

MARLBORO TOWNSHIP SCHOOL DISTRICT

Marlboro, New Jersey
County of Monmouth

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

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**ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
MARLBORO TOWNSHIP SCHOOL DISTRICT
MARLBORO, NEW JERSEY**

FOR THE FISCAL YEAR ENDED YEAR ENDED JUNE 30, 2024

**Prepared by Marlboro Township School District
Business Office
Mr. Vincent Caravello**

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INTRODUCTORY SECTION

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Marlboro Township Public Schools

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BOARD SECRETARY

November 15, 2024

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

Dear Board Members/Citizens:

It is with pleasure that we submit the Annual Comprehensive Financial Report (ACFR) of the Marlboro Township School District for the fiscal year ended June 30, 2024. This ACFR includes the district's basic financial statements prepared in accordance with generally accepted accounting principles for local governments. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the district. To the best of our knowledge and belief, data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the district. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities, including the Management's Discussion and Analysis, have been included.

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

- The Introductory Section contains a Letter of Transmittal, Certificate of Excellence in Financial Reporting (ASBO), Roster of Officials, List of Consultants, Independent Auditors and Advisors, and an Organizational Chart of the School District;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the district's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the school district, generally presented on a multi-year basis;
- The Single Audit Section – The district is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)" and the New Jersey State Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid." Information related to this Single Audit, including the independent auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the Single Audit Section of this report.

SCHOOL DISTRICT ORGANIZATION

The Marlboro Township School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14 as amended by GASB Statement No. 39. The Marlboro Township Board of Education and its eight schools constitute the district's reporting entity.

The district continues to maintain a high quality of education and is one of the largest K-8 districts in New Jersey. The district provides a full range of programs and services appropriate to grades Pre-K through 8. These include regular education, programs for the very able students (gifted and talented), as well as those for students with disabilities both in and out-of-district. An early learning center, five elementary schools and two middle schools comprise the district's instructional facilities.

Supervising district-wide goals is a district superintendent, a school business administrator/board secretary, an assistant superintendent, two district-wide curriculum supervisors, a director of special services, and a supervisor of special services. The David C. Abbott Early Learning Center has its own principal. Each of the five elementary schools has a principal and vice principal. The Marlboro Middle School and the Marlboro Memorial Middle School each have one principal and two vice principals.

The Board of Education, composed of nine members, each elected to three-year terms, meets on the fourth Tuesday of each month for the regular monthly meeting and at one or two other times per month for workshop meetings. During its meetings and workshops the board determines district goals and priorities and conducts other business. Board meetings are open to the public and begin at 7:00 PM. All public portions of the regular and workshop meetings of the Marlboro Township Board of Education are streamed live and then posted on the district's website. This has enabled Board meetings to be more accessible to those who cannot be physically present due to family, business or personal reasons, but who nevertheless wish to watch the Board deliberations and find out what is happening in the Marlboro Township Public School District (K-8).

PTAs/PTOs are highly active in the district and provide community support for a variety of programs and activities for the children.

To maintain effective communications, the district uses several options to ensure a consistent flow of information to our stakeholders. During the budget review process, information about the budget is presented at board meetings and posted on the district website. Additional communication tools utilized by the district include a district website and other social media that is updated regularly with important information for parents, such as school closures, delayed openings, medical/health alerts, new curriculum initiatives, new board projects, and more. The district also communicates with parents via School Messenger, a system that provides both phone and email contact options. The ability to contact the entire parent population within 20 minutes about changes in the school day, i.e. early closure, or to be able to update them in an emergency situation, is a vital component in ensuring that our communication efforts are timely, accurate, and effective. .

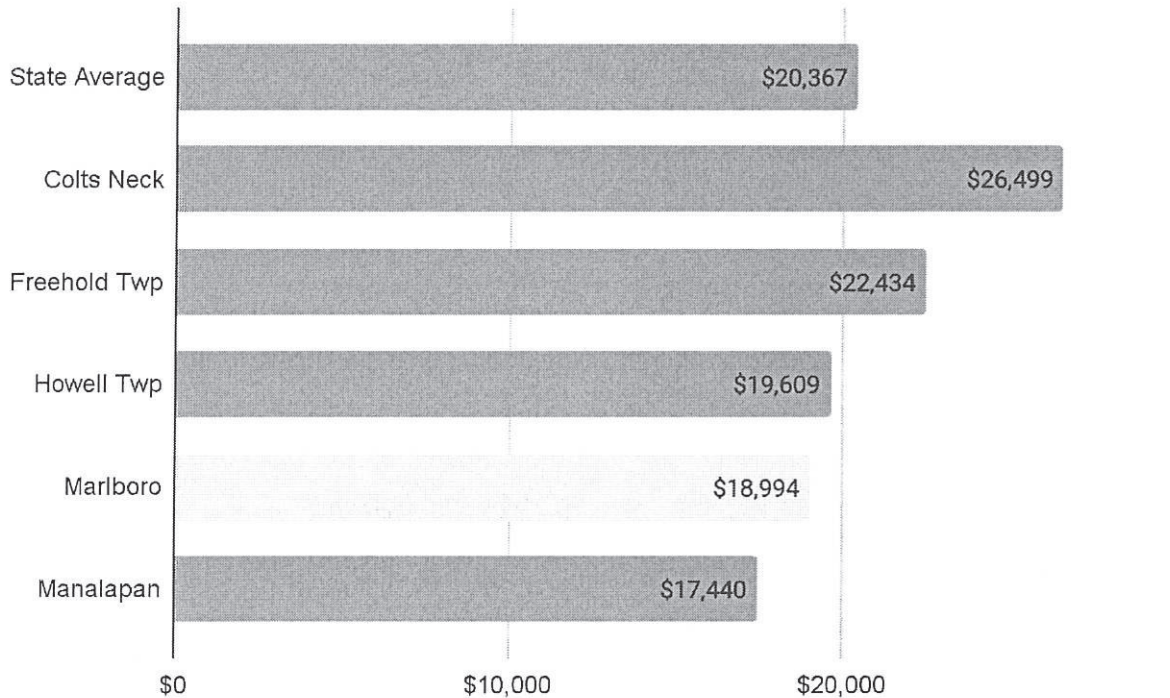
EDUCATIONAL PROGRAM

Each district school follows district-wide goals and educational approaches to the teaching of children, while maintaining a unique personality. All curricula in our district have been aligned to the New Jersey Core Curriculum Content Standards and Common Core State Standards.

In 2024, the New Jersey Department of Education released its Taxpayers' Guide to Education Spending (formerly the Comparative Spending Guide) for all school districts in the state. The guide compares districts with those similar in enrollment/configurations. The information on expenditures was taken from certified budgets on file with the State Department of Education. This report shows that the district spends \$18,994 per pupil while the average cost for similar districts is \$20,367. According to the report,

per pupil costs range from a low of \$15,911 to a high of \$28,187 for districts of this type. Of the 76 other K-8 schools districts in the state with enrollments exceeding 751 children, Marlboro ranks 24th lowest in total cost per pupil.

2024 BUDGETARY COST PER PUPIL - TAXPAYERS' GUIDE TO EDUCATION SPENDING



Pre-K and Kindergarten

David C. Abbott Early Learning Center - an early learning center for preschool handicapped and kindergarten of 246 students. There is one administrator and a staff of 77 teachers and instructional assistants. The school is located on Tennent Road in the Morganville section of Marlboro.

The Abbott Center provides a strong educational foundation for the district's youngest students, with a curriculum based on Howard Gardner's seven intelligences - one that has and will continue to positively affect their education.

Elementary Schools: Grades K through 5

Currently, there are five elementary schools (Asher Holmes, Defino Central, Dugan, Marlboro Elementary, and Robertsville) in the district. Three of these schools house students in grades K-5 and two house students in grades 1-5; all providing a comprehensive educational program.

Asher Holmes Elementary - a grade 1-5 school of 445 students. There are two administrators and staff of 60 teachers, instructional assistants and school aides. The school is located on Menzel Lane in the Morganville section of Marlboro.

Frank Defino Central Elementary - a grade K-5 school of 537 students. There are two administrators and a staff of 93 teachers, instructional assistants and school aides. The school is located on Rt. 79 in Marlboro.

Frank Dugan Elementary - a grade K-5 school of 636 students. There are two administrators and a staff of 91 teachers, instructional assistants and school aides. The school is located on Topanemus Road in Marlboro.

Marlboro Elementary - a grade K-5 school of 537 students. There are two administrators and a staff of 74 teachers, instructional assistants and school aides. The school is located on School Road West in Marlboro.

Robertsville Elementary - a grade 1-5 school of 480 students. There are two administrators and a staff of 85 teachers, instructional assistants and school aides. The school is located on Menzel Lane in the Morganville section of Marlboro.

Marlboro Middle Schools: Grades 6, 7 & 8

Currently, there are two middle schools (Marlboro Middle School and Marlboro Memorial Middle School) that offer students in grades 6, 7 and 8 a comprehensive educational program.

Marlboro Middle School - a grade 6-8 school of 957 students. There are three administrators and a staff of 135 teachers, instructional assistants and school aides. The school is located on Rt. 520 in Marlboro.

Marlboro Memorial Middle School - a grade 6-8 school of 745 students. There are three administrators and a staff of 102 teachers, instructional assistants and school aides. This school is located on Nolan Road in the Morganville section of Marlboro.

Marlboro Middle School boasts a state-of-the-art auditorium that benefits not only the educational community, but the Township of Marlboro as well. The facility is available for rental by both nonprofit and for-profit organizations.

Each of the two middle schools is organized around learning teams (or schools within a school). Each team represents the five disciplines (math, English language arts, social studies, science, and world language). Teachers on these teams are assigned approximately 150 students. The result is that a family type atmosphere is created, enabling teachers to work more closely with students academically and socially. Discipline problems also may be addressed immediately in this type of school setting.

