a percentage of debt limit	14.45%	24.26%	20.77%	20.07%	28.54%	7.10%	3.41%	2.04%	7.23%	6.07%

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

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

City of Linwood School District
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2015	6,881	303,129	44,053	6.6%
2016	6,818	305,249	44,771	5.8%
2017	6,767	315,051	46,557	5.8%
2018	6,740	313,794	46,557	3.7%
2019	6,740	313,794	46,557	3.7%
2020	6,658	324,032	48,668	3.1%
2021	6,635	335,937	50,631	11.8%
2022	6,947	387,656	55,802	6.2%
2023	6,962	405,954	58,310	3.6%
2024	6,957	389,022	55,918	3.9%

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development - most current information is as of 7/1/2020

^b Personal income provided by the NJ Dept of Labor and Workforce Development- most current information is as of March 2019

^c Per Capita information provided by Labor Report of Per Capita Income, Atlantic County

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

City of Linwood School District
Principal Employers,
Current Year and Nine Years Ago
Unaudited

Employer	2024			2015		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
		NOT AVAILABLE			NOT AVAILABLE	
	-		0.00%	-		0.00%

Source:

Employers listed above

Percentages above are zero because total employment is unknown

City of Linwood School District
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Instruction										
Regular	59.5	59.1	53.2	53.9	49.5	49.8	49.8	49.8	51.0	60.4
Special education	37.4	40.5	41.3	39.4	41.6	39.4	39.4	40.0	44.7	37.5
Other special education	7.6	6.5	5.0	6.0	4.5	3.7	3.7	3.7	3.7	3.7
Other instruction	0.0	0.0	0.0	0.0	0.6	0.0	0.0	0.0	0.0	0
Support Services:										
Student & instruction related services	15.7	11.9	15.2	15.1	16.5	16.4	12.9	16.4	15.7	12.1
General administrative services	2.3	2.3	1.7	2.2	2.2	2.2	2.2	2.2	2.2	2.2
School administrative services	5.6	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5
Business administrative & Technology services	4.3	4.0	3.8	4.8	4.8	4.8	4.8	4.8	5.0	5
Plant operations and maintenance	15.9	15.9	15.8	15.6	13.9	13.9	13.9	13.9	12.0	13
Pupil transportation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Special Schools	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Food Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Child Care	0.7	0.7	0.7	0.7	0.7	0.0	0.0	0.0	0.0	0
Total	149.0	145.9	141.8	142.8	139.3	135.2	131.7	135.8	139.3	138.9

Source: District Personnel Records

City of Linwood School District
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Pupil/Teacher Ratio				Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff ^b	Elementary	Middle School	High School				
2015	860	14,730,611	17,129	1.52%	104.5	1:14	1:15		863.9	828.8	-0.47%	96.20%
2016	835	14,683,359	17,585	2.66%	105.1	1:15	1:19		838.8	804.6	-2.90%	96.22%
2017	836	13,618,776	16,290	-7.36%	99.5	1:16	1:20		843.2	806.6	0.52%	95.93%
2018	822	17,153,302	20,868	28.10%	99.3	1:16	1:19		820.0	782.8	-3.56%	95.82%
2019	806	15,953,875	19,794	-3.79%	96.2	1:16	1:20		813.2	779.2	0.00%	95.82%
2020	801	16,082,181	20,078	0.00%	92.9	1:16	1:20		829.7	806.6	2.03%	97.22%
2021	804	16,674,703	20,740	3.30%	92.9	1:16	1:20		810.8	780.7	-2.28%	96.29%
2022	791	17,854,848	22,573	12.43%	92.9	1:16	1:20		791.0	739.0	-2.44%	93.43%
2023	804	19,167,947	23,841	5.62%	90.4	1:12	1:11		841.7	771.9	6.41%	91.71%
2024	786	19,664,466	25,018	4.94%	85.7	1:12	1:08		810.9	761.2	-3.66%	93.87%

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

Note: Enrollment based on annual October district count.