DISTRICT-WIDE CURRICULUM

The goal of the Marlboro Township PK-8 Public School System is to encourage lifelong learning for all students. The district provides curricular offerings aligned to the New Jersey Student Learning Standards that enable students to develop intellectually, socially, physically and emotionally. The core subjects of English language arts literacy, mathematics, science, and social studies establish the foundation for a curriculum of exploration and breadth.

English Language Arts

The English language arts curriculum is aligned to the New Jersey Student Learning Standards and promotes the language experiences students need in order to grow intellectually, socially, and emotionally. A balanced literacy approach is utilized, which integrates reading, writing, speaking, listening, and viewing to foster instruction that encourages students to think critically and creatively. The curriculum provides the skills students need to be successful throughout their lifetime and moreover, promotes the inner joy that comes with reading great literature and communicating well in speech and writing. Units of study, along with a comprehensive curriculum guide provide teachers with all necessary tools to instruct students in a high quality manner.

Mathematics

The overarching goal of mathematics education in the Marlboro Township Public Schools is to provide students with higher order thinking skills, mathematical conceptual understanding and problem-solving skills to be successful in their careers and daily lives. The curriculum, aligned to the New Jersey Student Learning Standards, takes a developmental and sequential approach; a concept is introduced, subsequently developed, and mastered. The eight mathematical practices are embedded into the curriculum and instruction. With a strong focus on technology, the mathematics curriculum strives to integrate its objectives into all other subjects. Units of study, along with a comprehensive curriculum guide provide teachers with all necessary tools to instruct students in a high quality manner.

Science

Science education in Marlboro provides the experiences to make students aware of the impact of science on society. This comprehensive curriculum, aligned to the New Jersey Student Learning Standards, assures that students develop an understanding of the concepts and processes of science through inquiry, activity, and experimentation. In grades kindergarten through five, the emphasis is placed on broad conceptual development while incorporating disciplinary core ideas, science and engineering practices, and crosscutting concepts; tenets of the Next Generation Science Standards. In grades 6-8, while the incorporation of disciplinary core ideas, science and engineering practices, and crosscutting concepts is still prevalent, the specific areas of earth science, life science and physical science are taught in grades 6-8, respectively.

Social Studies

The social studies program is aligned to the New Jersey Student Learning Standards and reflects our changing society. Through a variety of learning experiences, by linking the past to the present, students develop an appreciation of the continuity of the human experience and realize that each individual has a contribution to make to society. With subject matter drawn from the humanities, this social studies program includes history, geography, government and civics, economics, anthropology, sociology, and psychology. These key study areas are integrated to explain the past, the current human condition, and future possibilities.

World Languages

The focus of the world language program is for students to gain a rich background in the culture and acquire the ability to communicate in the target language of Spanish. Elementary students take foundational Spanish and carry this into a deeper exploration into the Spanish language at the middle school level.

Arts

The arts curriculum is intended to promote creative and original thought. The foundation of the arts curriculum is the belief that students are unique and have diverse talents. The goal of the arts programs is to provide rich, educational opportunities for all students to explore vocal music, general music, instrumental music, visual art, drama, and dance.

Library Media Center

The library media program embodies the district's philosophy of developing and enhancing critical thinking skills through the use of print, multimedia, and technological resources. Students are encouraged to become life-long learners by fostering recreational reading and providing instruction in research skills that will be useful to them throughout their lifetime.

The library media program is an integral part of the total educational program. Students learn the basic processing skills necessary to connect concepts and information in all disciplines and interest areas. As a result of the library media program, students will be able to locate, select and retrieve print and non-print materials, evaluate information effectively, and access technological resources independently.

Health, Family Life, Drug and Alcohol, Physical Education

The comprehensive health and physical education programs encourage students to take responsibility for their own lives by acting conscientiously in the present and establishing positive health practices that will support and enhance life-long wellness. Students who are health-literate have the knowledge and skills to better achieve and maintain physical, social and emotional health.

Educational Technology

It is the vision of the district to provide a technologically enriched environment in which our students can perform at optimum levels. The district provides for the acquisition and dissemination of knowledge via technological resources in concert with the New Jersey Student Learning Standards and the National Educational Technology Plan. The district modifies its program as students' needs and current technologies change. As a result, on-going technology training is a major component of the district's staff

development plan via turn-key training sessions as well as out-of-district professional development opportunities.

Response to Intervention (RTI)

The RTI program is designed to meet the needs of those students who need additional academic and/or behavioral assistance. It is a multi-tiered system that addresses the specific needs of each child. Utilizing small group instruction, students receive intervention services either through in-class support or a pull-out model.

Elementary Gifted and Talented

The elementary gifted and talented programs are needs-based programs designed for those students who exhibit exceptional intellectual and/or academic needs. The programs provide additional and appropriate educational challenges and opportunities to meet those needs.

- *Enrichment (Kindergarten)* - (once-a-week, pull-out model for 1 period for the second half of the academic year) - *Presents activities supporting creative problem solving and higher-level thinking skills.*
- *PEP (Grade 2)* - Primary Enrichment Program (2 hours 10 minutes per week during school hours) - *Presents an introduction to the elements of critical and creative thought.*
- *PEP (Grade 3)* - Primary Enrichment Program (2 hours 10 minutes per week during school hours) - *Presents academic units of study, logic problems and philosophical issues.*
- *REACH (Grades 4-5)* - Realizing Excellence through Academic Challenge (3 hours per week during school hours) - *Integrates philosophical inquiry into academic units of study and solving logic problems.*
- *SOAR (Grades K-5)* - Special Opportunities through Academic Resources - *Individualized program focusing on specific academic discipline(s).*
- *Gifted Mathematics (Grades 1-3)* - Grade 1 is half year, one period per week; Grades 2-3 are full year, two periods per week. *Develops advanced mathematical problem-solving skills and strategies.*
- *Gifted Reading (Grades 1-3)* - grade 1 is half year, one period a week; Grades 2-3 are full year, two periods per week. *Develops advanced comprehension skills.*

Middle School Honors

The middle schools have honors programs that are subject-specific.

- *English Language Arts; Science; Social Studies* – one period daily, full year. Promotes subject specific deeper development with accompanying text complexity.
- *Creative Arts (Grades 6-8)* - One period daily, full year. Encourages development of artistic skills and creative thought.
- *Jazz Band/Show Choir (Grades 7-8)* - Two periods every six days, full year. Promotes performance quality musicianship skills.

English as a Second Language (ESL)

The ESL program addresses the needs of students who have acquired another language prior to their exposure to English. The program is designed to help students develop both communicative skills and academic language proficiency in English so that they can succeed in school. The ESL program focuses on the development of skills in listening, comprehension, speaking, reading, writing, and American culture. Support is provided in the content areas of science, social studies, English language arts, and mathematics.

Applied Technology

Applied Technology offers middle school students a hands-on, authentic view of current and emergent technologies. In grade six, students build and test a jet car and build a pneumatic-powered rocket. In grade seven, students calculate airplane wing loads using the standard barometric pressure at sea level. In grade eight, students create and test model trusses using the stress analyzer and produce and edit a video production.

New Jersey Student Learning Standards

The Marlboro Township School district is following the Department of Education's guidelines for the adoption of the 2020 New Jersey Student Learning Standards. All approved curricula are aligned to the New Jersey Student Learning Standards.

Staff Development

The Marlboro Township School district provides its teaching staff with many opportunities for professional development.

In the beginning of the school year, all newly hired teachers receive seven days of intensive in-service that includes instructional strategies, classroom management, curriculum, mentoring, district policy, technology, and security. Mentors are assigned to new staff members to provide support throughout the school year.

Four full day professional days are built into the school calendar, enabling teachers to attend sessions related to instructional strategies, curricular updates, textbook orientation, and district-wide grade level and department meetings. Teachers also are afforded the opportunity to take two additional professional days related to their PDPs and/or areas of interest.

Many teachers are involved in writing curriculum. They receive in-service in using the New Jersey Student Learning Standards when writing curricula. These documents provide the support needed for teachers to develop curriculum guides that foster higher order thinking skills for all Marlboro students.

Technology

District-wide technology is used to increase productivity, enhance communication, and enrich curriculum and instruction. Every classroom, media center, and office in all eight schools, transportation, buildings & grounds, and the administration building are linked together in local and wide area networks. All administrators, teachers, and support staff have access to computers, printers, email accounts, and the internet within their work areas.

To assist teachers in presenting lessons and resources to an entire class by way of one computer in a classroom, Activpanels have been installed in every classroom throughout the district. The interactivity available with these devices has provided district students with opportunities for active learning. As an effective and efficient alternative to cyclical computer lab replacements, the district has created a 1:1 computing environment where every student has access to a district-owned device in grades 1-8. Teachers have access to a variety of online programs including *Achieve3000*, *ST Math*, *IXL*, to name a few.

All schools use e-mail communications with parents, which has reduced the amount of paper sent home with the students. All teachers use *Genesis* as the student information system for inputting term grades and generating report cards. Parents can access their child's schedules, class attendance, and teachers' grade books in real-time via the *Genesis* Parent Portal.

Staff and students of all elementary and middle schools have the use of Chromebooks with wireless network cards. These devices support teachers in implementing a real-time assessment, curriculum-based instructional platform. At The Abbott Early Learning Center students utilize iPads. Additionally, at the middle school level, the district has also permitted students with 24-hour access to a district-owned Chromebook by providing the ability for the devices to go home with students. This enables them to work virtually and collaborate even when outside the confines of the classroom and school day.

ECONOMIC CONDITION AND OUTLOOK

The district completed the 2023-2024 fiscal year with an enrollment of 4,584 in-district students. The following details the changes in the student enrollment of the district over the last five (5) years and the

current school year. The table presents the annual in-district pupil enrollment, as of October 15, for the school years 2019-20 through 2024-25

<u>School Year</u>	<u>Enrollment as of October 15</u>	<u>% Change</u>
2019-20	4,739	
2020-21	4,543	- 4.14%
2021-22	4,522	- .46%
2022-23	4,533	.24%
2023-24	4,513	- .44%
2024-25	4,535	.49%

It is important to note that there are several new housing developments/apartment complexes underway throughout the township. Students started moving in from these communities during the 2023/24 school year. The district expects new waves of students coming in from these communities throughout 2024/25. These communities affect multiple schools throughout the district.

The eight (8) schools in the district vary in age, with original construction dates ranging from 1956 through 2003. The district had proposed multiple bond referendums in prior years, which were unfortunately defeated. In 2019-20 the district embarked on an ESIP (Energy Savings Incentive Program) to address the major building issues that we were trying to take care of in the referendums. This project was completed in 2022-23. This ESIP included replacement of HVAC systems; replacement of hot water heater; replacement of boiler, pump and expansion tank; main distribution panel, panel boards, feeder replacement; fire alarm replacement; ATC head ends; and the installation of solar panels.

We recognize that the state is in a financial crisis and want to assure our residents that the Marlboro Township School District is doing its part to maintain a responsible budget. The district's administration closely monitors the cost of operations and continues to look for new funding sources in order to maintain the quality education services that the district has been accustomed to providing.

MAJOR INITIATIVES

Asher Holmes Elementary School

The priorities of maintaining student safety and security, as well as rigor in the instructional program, were the cornerstones of the 2023-24 budget at Asher Holmes Elementary School. In a continuing commitment to fiscal responsibility, purchases were made very selectively with both school and district goals at the forefront of that decision-making.

For the 23-24 school year, class sections remained stable from the previous year. All initiated purchase requests were for materials that were deemed essential. These included core instructional materials/supplies, classroom furniture, cafeteria tables, and materials for the nurse's office. Two large annual monetary allocations were for copier paper and basic classroom supplies.

As was reflected in the budget and purchases made during the 23-24 school year, allocations reflected a continued commitment to supporting ELA and Math instruction and the new programs purchased through the curriculum department. Additionally, purchases of educational resources were also made to enhance small group and differentiated instruction within the mathematics and literacy sections at each grade level. Purchases of district-approved classroom furniture such as bookcases and file cabinets were made, as well as new rugs and small group instruction tables within classrooms which were lacking. We are at the end of purchasing new classroom desks, chairs, and chair gliders so that all classrooms contain new and matching furniture in great condition. Monies were also allocated and spent within the special areas of art, media literacy, music, PE, and health. Doing so provided monetary support for these programs within the school budget so that these programs could operate properly during the school year. Input from stakeholders across the staff proved useful in determining amounts needed in various supply accounts. Supplies that were ordered were confirmed to be valid needs prior to initiating the purchase process. Whenever possible, members of the staff continued to utilize existing resources to keep costs down.

Lastly, monies were utilized to support the installation of new padding for the gym with the financial help of the Buildings and Grounds Department. The gym is now safe, up to code, and even more visually appealing!

The 23-24 Asher Holmes budget reflected a commitment to fully support the instructional program while being financially conservative and responsible. The books, services, and materials that were purchased were for mandated and supplemental instructional resources that allowed for an academically rigorous program.

Frank Defino Central Elementary School

Defino Central School is lucky to have cutting edge technology and instructional resources to support our incredible students and staff. Recently, all 3-5 classrooms were upgraded to new ActivePanels which has been a wonderful tool for our teachers. We have chromebooks for students in 1st through 5th grade and common core aligned instructional resources to help our students reach their full potential.

Over the past few years we have replaced the majority of the end-of-life desks and chairs -- we continued this past year with a smaller number of new desks as well as bulletin boards in our main hallway to display student work throughout our school.

Additionally, we increased the budgets of our related arts department to better support some of the incredible fine and performing art projects and opportunities for our students. This has resulted in individual performances for every grade level (K-5) where parents come to the school to see their child play an instrument, sing and act.

We have yearly costs for consumable materials to support our math and reading programs, materials for our teacher resource center, and student weekly news subscriptions. All purchases were for materials that were deemed essential. These included core instructional materials and supplies, materials for the nurse's office and those materials to support our art, music, library media and physical education programs. Two large annual monetary allocations were for copier paper and basic classroom supplies.

Frank Dugan Elementary School

Frank J. Dugan Elementary School, with the support of the Marlboro Township Board of Education and central office administrators, was able to achieve several budgetary goals in accordance with the district's collective mission and vision statements serving as its guide.

By working collaboratively with the Business Office, adjustments were made to allow for the continuance of high-quality educational opportunities for all of our students.

The 2023-2024 school year celebrated the following accomplishments:

- Continued work with an expanding Flexible Seating Committee to revolutionize what our instructional spaces look and feel like for learners.
- First school year in which we were able to begin an upgrade to the Dugan Library. We will continue to advocate for administration's support in upgrading the media center's infrastructure and capabilities.
- Replacement of Vice Principal's office furniture
- Replacement of broken teacher furniture—many of the items are original to the school.
- Purchasing professional literature to begin tinkering with Professional Learning Communities (PLCs).
- Reallocating certain monies back within accounts due to our district's return to in-person instruction and learning.
- With reallocations and achieving goals over the past several budgets, looking to continue to support the replacement of worn instructional resources to support teaching and learning.

David C. Abbott Early Learning Center

During the 2023-2024 school year the David C. Abbott Early Learning Center continued to evolve to meet the demands of a rigorous curriculum and to personalize learning for each of our students.

Funds were used to insure that all classrooms were properly furnished and equipped. Everything from age-appropriate furniture to classroom supplies were purchased. Sensory and fine-motor tool kits were replenished. These toolkits allow teachers to address sensory and/or fine-motor needs of students without the need for a consultation with a physical or occupational therapist.

Online tools, such as IXL, ST Math, Raz Kids, ESGI, and Smarty Ants helped us monitor students' reading and math progress. Empowered with this data, teachers were able to utilize strategies such as small-group instruction and goal setting to meet the needs of each student.

A portion of the budget was dedicated to operational costs. An allocation for copier paper, laminating film, printer ink, health office supplies, office supplies, and classroom/related arts supplies were required for the efficient and safe operation of the building.

Marlboro Elementary School

Marlboro Elementary School's vision and mission is rooted in preparing students to be leaders in a greater global society and economy. Specifically, the use of varied technological tools, coupled with an array of online programs, as well as traditional non-technology based instructional materials aligned to the New Jersey Student Learning Standards (NJSLS), allow teachers to meet the varied needs of our learners. The 2023-2024 school year focused on the goal of supporting the aforementioned mission and vision. To achieve this goal, allocations were made to accomplish the following objectives:

- Purchase of classroom furniture to support instruction
- Replenishment of materials to support hands-on Science instruction.
- Replenishment of consumable materials in both ELA and Mathematics.
- Purchase of library books to maintain and enhance the offerings in our school's library
- Replenishment of textbooks and purchase of online resources not allocated for at the district level
- Purchase of materials for large format printing of both instructional resources as well as resources for social/emotional learning and character development
- Replenishment of supplies related to student health and safety

Marlboro Middle School

Throughout the 2023-2024 school year, teachers, parents, students, and support personnel worked together to support a school environment centered on academic achievement and personal growth for students in grades six through eight. Adhering to district initiatives, the staff infused data-driven instruction, online tools, and technology into delivering the grade-level curriculum. Teachers have embraced 1:1 digital tools and other curriculum-appropriate resources to provide differentiated instruction and promote students' organizational skills and practices.

Promoting a positive school culture and climate continued to be a school-wide focus. Grade-level programs addressed the expectations of tolerance for others. School-wide events focused on school as a learning community; particularly during the Week of Respect and NJ School Violence Awareness Week. The school psychologist led a building-wide initiative centered on social-emotional learning and the MTPS Pillars and Competencies. Grade-level initiatives promoted empathy and teamwork through their support of children's programs.

Our athletic teams and extracurricular clubs continued to be widely supported by students and parents. Students participated in numerous clubs including the science club, debate club, ping pong, math club,

and health & fitness. Several students entered the Middle School Technology Association Competition last spring. Once again, our music ensembles and math teams joined other groups in local and regional competitions. Both groups were honored with awards and notes of individual achievement.

In closing, we greatly value the support of staff, parents, and the PTO as we strive to provide an excellent program for our middle school students.

Marlboro Memorial Middle School

The Marlboro Memorial Middle School community worked collaboratively to support a school culture centered on academic and personal growth for all students in grades six through eight during the 2023-2024 school year. MMMS students excelled in Exploravision science competitions, essay writing competitions, and community service. In addition, the MMMS Boys' & Girls' Tennis Team and the 6th/7th Grade Boys' Basketball won their league championship.

Students from MMMS continue to be one of the leading sending schools to the FRHSD learning academies, vocational schools, and private schools.

The 2023-2024 building goals centered on peer observation, 21st Century Skills, and Personalized Learning. To that end, teachers conducted peer observations a minimum of twice in a school year in order to improve their instruction. The continued use of Chromebooks allows teachers and students to integrate new methods of instruction and learning into the classroom environment. The Chromebooks also provided teachers the ability to further implement a variety of different digital tools aimed at 21st Century Learning.

MMMS teachers attended monthly Professional Learning Community sessions focusing on improving instruction and meeting the needs of their students. Teachers researched various elements in instruction and turn-keyed the findings to their colleagues which will inform future practices.