- ^a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
- ^b Teaching staff includes only full-time equivalents of certificated staff
- ^c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- ^d Note 2018 is implementation of OPEB liability reporting

**City of Linwood School District
School Building Information
Last Ten Fiscal Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>Elementary</u>											
Seaview Elementary School (1961)											
Square Feet	72,019	72,019	72,019	72,019	72,019	72,019	72,019	72,019	72,019	72,019	72,019
Capacity (students)	417	417	417	417	417	417	417	417	417	417	417
Enrollment	444	446	435	439	423	424	427	440	443	446	430
<u>Middle School</u>											
Belhaven Middle School (1908)											
Square Feet	109,278	109,278	109,278	109,278	109,278	109,278	109,278	109,278	109,278	109,278	109,278
Capacity (students)	537	537	537	537	537	537	537	537	537	537	537
Enrollment	419	417	403	397	399	382	374	364	348	358	356
<u>Other</u>											
Poplar School Building (1961)											
Square Feet	17,305	17,305	-	-	-	-	-	-	-	-	-
Note: Poplar School was turned over to the City effective June 23, 2014											

Number of Schools at June 30, 2024

Early Learning Center = 0

Elementary = 1

Middle School = 1

Other = 0

Source: District records, ASSA

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

City of Linwood School District
General Fund
Schedule of Required Maintenance for School Facilities
Last Ten Fiscal Years
Unaudited

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

School Facilities	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Seaview Elementary	181,509	122,811	144,335	196,501	120,052	76,120	144,929	72,360	66,538	71,848
Belhaven Middle School	207,126	132,072	219,471	277,910	101,732	127,780	142,458	96,895	108,467	157,556
Poplar Avenue School						-	-	-	-	-
Total School Facilities	388,635	254,883	363,806	474,411	221,784	203,900	287,387	169,255	175,005	229,403
Other Facilities		158,949		144,342	60,604	150,790	147,391	147,790	140,144	165,480
Grand Total	\$ 388,635	\$ 413,832	\$ 363,806	\$ 618,753	\$ 282,388	\$ 354,690	\$ 434,778	\$ 317,045	\$ 315,149	\$ 394,883

City of Linwood School District
Insurance Schedule
For the Fiscal Year Ended June 30, 2024
Unaudited

Company	Type of Coverage	Coverage	Deductible
Atlantic and Cape May Counties School Business Officials Joint Insurance Fund	Package Policy		
	Property- Blanket Building & Contents including Equip.	\$175,000 Pool Limit	\$500 per loss
	Auto Physical Damage	ACV	\$500 per loss
Reinsurer	Crime	\$50,000 per loss	\$500 per loss
Great American Insurance Company	Boiler & Machinery	\$125,000 Pool Limit	\$1,000 per loss
	General Liability	\$20,000,000 per Occurrence	None
	Auto Liability	Included in above	None
	Uninsured Motorist Coverage	\$15,000/30,000/5,000	None
	Employee Benefits Liability	\$20,000,000 Aggregate	None
Spell	Educator's Legal Liability	\$20,000,000 per claim \$20,000,000 Aggregate	None None
Spell & Safety National Causalty Corp.	Workers Compensation	Coverage A Statutory Coverage B \$10,000,000 per Occurrence/Aggregate	None None
Beazley/Lloyds of London	Pollution Liability	\$3,000,000 per Incident \$6,000,000 Aggregate \$100,000 First Party Clean Up	\$25,000
Lexington Insurance	Cyber Liability	\$1,000,000 Security & Privacy \$1,000,000 Extortion	\$25,000 \$25,000
Zurich Insurance (Bollinger)	Student & Volunteer Accident Coverage	\$1,000,000 Full Excess 5 Year Benefit	None
Selective Insurance Company	Public Official Bonds		-
	Treasurer- Kelly Batz	\$200,000	None
	Business Administrator-Kevin Byrnes	\$100,000	None

Source: District Insurance Policies

Single Audit Section



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& ASSOCIATES, L.L.C.

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K-1

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

The Honorable President and
Members of the Board of Education
City of Linwood School District
County of Atlantic, 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, each major fund, and the aggregate remaining fund information of the City of Linwood School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Linwood School District's 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 City of Linwood School District's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the City of Linwood School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Linwood School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

January 3, 2025



FORD - SCOTT

& ASSOCIATES, L.L.C.