Our school PTA continued its strong support for student centered initiatives such as assemblies focusing on anti-bullying, clothing drives, and community service.

Robertsville Elementary School

Robertsville Elementary School has much to celebrate from the 2023-2024 School Year. The staff at Robertsville services an incredibly diverse population of students grades 1-5 within the Marlboro Township School District. Our teachers, administrators, and support staff work tirelessly to provide our community with an excellent educational experience. Partnering with the Robertsville PTO also helps our students leave Robertsville with memories to last a lifetime. Students had the opportunity to participate in a carnival themed dance, staff performances, assemblies that centered around character education, as well as field trips for every grade. We believe that the Robertsville classroom and our focus on teaching students tenants of character happens within and outside our building. This was apparent during our Week of Respect, where students engaged in lessons, activities, and projects that adorned the bulletin boards within the building.

Robertsville Elementary School believes in going the "Extra M.I.L.E" where we Motivate Individual Learners Everyday. Through differentiated instruction that allows for collaborative learning opportunities, individualized learning opportunities, and a robust platform of data analysis tools, educational technology programs, and our 1:1 chromebook initiative, students are in an environment that will help them thrive. Teachers, in conjunction with the curriculum department, support students with a rigorous, yet student centered approach.

Finally, during the 2023-2024 School Year, we welcomed the newest addition to our school- the cafeteria mural. This mural celebrates the history and tradition of Robertsville Elementary School through art. We value our well rounded approach to teaching and learning as well as the relationships we build with our community and PTO.

DISTRICT-WIDE

Curriculum:

Mentoring – New teachers to the district have a well-defined mentoring program that will enable them to become acculturated into the Marlboro schools. This program supports new teachers by providing a mentor who acts as a guide the first year. During the second year of mentoring, the concept of coaching has been added to train mentors to further assist new teachers in the instructional process.

Curriculum Writing – Many guides were revised or developed in order to align the newly adopted New Jersey Student Learning Standards. In addition, many curriculum committees worked to modify units of study and resources aligned to the New Jersey Student Learning Standards. Revisions to district assessments in mathematics and English Language Arts initially took place in July 2016 and are ongoing.

Technology:

District-wide technology was used to increase productivity, enhance communication, and enrich curriculum and instruction. Throughout the year, all district administrators, teachers, and appropriate support staff had the use of a networked computer for e-mail and Internet access. All students had access to networked computers for Internet use in classrooms, media centers, and computer labs. Throughout the district, approximately 1,600 networked computers were in operation and a complete Local Area Network (LAN) was present in each school and in the administration building. These LANs are connected to a Wide Area Network (WAN). The internet service provider is Cablevision - Lightpath.

The district maintains a website that includes district information and separate sections for each school. These school sections include individual teacher pages. The district's website was recently updated for a better end-user experience.

Special Services:

- The special services department continues to foster each student's education in their least restrictive environment based on the student's individualized education plan. The special education programs continue to be an essential part of each school within the district. The district continues to have a variety of programming to meet student needs from co-teaching classrooms to self-contained classrooms. In Class Resource (ICR) or co-teaching classrooms are in each school. The co-teaching classrooms allow for both a general education and special education teacher to work together to provide instruction in the general education setting. In addition, pull out resource programs and self-contained programs (LLD, MD, and AUT) were offered in-district to address all levels of special education instruction. Moreover, the district continues to offer Preschool Disabled programming and Preschool Integrated Programming.
- The self-contained programs have continued to progress and the special services department expanded its use of research-based programs to address the multiple learning levels in the self-contained programs. The LLD, MD, and Autism classes have access to district programs like IXL, Edmentum, Raz Plus, and Learning Ally, with a new addition of TouchMath Pro for mathematics. More specifically the Multiply Disabled (MD) and Autism (AUT) programs provide both academic and functional based instruction in order to promote independence. The Autism program has implemented AFLS into the curriculum for functional life skills integration as well as the PEAK curriculum in our Autism programs. All of the self-contained programs have a social skills component. This year, we have the Robokind "Carver" Robots for social emotional learning lessons for our students in the Autism elementary programs. These classes have the opportunity to practice critical social skills individually and in whole group lessons. Additionally, we were able to enhance the community-based instruction opportunities in the middle school to include visits to No Limits Cafe and local establishments.
- The Child Study Team members including behaviorists, related service providers, and mental health professionals, continue to work with teachers, instructional assistants, administrators, and parents to

support our students. Speech-language specialists continued to expand an accessible communication initiative to design and install jumbo visual communication boards on school playgrounds. The child study team provided counseling, lunch bunch groups, circle of friend groups, and a check in system for students and families. Our related service providers used various online subscription resources to provide dynamic interventions that incorporated technology and gamify therapy targets. Our behaviorists and child study members provided professional development to staff and families on necessary training and support.. The child study team continues to use multiple measures to evaluate students and a variety of diagnostic measures to evaluate and reevaluate students in order to collect data to place students in the appropriate environment.

- The special services department continued and expanded its use of research-based programs to improve access and provide targeted skill support through Learning Ally, Snap&Read, Co:Writer, IXL, TouchMath, Raz Plus, and Edmentum Exact Path. Additionally, our Dyslexia Specialist worked with teachers, Wilson instructors, and child study members, to create, implement, and continuously monitor a plan for students who were identified as needing intensive instruction. Programs such as Wilson Intensive, Foundations, and Just Words are available options for specialized reading instruction. As a result, the department also purchased Leveled Literacy Intervention (LLI) kits to target specific phonological and comprehension needs for students.

Business:

Due to constant changes in the state fiscal environment, the business office continued to evolve during the 2023-24 school year. Increased workload in all areas, while maintaining current staff levels, proves to be an on-going challenge. Accomplishments/initiatives in this school year were as follows:

- After 5 consecutive years losing state aid under the S2 formula, the district experienced a slight increase in state aid. This helped the district to position itself in a manner in which it did not have to cut any staff or increase the class size model approved by the Board of Education. We were also able to continue making district-wide capital improvements in accordance with our long-term facility plan.
- During the 2019-20 school year, the district took on an Energy Savings Improvement Program (ESIP) to address key facility upgrades that needed to be done. This project was finally completed during the 2022-23 school year and we have begun to see energy savings.
- For the 22nd consecutive year, the Association of School Business Officials (ASBO) International has awarded a Certificate of Excellence in Financial Reporting to the Marlboro Township Board of Education for its Annual Comprehensive Financial Report (ACFR) for the Fiscal Year Ended June 30, 2023. This award was designed by ASBO International to enable school business officials to achieve a high standard of financial reporting. This award is conferred only to those school systems that meet or exceed the standards of the program.
- Continued to find ways to save taxpayer monies by exploring shared services with Marlboro Township. During the 2023-24 school year, the district continued to participate in an electricity cooperative, the collective purchasing of gasoline and diesel, and a shared service agreement for custodial services.
- In conjunction with Marlboro Township, provided school resource officers and armed police officers in all of the Marlboro schools to help keep the students and staff safe.
- A district goal has been to work to add air conditioning to all district schools. During 2022-23 and 2023-24, air conditioning was added to Dugan Elementary School and Defino Central Elementary School. The district went out to bid this past spring and awarded the air conditioning project at the next school - Marlboro Elementary.
- Chartwells' continues to provide catering for district-wide functions throughout the district. Additionally, Chartwells was able to successfully navigate free lunch for all students for the entire school year.
- In 2023-24 Chartwells was still able to meet its financial guarantee to the district by constantly providing meals to students under the USDA waiver which allowed all students to receive a free meal that was fully reimbursable to the district.

Personnel:

The district employed 824 individuals during the 23-24 school year. The certificated staff numbered 512;

25 administrators and supervisors and 487 classroom teachers and educational support personnel (nurses, guidance counselors, child study team members, etc.). In addition, 312 others, including instructional assistants, school aides, bus drivers and attendants, secretaries and clerk-typists, and custodial and maintenance employees, were employed.

In a district the size of Marlboro, there is the need each year to search for qualified candidates. The district was able to accomplish this through a highly competitive recruitment and selection process. Additionally, an impressive array of in-service opportunities helped staff members stay current, allowing them to improve their instructional skills, a hallmark of a progressive and innovative school district. For example, the district continued its new teacher mentoring program. All newly certified teachers and most teachers new to the district were assigned mentors as well as supervisory advocates to assist them in their first year of employment. District administrators further provided these teachers with an extensive in-service program designed to help them acclimate to their new working environment.

Since COVID, the district has struggled with having adequate substitute coverage in the schools. Beginning in the Spring of 2022, the District employed a contracted substitute service (ESS) to provide substitute teachers, instructional aides, cafeteria aides, nurses and secretaries. The district has continued with the service and will continue into 2024-25.

INTERNAL CONTROLS

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

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

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

BUDGETARY CONTROLS

In addition to internal controls, the district maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue funds, and the debt service fund. The final budget amount, as amended for the fiscal year, is reflected in the financial section. P.L. 2011, c 202 allowed school districts to elect to eliminate the budget vote and adopt a budget approved by the Board of Education and the New Jersey Department of Education (NJDOE) providing that the tax levy increase does not exceed 2% plus any allowable waivers.

ACCOUNTING SYSTEM AND REPORTS

The District's financial statements are presented in conformity with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the district is an encumbrance accounting system that is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance at fiscal year end. These funds are

explained in "Notes to the Basic Financial Statements," Note 1.

AWARDS

The district received the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. This was the 22nd consecutive year that the district received this award. In order to be awarded a Certificate of Excellence, the district published an easily readable and efficiently organized ACFR.

This report satisfied both Generally Accepted Accounting Principles in the United States of America and applicable legal requirements. A Certificate of Excellence is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Excellence Program's requirements and we will be submitting it to ASBO to determine its eligibility for another certificate.

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C., was selected by the board to perform the audit. In addition to meeting the requirements set forth in State Statutes, the audit also was designed to meet requirements of Title 2 U.S. Code of Federal Requirements Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the New Jersey OMB's Circular 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". The auditors' report on the basic financial statements, required supplementary information, individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the Single Audit are included in the single audit section of this report.

Accounting principles generally accepted in the United States require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

ACKNOWLEDGMENTS

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

Respectfully submitted,



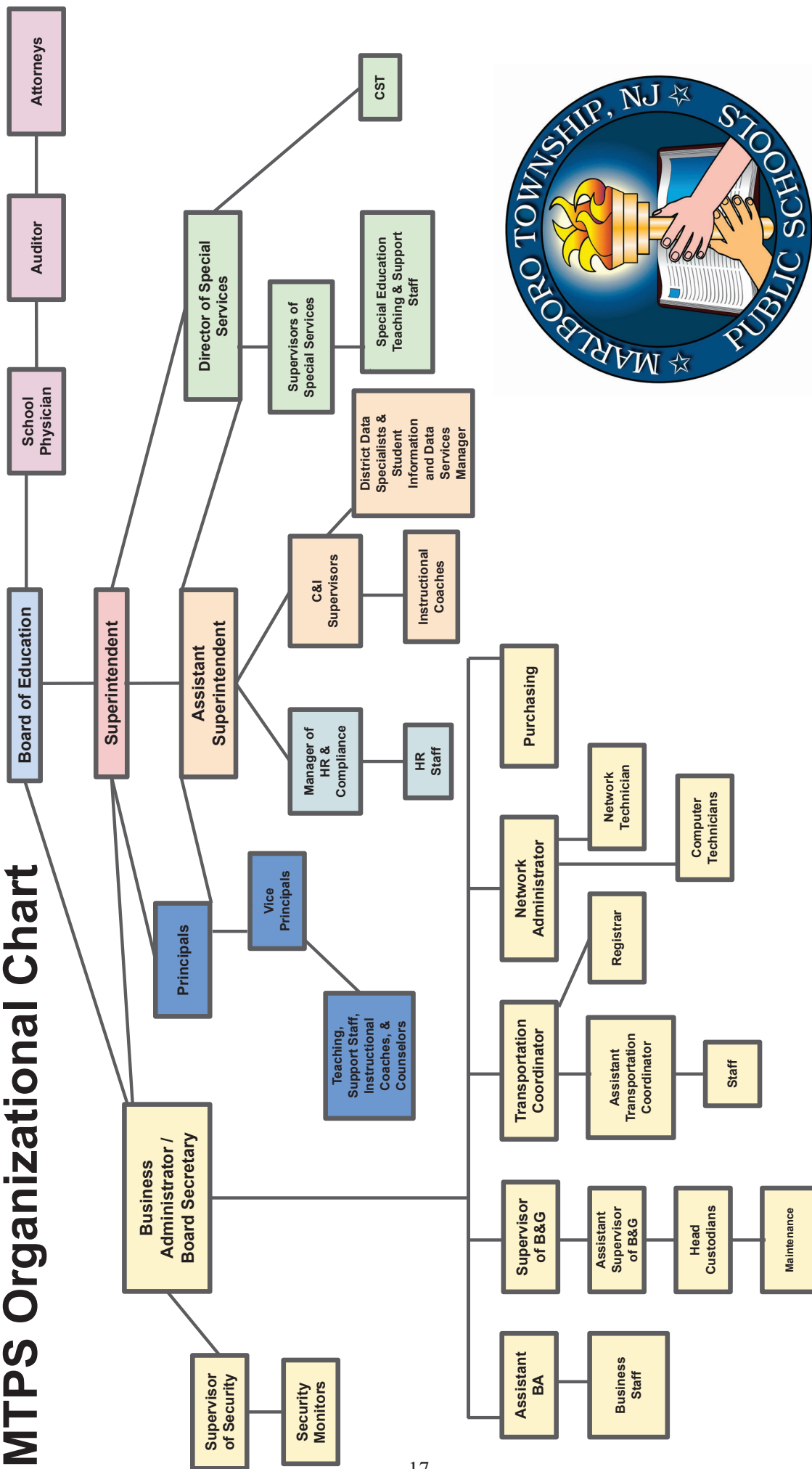
Michael Ballone
Superintendent of Schools



Vincent Caravello
School Business Administrator/
Board Secretary

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MTPS Organizational Chart



**MARLBORO TOWNSHIP SCHOOL DISTRICT
MARLBORO, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2024**

Members of the Board of Education

TERM EXPIRES

Valentina Mendez, Board President	2025
Michael Lilonsky, Board Vice President	2025
Danielle Bellomo	2024
Aditi Gandhi	2026
Chad Hyett	2026
Ashlee McCormack	2024
Susanne Miskiewicz	2026
Aldo Patruno	2024
Annette Siewert	2025

Other Officials

Michael Ballone, Superintendent
Vincent Caravello, School Business Administrator/Board Secretary

**MARLBORO TOWNSHIP SCHOOL DISTRICT
MARLBORO, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2024**

AUDITOR/AUDIT FIRM

Holman Frenia Allison, P. C.
1985 Cedar Bridge Ave., Suite 3
Lakewood, New Jersey 08701

ATTORNEY

Kenney, Gross, Kovats & Parton
214 Park Avenue
Manalapan, New Jersey 07726

OFFICIAL DEPOSITORY

Bank of America
6 South Main Street
Marlboro, New Jersey 07746

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ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Marlboro Twp School District

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2023.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
President

A handwritten signature in black ink, reading 'James M. Rowan'.

James M. Rowan, CAE, SFO
CEO/Executive Director

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FINANCIAL SECTION

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Certified Public Accountants + Advisors

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194 East Bergen Place • Red Bank, NJ 07701 • 732.747.0010

www.hfacpas.com

INDEPENDENT AUDITORS REPORT

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

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Marlboro Township School District, County of Monmouth, State of New Jersey, as of and for the fiscal year ended, June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirement 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 the Financial Statements section of our report. We are required to be independent of the 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.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 Responsibility

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 opinion. 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*, 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 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 judgment made by a reasonable user based on the financial statements.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post employment benefits, as listed 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 GASB 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 School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* 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 accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2024 on our consideration of the 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, No. 2470

Lakewood, New Jersey
November 15, 2024

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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MARLBORO TOWNSHIP SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2024 UNAUDITED

This section of the Marlboro Township School District Board of Education's Annual Comprehensive 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 statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year 2023-2024 and the prior fiscal year 2022-2023 is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2024 are as follows:

- In total, net position of governmental activities decreased (\$538,457), which represents a (1.27%) decrease from 2023. Total net position of business-type activities increased decreased (\$120,104), which represents a (8.50%) decrease from 2023.
- General revenues accounted for \$92,634,415 in revenue or 73.23% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$33,865,302 or 26.77% of total revenue of \$126,499,717.
- Total assets of governmental activities decreased by (\$3,428,813) as cash and cash equivalents decreased by (\$6,665,089), receivables decreased by (\$289,842), restricted cash and cash equivalents increased by \$6,604,458, and total capital assets decreased by (\$3,078,340).
- Total liabilities of governmental activities decreased by (\$1,763,230) as non-current liabilities due beyond one year decreased by (\$2,932,934).
- The District had \$124,876,938 in governmental activity expenses; only \$31,704,066 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues from governmental activities (primarily property taxes) of \$92,634,415 were not adequate to provide for these programs, resulting in a decrease in net position for governmental activities of (\$538,457).
- In the governmental funds, the general fund had \$115,631,099 in revenues and \$115,926,591 in expenditures. The general fund's fund balance decreased by (\$295,492) over 2023.

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

This annual report consists of a series of financial statements and notes to these financial statements. These statements are organized in a way to allow the reader to understand the Marlboro Township School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with an overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position (A-1) presents information on the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Changes in Net Position (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods of the district.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

Fund Financial Statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

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

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund, and debt service fund, all of which are considered to be major funds.

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

Proprietary Funds

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the district-wide financial statements.

The food services fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

Government-Wide Financial Analysis

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

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2024 and 2023, respectively:

Net Position
June 30, 2024

	Governmental Activities		Business-Type Activities	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Assets				
Current and Other				
Assets	\$ 16,740,476	\$ 17,090,949	\$ 824,037	\$ 884,008
Capital Assets, Net	61,794,816	64,873,156	712,634	732,968
Total Assets	<u>78,535,292</u>	<u>81,964,105</u>	<u>1,536,671</u>	<u>1,616,976</u>
Deferred Outflows of Resources				
Deferred Outflows				
Relating to Pension	2,266,045	3,078,028	-	-
Total Assets and Deferred Outflows of Resources	<u>2,266,045</u>	<u>3,078,028</u>	<u>-</u>	<u>-</u>
Liabilities				
Long-Term Liabilities	32,543,299	34,332,872	-	-
Other Liabilities	4,621,251	4,594,908	244,418	204,619
Total Liabilities	<u>37,164,550</u>	<u>38,927,780</u>	<u>244,418</u>	<u>204,619</u>
Deferred Inflows of Resources				
Deferred Inflows				
Relating to Pension	1,651,861	3,590,970	-	-
Total Liabilities and Deferred Inflows of Resources	<u>1,651,861</u>	<u>3,590,970</u>	<u>-</u>	<u>-</u>
Net Position				
Net Investment in				
Capital Assets	48,113,191	49,930,282	712,634	732,968
Restricted	10,950,622	9,607,724	-	-
Unrestricted	(17,078,887)	(17,014,623)	579,619	679,389
Total Net Position	<u>\$ 41,984,926</u>	<u>\$ 42,523,383</u>	<u>\$ 1,292,253</u>	<u>\$ 1,412,357</u>

The District's largest net position component is the Net Investment in Capital Assets portion as shown above. Restricted balances represent resources that are subject to external restrictions on how they may be used.