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K-2

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

Honorable President and
Members of the Board of Education
City of Linwood School District
County of Atlantic, New Jersey

Report on Compliance for Each Major Federal & State Program

Opinion on Each Major Federal & State Program

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

In our opinion, the City of Linwood School District 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 & State Program

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

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to its Federal and State programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Linwood School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and NJ OMB 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Linwood School District's compliance with the requirements of each major federal or state program as a whole.

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

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

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

Other Matters

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

Report on Internal Control Over Compliance

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

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

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

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

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

January 3, 2025

CITY OF LINWOOD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal AL Number	Grant Period	Program or Award Amount	Balance 6/30/23	Carryover/ Amount	Cash Received	Budgetary Expenditures			Deferred Revenue 6/30/24	(Accounts Receivable) 6/30/24	Due to Grantor at 6/30/24
								Pass Through	Source	Total			
U.S. Department of Education													
Passed-through State Department of Education:													
General Fund:													
None													
Total General Fund													
U.S. Department of Education													
Passed-through State Department of Education													
Special Revenue Fund:													
No Child Left Behind (N.C.L.B.):													
Title I	84.01	S010A220030	7/1/2022-6/30/2023	118,248	(16,160)	(52,511)	68,671			-		-	
Title I	84.01	S010A230030	7/1/2023-6/30/2024	107,905		52,511	7,107	(108,018)		(108,018)		(48,400)	
Title IV	84.424	S424A220031	7/1/2022-6/30/2023	10,000		(2,681)				-		(2,681)	
Title IV	84.424	S424A230031	7/1/2023-6/30/2024	10,000		2,681		(12,681)		(12,681)		(10,000)	
Title II A	84.367A	S367A220029	7/1/2022-6/30/2023	21,394	(6,918)	(17,536)	23,268			-		(1,186)	
Title II A	84.367A	S367A230029	7/1/2023-6/30/2024	14,144		17,536		(19,235)		(19,235)		(1,699)	
Special Education Cluster (IDEA)													
IDEA Part B, Basic Regular	84.027A	H027A220100	7/1/2022-6/30/2023	190,789	(52,564)	(27,816)	80,380			-		-	
IDEA Part B, Basic Regular	84.027A	H027A230100	7/1/2023-6/30/2024	203,416		27,816	84,519	(191,111)		(191,111)		(78,776)	
IDEA Part B, Preschool	84.173A	H173A220114	7/1/2022-6/30/2023	10,533		(208)	208			-		-	
IDEA Part B, Preschool	84.173A	H173A230114	7/1/2023-6/30/2024	10,524		208	5,214	(5,422)		(5,422)		-	
ARP - ESSER	84.425U	S425U210027	03/13/20-09/30/24	473,534	(99,258)		107,106	(8,608)		(8,608)		(760)	
ARP - Accelerated Learning Coach	84.425U	S425U210027	03/13/20-09/30/24	64,574	(18,629)		14,797	(24,775)		(24,775)		(28,607)	
ARP - Evidence Based Beyond School Day	84.425U	S425U210027	03/13/20-09/30/24	40,000	(15,001)		16,277	(24,110)		(24,110)		(22,834)	
ARP - Mental Health Support Staffing	84.425U	S425U210027	03/13/20-09/30/24	45,000	(10,085)		11,261	(13,544)		(13,544)		(12,368)	
CRRSA - ESSER II	84.425D	S425D210027	03/13/20-09/30/23	210,699	(228,652)		228,652			-		-	
CRRSA - Accelerated Learning	84.425D	S425D210027	03/13/20-09/30/23	89,574	(11,326)		17,492	(6,166)		(6,166)		-	
CRRSA - Mental Health	84.425D	S425D210027	03/13/20-09/30/23	45,000	(315)		14,129	(13,814)		(13,814)		-	
CRRSA - Summer Learning	84.425D	S425D210027	03/13/20-09/30/23	40,000			13,830	(13,830)		(13,830)		-	
ARP IDEA Part B, Basic Preschool	84.173X	H173X210114	7/1/21-9/30/22	3,133	(3,133)		3,133			-		-	
ARP IDEA Part B, Basic Regular	84.027X	H027X210100	7/1/21-9/30/22	36,729	(22,761)		22,761			-		-	
Total Special Revenue Fund					(484,802)	-	718,805	(441,314)		(441,314)		(207,311)	
Total Federal Financial Assistance					(484,802)	-	718,805	(441,314)		(441,314)		(207,311)	