Restricted net position increased \$1,342,898 from the prior year to \$10,950,622 at June 30, 2024.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$17,078,887) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net position for June 30, 2024 and 2023. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the 'Financial Analysis of the District's Funds' section later in this report.

	<u>June 30, 2024</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 1,561,822	\$ 1,561,822
Operating Grants and Contributions	31,704,066	599,414	32,303,480
General Revenues:			
Property Taxes	82,934,189	-	82,934,189
Federal and State Aid	8,111,678	-	8,111,678
Miscellaneous	1,588,548	-	1,588,548
Total Revenues	124,338,481	2,161,236	126,499,717
Expenses:			
Instructional Services	80,087,852	-	80,087,852
Support Services	43,883,088	2,281,340	46,164,428
Interest and Other Charges	905,998	-	905,998
Total Expenses	124,876,938	2,281,340	127,158,278
Change in Net Position	(538,457)	(120,104)	(658,561)
Net Position, Beginning	42,523,383	1,412,357	43,935,740
Net Position, Ending	\$ 41,984,926	\$ 1,292,253	\$ 43,277,179
	<u>June 30, 2023</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 1,562,824	\$ 1,562,824
Operating Grants and Contributions	31,237,226	727,316	31,964,542
General Revenues:			
Property Taxes	80,701,477	-	80,701,477
Federal and State Aid	11,647,918	-	11,647,918
Miscellaneous	658,127	-	658,127
Total Revenues	124,244,748	2,290,140	126,534,888
Expenses:			
Instructional Services	75,697,393	-	75,697,393
Support Services	60,091,476	2,071,454	62,162,930
Interest and Other Charges	901,853	-	901,853
Total Expenses	136,690,722	2,071,454	138,762,176
Change in Net Position	(12,445,974)	218,686	(12,227,288)
Net Position, Beginning	54,969,357	1,193,671	56,163,028
Net Position, Ending	\$ 42,523,383	\$ 1,412,357	\$ 43,935,740

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The unassigned fund balance is divided between designated balances and undesignated balances. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the District's discretion.

Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended Jun 30, 2024 and 2023 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

<u>June 30, 2024</u>				
	Amount	Percent Of Total	Increase (Decrease) From 2022	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 42,346,950	35.80%	\$ 1,921,578	4.75%
Undistributed	75,149,697	63.53%	2,465,617	3.39%
Capital Outlay	789,246	0.67%	(6,783,498)	-89.58%
Total	<u>\$ 118,285,893</u>	<u>100.00%</u>	<u>\$ (2,396,303)</u>	<u>-1.99%</u>

<u>June 30, 2023</u>				
	Amount	Percent Of Total	Increase (Decrease) From 2021	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 40,425,372	33.50%	\$ 2,837,398	7.55%
Undistributed	72,684,080	60.23%	7,255,092	11.09%
Capital Outlay	7,572,744	6.27%	(11,663,971)	-60.63%
Total	<u>\$ 120,682,196</u>	<u>100.00%</u>	<u>\$ (1,571,481)</u>	<u>-1.29%</u>

Instruction costs increased primarily due to negotiated salary increases and additional instructional positions being added.

General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2023-2024 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

- TPAF, which is the state's contribution to the pension fund, is an "on-behalf" revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2023-2024 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

Based on the financial results of 2023-2024, unassigned fund balance decreased by (\$71,104) to \$1,261,368 (2% required per S-1701, net of allowable adjustments).

Proprietary Funds. The District's proprietary fund provides the same type of information found in the district-wide financial statements, but in more detail.

The Food Services Enterprise Fund showed a change in net position of (\$120,104) in 2023-2024 as compared to a change in net position of \$168,651 in 2022-2023. The food service fund required no contributions from the Board in 2022-2023 or in the 2023-2024 year.

Capital Assets

At June 30, 2024 the District has capital assets of \$62,507,450, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2024</u>	
	Governmental	Business-Type
	Activities	Activities
Land	\$ 6,849,273	\$ -
Buildings/Construction	49,506,371	150,111
Machinery and Equipment	5,439,172	562,523
Total	<u>\$ 61,794,816</u>	<u>\$ 712,634</u>
	<u>June 30, 2023</u>	
	Governmental	Business-Type
	Activities	Activities
Land	\$ 6,849,273	\$ -
Buildings/Construction	51,989,213	161,734
Machinery and Equipment	6,034,670	571,234
Total	<u>\$ 64,873,156</u>	<u>\$ 732,968</u>

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

Debt Administration and Other Obligations

As of June 30, 2024, the District had \$32,543,299 of outstanding debt. Of this amount, \$2,492,964 is for compensated absences, \$13,681,625 is for financed purchases, and \$16,368,710 is for a net pension liability.

Additional information on the District's debt administration and other obligations can be found in Note 7 to the basic financial statements.

Economic Factors and Subsequent Year's Budgets

- It is the opinion of the Superintendent and Business Administrator that the Marlboro Township School District has historically maintained and continues to maintain a strong financial position. This was confirmed by the rating by Standard and Poor's of the District bonds in October 2023. The District is proud of the community's support of its public schools.
- The Marlboro Township School District, along with many other public school districts in the State face a difficult economic future since the primary sources of funding are property tax revenue and state aid. As a result, the financial well being of the District is tied in large measure to the actions of the state legislature. Significant cuts in state funding and/or restrictions on the growth rate of the local property tax levy could have a substantial impact on the District's programs and services. The growth rate on local property taxes has been restricted to 2% which has become challenging due to rising costs associated with 5%-10% increases and new construction around Marlboro.
- In June 2018, the state legislature enacted legislation that impacted state aid to school districts across the State of New Jersey in a seven-year phase out of Adjustment Aid. Many districts saw increases and some saw decreases in state aid. Marlboro Township School District has lost approximately \$5 million over the last seven period. The 2024-2025 school year was the first year without any adjustment aid reductions where the district saw an increase in state aid due to rising enrollment.
- The district continues to focus on the long term facilities plans of providing Air conditioning to our elementary schools, with two more schools left to plan for. The district also continues to routinely budget for ongoing maintenance and improvements through the course of the school year to keep all facilities up to date and safe.
- With the continued concern of property taxes, it is important to highlight the areas of either shared services or buying cooperatives in an effort to reduce expenses. These areas include utilizing Educational Data Services for the purchase of classroom supplies, art supplies, maintenance supplies and copy paper. Gasoline and diesel fuel for all busses and maintenance vehicles is purchased through the Township. In June 2023, the district continued its cooperative pricing agreement with Marlboro Township, for the provision and performance of electric generation service for the benefit of the Marlboro Township taxpayers. The District continues with its participation in insurance pool for workers compensation insurance purchased from New Jersey School Insurance Group and the District's legal liability insurance is purchased from Zurich Insurance at significant savings from the previous year. The District is constantly looking for other costs savings measures, including exploring further opportunities for future purchases jointly with other districts within the Freehold Regional area. The District utilizes Colts Neck Board of Education for transportation routes and also has established new special education programs to receive special education children from neighboring school districts.
- In conclusion, the Marlboro Township Public 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. We are pleased to report for a 22nd consecutive year, the district was awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2023 by the Association of School Business Officials International. The District plans to continue its sound fiscal management practices to meet the challenges of the future.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the school district's finances and to show the school district's accountability for the money it receives. If you have questions about this report or need additional information, contact Vincent Caravello, School Business Administrator/Board Secretary, Marlboro Township Board of Education, 1980 Township Drive, Marlboro, NJ 07746 or e-mail vcaravello@marlboro.k12.nj.us.

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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MARLBORO TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash & Cash Equivalents	\$ 7,620,873	\$ 727,022	\$ 8,347,895
Receivables, Net (Note 4)	1,297,694	24,476	1,322,170
Inventory	-	72,539	72,539
Restricted Cash & Cash Equivalents	7,796,909	-	7,796,909
Internal Balances	25,000	(25,000)	-
Capital Assets, Net (Note 5)			
Non-Depreciable	6,849,273	-	6,849,273
Depreciable	54,945,543	712,634	55,658,177
Total Assets	78,535,292	1,511,671	80,046,963
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	2,266,045	-	2,266,045
Total Deferred Outflow of Resources	2,266,045	-	2,266,045
LIABILITIES:			
Accounts Payable	1,191,292	114,689	1,305,981
Due to Other Governments	1,640,846	-	1,640,846
Unearned Revenue	356,267	104,729	460,996
Accrued Interest	165,130	-	165,130
Accrued Salaries and Wages	900	-	900
Unemployment Trust Liability	175,000	-	175,000
Payroll Deductions and Withholdings	1,091,816	-	1,091,816
Noncurrent Liabilities (Note 7):			
Due Within One Year	1,143,361	-	1,143,361
Due in More Than One Year	31,399,938	-	31,399,938
Total Liabilities	37,164,550	219,418	37,383,968
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	1,651,861	-	1,651,861
Total Deferred Inflow of Resources	1,651,861	-	1,651,861
NET POSITION:			
Net Investment in Capital Assets	48,113,191	712,634	48,825,825
Restricted for:			
Capital Projects (Note 3)	3,444,451	-	3,444,451
Maintenance Reserve (Note 3)	3,618,115	-	3,618,115
Unemployment Compensation (Note 3)	734,343	-	734,343
Student Activities	82,829	-	82,829
Scholarship	1,487	-	1,487
Technology Trust	10,116	-	10,116
Excess Surplus	3,059,281	-	3,059,281
Unrestricted (Deficit) (Note 18)	(17,078,887)	579,619	(16,499,268)
Total Net Position	\$ 41,984,926	\$ 1,292,253	\$ 43,277,179

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	CAPITAL GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Regular Instruction	\$ 52,750,695	\$ -	\$ 19,073,332	\$ -	\$ (33,677,363)	\$ -	\$ (33,677,363)
Special Education Instruction	22,447,450	-	7,446,790	-	(15,000,660)	-	(15,000,660)
Other Instruction	4,889,707	-	1,622,127	-	(3,267,580)	-	(3,267,580)
Support Services:							
Tuition	2,061,956	-	128,802	-	(1,933,155)	-	(1,933,155)
Student & Instruction Related Services	13,307,528	-	1,604,359	-	(11,703,169)	-	(11,703,169)
General Administrative	2,016,559	-	125,966	-	(1,890,593)	-	(1,890,593)
School Administrative Services	5,838,387	-	364,699	-	(5,473,687)	-	(5,473,687)
Central Services	958,875	-	59,897	-	(898,978)	-	(898,978)
Administrative Info. Technology	730,579	-	45,636	-	(684,943)	-	(684,943)
Plant Operations & Maintenance	11,607,234	-	772,586	-	(10,834,648)	-	(10,834,648)
Pupil Transportation	7,361,969	-	459,871	-	(6,902,098)	-	(6,902,098)
Interest & Other Charges	905,998	-	-	-	(905,998)	-	(905,998)
Total Governmental Activities	124,876,938	-	31,704,066	-	(93,172,872)	-	(93,172,872)
Business-Type Activities:							
Food Service	2,281,340	1,561,822	599,414	-	-	(120,104)	(120,104)
Total Business-Type Activities	2,281,340	1,561,822	599,414	-	-	(120,104)	(120,104)
Total Primary Government	\$ 127,158,278	\$ 1,561,822	\$ 32,303,480	\$ -	(93,172,872)	(120,104)	(93,292,976)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					82,934,189	-	82,934,189
Federal & State Aid Restricted					6,053	-	6,053
Federal & State Aid Not Restricted					8,105,625	-	8,105,625
Tuition Charges					244,144	-	244,144
Miscellaneous					1,344,404	-	1,344,404
Total General Revenues					92,634,415	-	92,634,415
Change In Net Position					(538,457)	(120,104)	(658,561)
Net Position - Beginning					42,523,383	1,412,357	43,935,740
Net Position - Ending					\$ 41,984,926	\$ 1,292,253	\$ 43,277,179

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

B. Fund Financial Statements

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Governmental Funds

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2024**

	MAJOR FUNDS		
	GENERAL FUND	SPECIAL REVENUE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash & Cash Equivalents	\$ 7,743,796	\$ -	\$ 7,743,796
Receivables, Net:			
Interfund Receivable	25,000	3,336	28,336
Due from Other Governments:			
Federal	-	520,138	520,138
State	692,625	-	692,625
Other	13,455	-	13,455
Other Accounts Receivable	30,630	40,846	71,476
Restricted Cash & Cash Equivalents	7,796,909	-	7,796,909
Total Assets	<u>\$ 16,302,415</u>	<u>\$ 564,320</u>	<u>\$ 16,866,735</u>
LIABILITIES & FUND BALANCES			
Liabilities:			
Cash Deficit	\$ -	\$ 122,923	\$ 122,923
Accounts Payable	1,125,515	65,777	1,191,292
Intergovernmental Payable:			
State	-	40,846	40,846
Interfund Payable	3,336	-	3,336
Unearned Revenue	115,925	240,342	356,267
Accrued Salaries and Wages	900	-	900
Unemployment Trust Liability	175,000	-	175,000
Payroll Deductions and Withholdings	1,091,816	-	1,091,816
Total Liabilities	<u>2,512,492</u>	<u>469,888</u>	<u>2,982,380</u>
Fund Balances:			
Restricted for:			
Capital Reserve	3,444,451	-	3,444,451
Maintenance Reserve	3,618,115	-	3,618,115
Excess Surplus	2,202,061	-	2,202,061
Excess Surplus Designated for Subsequent Year	857,220	-	857,220
Reserve for Unemployment Claims	734,343	-	734,343
Scholarships	-	1,487	1,487
Student Activities	-	82,829	82,829
Technology Trust	-	10,116	10,116
Assigned to:			
Designated for Subsequent Year	1,254,593	-	1,254,593
Other Purposes	417,772	-	417,772
Unassigned	1,261,368	-	1,261,368
Total Fund Balances	<u>13,789,923</u>	<u>94,432</u>	<u>13,884,355</u>
Total Liabilities & Fund Balances	<u>\$ 16,302,415</u>	<u>\$ 564,320</u>	

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$130,233,514 and the accumulated depreciation is \$68,438,698.	61,794,816
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.	
Deferred Outflows Related to Pensions	2,266,045
Deferred Inflows Related to Pensions	(1,651,861)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(165,130)
Accrued pension contributions for the June 30, 2024 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(1,600,000)
Long-term liabilities, including net pension liability, financed purchases and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(32,543,299)
Net Position of Governmental Activities	<u>\$ 41,984,926</u>

**MARLBORO TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2024**

	MAJOR FUNDS		TOTAL
	GENERAL FUND	SPECIAL REVENUE FUND	GOVERNMENTAL FUNDS
Revenues:			
Local Sources:			
Local Tax Levy	\$ 82,934,189	\$ -	\$ 82,934,189
Tuition Charges	244,144	-	244,144
Miscellaneous	1,344,404	378,321	1,722,725
Total Local Sources	84,522,737	378,321	84,901,058
State Sources	31,095,388	234,741	31,330,129
Federal Sources	12,974	1,739,731	1,752,705
Total Revenues	115,631,099	2,352,793	117,983,892
Expenditures:			
Instruction:			
Regular Instruction	26,312,103	1,580,155	27,892,258
Special Education Instruction	11,869,229	-	11,869,229
Other Instruction	2,585,463	-	2,585,463
Support Services:			
Tuition	1,529,603	-	1,529,603
Attendance & Social Work Services	959,621	-	959,621
Health Services	913,710	-	913,710
Student & Instruction Related Services	7,225,382	773,094	7,998,476
General Administrative	1,495,926	-	1,495,926
School Administrative Services	4,331,039	-	4,331,039
Central Services	711,314	-	711,314
Administrative Information Technology	541,959	-	541,959
Plant Operations & Maintenance	10,095,731	-	10,095,731
Pupil Transportation	5,461,265	-	5,461,265
Unallocated Benefits	18,108,316	-	18,108,316
On Behalf TPAF Pension and Social Security Contributions	23,002,737	-	23,002,737
Capital Outlay	783,193	6,053	789,246
Total Expenditures	115,926,591	2,359,302	118,285,893
Net Changes in Fund Balances	(295,492)	(6,509)	(302,001)
Fund Balance, July 1	14,085,415	100,941	14,186,356
Fund Balance, June 30	\$ 13,789,923	\$ 94,432	\$ 13,884,355

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

**MARLBORO TOWNSHIP SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

Total Net Changes in Fund Balances - Governmental Funds (B-2) \$ (302,001)

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	\$	(3,367,246)	
Adjustment to Appraisal Report		(500,340)	
Capital Outlays		789,246	
			(3,078,340)

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.

1,584,495

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

1,261,249

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

14,782

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 (+).

(18,642)

Change in Net Position of Governmental Activities

\$ (538,457)

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Proprietary Funds

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EXHIBIT B-4

**MARLBORO TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2024**

	MAJOR FUNDS	
	BUSINESS-TYPE	
	ACTIVITIES -	
	ENTERPRISE	
	FUNDS	
	FOOD	
	SERVICE	
ASSETS		
Current Assets:		
Cash & Cash Equivalents	\$	727,022
Accounts Receivable:		
Federal		16,294
State		1,486
Other Receivables		6,696
Inventories		72,539
Total Current Assets		824,037
Noncurrent Assets:		
Capital Assets		1,361,923
Less: Accumulated Depreciation		(649,289)
Total Capital Assets, Net		712,634
Total Noncurrent Assets		712,634
Total Assets		1,536,671
LIABILITIES		
Current Liabilities:		
Accounts Payable		114,689
Unearned Revenue		104,729
Interfund Payable		25,000
Total Current Liabilities		244,418
NET POSITION		
Net Investment in Capital Assets		712,634
Unrestricted		579,619
Total Net Position	\$	1,292,253

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

EXHIBIT B-5

**MARLBORO TOWNSHIP SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 YEAR ENDED JUNE 30, 2024**

	MAJOR FUNDS BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS FOOD SERVICE
Operating Revenues:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 825,246
Daily Sales - Non-Reimbursable Programs	695,446
Special Functions	41,130
	<hr/>
Total Operating Revenues	1,561,822
	<hr/>
Operating Expenses:	
Cost of Sales - Reimbursable Programs	405,595
Cost of Sales - Non-Reimbursable Programs	304,978
Salaries	1,177,596
Purchased Property Services	184,553
Other Purchased Professional Services	6,758
Supplies and Materials	75,430
Depreciation	26,205
Management and Administrative Fees	100,225
	<hr/>
Total Operating Expenses	2,281,340
	<hr/>
Operating Income/(Loss)	(719,518)
	<hr/>
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	25,992
Federal Sources:	
National School Lunch Program	266,380
Healthy Hunger-Free Kids Act	22,832
Supply Chain Assistance Award	107,702
P-EBT Administrative Cost Aid	653
Food Distribution Program	175,855
	<hr/>
Total Nonoperating Revenues/(Expenses)	599,414
	<hr/>
Change in Net Position	(120,104)
Total Net Position - Beginning	1,412,357
	<hr/>
Total Net Position - Ending	\$ 1,292,253
	<hr/> <hr/>