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

City of Linwood School District
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year Ended June 30, 2024

State Grantor/Program Title	Grant or State Project Number	Grant Period	Program or Award Amount	Balance 6/30/23	Cash Receipts	Budgetary Expenditures	Repayment of Prior Years' Balances/ Adjustments	(Accounts Receivable) 6/30/24	Due to Grantor at 6/30/24	MEMO			
										Budgetary Receivable 6/30/24	Deferred Revenue 6/30/24	Cumulative Total Expenditures	
State Department of Education													
General Fund:													
State Aid Public Cluster:													
Security Aid	24-495-034-5120-084	7/1/2023-6/30/2024	\$ 64,088	\$	\$ 57,679	\$ (64,088)	\$	\$		\$ (6,409)	\$	(64,088)	
Transportation Aid	24-495-034-5120-014	7/1/2023-6/30/2024	111,744		100,570	(111,744)				(11,174)		(111,744)	
Special Education Aid	24-495-034-5120-089	7/1/2023-6/30/2024	630,444		575,188	(630,444)				(55,256)		(630,444)	
Equalization Aid	24-495-034-5120-078	7/1/2023-6/30/2024	245,807		221,226	(245,807)				(24,581)		(245,807)	
Adjustment Aid	24-495-045-5120-085	7/1/2023-6/30/2024	131,119		118,007	(131,119)				(13,112)		(131,119)	
Other State Aid													
Non-Public Transportation Aid	23-495-045-5120-014	7/1/2022-6/30/2023	9,895	(9,895)	9,895			-		-		(9,895)	
Non-Public Transportation Aid	24-495-045-5120-014	7/1/2023-6/30/2024	20,475			(20,475)		(20,475)		(20,475)		(20,475)	
Extraordinary Aid	23-100-034-5120-044	7/1/2022-6/30/2023	168,425	(168,425)	168,425			-		-		(168,425)	
Extraordinary Aid	24-100-034-5120-044	7/1/2023-6/30/2024	159,635			(159,635)		(159,635)		(159,635)		(159,635)	
On-Behalf TPAF Pension Contributions	24-495-034-5094-002	7/1/2023-6/30/2024	2,563,709		2,563,709	(2,563,709)		-		-		(2,563,709)	
On-Behalf Post Retirement Contributions	24-495-034-5094-001	7/1/2023-6/30/2024	697,748		697,748	(697,748)		-		-		(697,748)	
On-Behalf TPAF Non Contrib. Insurance	24-495-034-5094-004	7/1/2023-6/30/2024	694		694	(694)		-		-		(694)	
Reimbursed TPAF													
Social Security Contributions	23-495-034-5094-003	7/1/2022-6/30/2023	522,846	(24,227)	24,227	(528,150)		(23,448)		(23,448)		(522,846)	
Social Security Contributions	24-495-034-5094-003	7/1/2023-6/30/2024	528,150		504,702			(23,448)		(23,448)		(528,150)	
Total General Fund													
				(202,547)	5,042,070	(5,153,613)		(203,558)	-	(314,090)	-	(5,854,779)	
Special Revenue Fund:													
Preschool Education Aid	24-494-034-5120-086	7/1/2023-6/30/2024	810,258		735,905	(806,490)				(75,693)	5,108	(806,490)	
SDA Capital Grant	N/A	7/1/2023-6/30/2024	19,255		19,255	(19,255)				-		-	
Non-Public Textbook Aid	23-100-034-5120-064	7/1/2022-6/30/2023	858	858			(858)					-	
Non-Public Technology Aid	23-100-034-5120-373	7/1/2022-6/30/2023	546	546			(546)					-	
Non-Public Security Aid	23-100-034-5120-509	7/1/2022-6/30/2023	2,665	2,665			(2,665)		-			-	
Non-Public Nursing	23-100-034-5120-070	7/1/2022-6/30/2023	1,534	78	187		(187)		78			(1,269)	
Total Special Revenue Fund													
				4,147	755,347	(825,745)	(4,256)	-	78	(75,693)	5,108	(807,759)	
Total State Financial Assistance													
			\$	(198,400)	\$ 5,797,417	\$ (5,979,358)	\$ (4,256)	\$ (203,558)	\$ 78	\$ (389,783)	\$ 5,108	\$ (6,662,538)	
			Less: On-Behalf TPAF Pension Contributions			\$	2,563,709						
			Less: On-Behalf Post Retirement Contributions				697,748						
			Less: On-Behalf Long-Term Disability			\$	694						
							(2,717,207)						

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

City of Linwood School District
Notes to the Schedules of Expenditures of
Federal Awards and State Financial Assistance
June 30, 2024

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of financial assistance are presented using the modified accrual basis of accounting with the exception of programs recorded in the food services fund, which are presented using the accrual basis of accounting, and those recorded in the special revenue fund, which are presented using the budgetary basis of accounting. These bases of accounting are described in Notes 1(C) and 1(D) to the District's basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the District's basic financial statements. The basic financial statements present the General Fund and Special Revenue Fund on the GAAP basis. The Special Revenue Fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The net adjustment to reconcile from the budgetary basis to the GAAP basis is -\$95,086. See the Note to the Required Supplementary Information/Budget to GAAP Reconciliation (Exhibit C-3) for a reconciliation of the budgetary basis to the GAAP basis of accounting for the General Fund and the Special Revenue Fund.

Federal and state award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	Federal	State	TPAF Pension	Local	Total
General Fund	\$ -	\$ 5,130,716	\$ (3,262,151)	\$	\$ 1,868,565
Special Revenue Fund	482,519	813,918		212,969	1,509,406
	<u>482,519</u>	<u>5,944,634</u>	<u>(3,262,151)</u>	<u>212,969</u>	<u>3,377,971</u>
Total Financial Award Revenues	\$ <u>482,519</u>	\$ <u>5,944,634</u>	\$ <u>(3,262,151)</u>	\$ <u>212,969</u>	\$ <u>3,377,971</u>

The On-Behalf Pension Contributions made for the district by the State of New Jersey are recognized as revenue in the basic financial statements, but are not considered in the major program determination.

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

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

**City of Linwood School District
Schedule of Findings and Questioned Costs
For the Year Ending June 30, 2024**

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weakness identified? No

2) Significant Deficiencies identified? None Identified

Noncompliance material to basic financial statements noted? No

Federal Awards – NOT APPLICABLE

Internal control over major programs:

1) Material weakness identified? NOT APPLICABLE

2) Significant Deficiencies identified? NOT APPLICABLE

Type of auditor's report issued on compliance for major programs: NOT APPLICABLE

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? NOT APPLICABLE

Identification of major programs: NOT APPLICABLE

Dollar threshold used to distinguish between type A and type B programs: NOT APPLICABLE

Auditee qualified as low-risk auditee? NOT APPLICABLE

**City of Linwood School District
Schedule of Findings and Questioned Costs
For the Year Ending June 30, 2024
(Continued)**

I. Summary of Auditor's Results (Continued)

State Awards

Dollar threshold used to distinguish between type A and Type B Programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes
Internal Control over major programs:	
1) Material weakness identified?	No
2) Significant Deficiencies identified?	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08?	No
Identification of major programs:	

GMIS Numbers

Name of State Program

24-494-034-5120-086

Preschool Education Aid

II. Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards

None

III. Federal Awards and State Financial Assistance Findings and Questioned Costs.

Federal:

NOT APPLICABLE.

State:

Our audit disclosed no material Findings or Questioned Costs.

City of Linwood School District
Schedule of Findings and Questioned Costs
For the Year Ending June 30, 2024
(Continued)

Status of Prior Year Findings

None noted.