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

**MARLBORO TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2024**

	MAJOR FUNDS
	BUSINESS-TYPE
	ACTIVITIES -
	ENTERPRISE
	FUNDS
	FOOD
	SERVICE
Cash Flows From Operating Activities:	
Receipts from Customers	\$ 1,605,983
Payments to Employees	(1,177,596)
Payments to Suppliers	(894,004)
Net Cash Provided by/(Used for) Operating Activities	(465,617)
Cash Flows From Noncapital Financing Activities:	
State Sources	25,992
Federal Sources	397,567
Net Cash Provided by/(Used for) Noncapital Financing Activities	423,559
Cash Flows From Capital & Related Financing Activities:	
Purchases of Capital Assets	(5,871)
Net Cash Provided by/(Used for) Capital & Related Financing Activities	(5,871)
Net Increase/(Decrease) in Cash & Cash Equivalents	(47,929)
Balances - Beginning of Year	774,951
Balances - End of Year	\$ 727,022
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:	
Operating Income/(Loss)	\$ (719,518)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:	
Depreciation	26,205
Food Distribution Program	175,855
(Increase)/Decrease in Accounts Receivable, Net	15,485
(Increase)/Decrease in Inventories	(3,443)
Increase/(Decrease) in Unearned Revenue	28,676
Increase/(Decrease) in Accounts Payable	11,123
Total Adjustments	253,901
Net Cash Provided/(Used) by Operating Activities	\$ (465,617)

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

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Fiduciary Fund

Not Applicable

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MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

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MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Marlboro Township School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Reporting Entity

The School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members' terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades K through 8 at its eight instructional buildings and operates a transportation depot, buildings and grounds office, and an administrative building. The School District has an approximate enrollment at June 30, 2024 of 4,513 and is one of the largest K through 8 districts in Monmouth County.

The primary criterion for including activities within the School 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 School District holds the corporate powers of the organization;
- ◆ the School District appoints a voting majority of the organization's board
- ◆ the School District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the School District
- ◆ there is a fiscal dependency by the organization on the School District.

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity - Omnis - an Amendment of GASB Statements No. 14* and No. 34, GASB Statement No. 80, *Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14* and GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan - an Amendment of GASB Statements No. 14 and No. 84*. The School District had no component units as of for the year ended June 30, 2024.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

A. Government-Wide Financial Statements

The School District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the School District accompanied by a total column. Fiduciary activities of the School District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

B. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

The School District reports the following major governmental funds:

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

As required by the New Jersey Department of Education the School District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

C. Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The School District reports the following major proprietary funds:

Food Service Fund – The food service fund accounts for the financial transactions related to the food service operations of the School District.

D. Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position. The School District's fiduciary funds include Custodial Funds which are used to report fiduciary activities where the School District controls assets that are collected on behalf of these entities. These assets are held in a trust and are distributed in accordance with applicable policies. The Custodial Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting in accordance with GASBS No. 84, *Fiduciary Activities*.

The School District reports no fiduciary funds.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

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.

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the general fund budgetary comparison schedules and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

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

Open encumbrances in the special revenue fund for which the School District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

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

**MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Cash, Cash Equivalents and Investments

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

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. 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.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of twelve months or less and all local government investment pools to be cash equivalents.

Property Taxes

Ad valorem (property) taxes are susceptible to accrual. As under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the state of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable." The Township of Marlboro annually levies taxes based on assessed value and collects taxes on a quarterly basis, commencing February 1 and subsequently on May 1, August 1 and November 1 of the calendar year. Property taxes not collected as of November 1 are deemed delinquent and subject to lien. Tax liens are issued subsequent to April 1 of the succeeding year if property taxes remain delinquent.

Tuition Receivable/Payable

Tuition rates were established by the receiving School District based on estimated costs. The charges are subject to adjustment when the actual costs are determined.

Inventories

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

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair market value at the date of donation. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	10-20 Years	N/A
Building and improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	5-12 Years
Vehicles	5-10 Years	4-6 Years

Compensated Absences

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

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measureable and the School District is eligible to realize the revenue.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, government fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

Interfund Activity

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

Deferred Outflows and Deferred Inflows of Resources

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

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

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

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District’s policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District’s policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

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

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

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

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

Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2024 and November 15, 2024, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Impact of Recently Issued Accounting Principles (Continued)

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2024:

- Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*.

Management has determined the implementation of these statements did not have a significant impact on the District's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

- Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.
- Statement No. 102, *Certain Risk Disclosures*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.
- Statement No. 103, *Financial Reporting Model Improvements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Management has not yet determined the potential impact on the District's financial statements.

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2024, the School District's bank balance of \$16,623,402 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 5,485,152
Uninsured and Uncollateralized	<u>11,138,250</u>
Total	<u><u>\$ 16,623,402</u></u>

Investments

The School District had no investments at June 30, 2024.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District 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 School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School 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 School District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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	\$ 3,193,451
Increased by:	
Interest Earnings	1,000
Deposits Approved by Board	250,000
	<hr/>
Ending Balance, June 30, 2024	<u>\$ 3,444,451</u>

Maintenance Reserve

The School District established a maintenance reserve account in June of 1997 for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

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

Beginning Balance, July 1, 2023	\$ 4,366,115
Increased by:	
Interest Earnings	2,000
Deposits Approved by Board	250,000
	<hr/>
	4,618,115
Decreased by:	
Budget Withdrawals	(1,000,000)
	<hr/>
Ending Balance, June 30, 2024	<u>\$ 3,618,115</u>

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 3. Reserve Accounts (Continued)

Unemployment Claim Reserve

Unemployment Claim Reserve funds are restricted pursuant to *N.J.S.A. 43:21-7.3(g)*, which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentality for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

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

Beginning Balance, July 1, 2023	\$ 748,861
Decreased by:	
Withdrawals	(14,518)
Ending Balance, June 30, 2024	<u>\$ 734,343</u>

Note 4. Accounts Receivable

Accounts receivable at June 30, 2024 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2024, consisted of the following:

<u>Description</u>	<u>Governmental Funds</u>		<u>Total Governmental Activities</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	
Federal Awards	\$ -	\$ 520,138	\$ 520,138
State Awards	692,625	-	692,625
Other	44,085	40,846	84,931
Total	<u>\$ 736,710</u>	<u>\$ 560,984</u>	<u>\$ 1,297,694</u>

<u>Description</u>	<u>Proprietary Funds</u>		<u>Total Business-Type Activities</u>
	<u>Food Service Fund</u>		
Federal Awards	\$ 16,294	\$ 16,294	
State Awards	1,486	1,486	
Other	6,696	6,696	
Total	<u>\$ 24,476</u>	<u>\$ 24,476</u>	

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 5. Capital Assets

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

	Governmental Activities			
	Balance July 1, 2023	Additions	Retirements and Adjustments	Balance June 30, 2024
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 6,849,273	\$ -	\$ -	\$ 6,849,273
Total Capital Assets not being depreciated	6,849,273	-	-	6,849,273
Capital Assets being depreciated:				
Buildings and Improvements	108,619,897	167,117	(411,654)	108,375,360
Equipment	15,192,563	622,129	(805,811)	15,008,881
Total Capital Assets being depreciated	123,812,460	789,246	(1,217,465)	123,384,241
Less: Accumulated Depreciation:				
Buildings and Improvements	(56,630,684)	(2,489,211)	250,906	(58,868,989)
Equipment	(9,157,893)	(878,035)	466,219	(9,569,709)
Total Accumulated Depreciation	(65,788,577)	(3,367,246)	717,125	(68,438,698)
Total Capital Assets being depreciated, net	58,023,883	(2,578,000)	(500,340)	54,945,543
Total Governmental Activities Capital Assets, net	\$ 64,873,156	\$ (2,578,000)	\$ (500,340)	\$ 61,794,816
	Business-Type Activities			
	Balance July 1, 2023	Additions	Retirements and Adjustments	Balance June 30, 2024
Business-Type Activities				
Capital Assets being depreciated:				
Buildings	\$ 364,554	\$ -	\$ -	\$ 364,554
Equipment	991,498	5,871	-	997,369
Total Capital Assets being depreciated	1,356,052	5,871	-	1,361,923
Less: Accumulated Depreciation:				
Buildings	(202,820)	(11,623)		(214,443)
Equipment	(420,264)	(14,582)		(434,846)
Total Accumulated Depreciation	(623,084)	(26,205)	-	(649,289)
Total Capital Assets being depreciated, net	732,968	(20,334)	-	712,634
Total Business-Type Activities Capital Assets, net	\$ 732,968	\$ (20,334)	\$ -	\$ 712,634

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 5. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the School District as follows:

Governmental Activities

Instruction:

Regular Instruction	\$ 1,244,555
Special Education Instruction	529,606
Other Instruction	115,364

Support Services:

Tuition	68,251
Student & Instruction Related Services	440,481
General Administrative	66,748
School Administrative Services	193,251
Central Services	31,739
Administrative Info. Technology	24,182
Plant Operations & Maintenance	409,387
Pupil Transportation	243,682

Total Depreciation Expense - Governmental Activities	\$ 3,367,246
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Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2024 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 25,000	\$ 3,336
Special Revenue Fund	3,336	-
Food Service Fund	-	25,000
	<u>\$ 28,336</u>	<u>\$ 28,336</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

There were no interfund transfers for the year ended June 30, 2024.

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2024 the following changes occurred in long-term obligations for the governmental and business-type activities:

	<u>Balance June 30, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2024</u>	<u>Balance Due Within One Year</u>
Governmental Activities:					
Financed Purchases	\$14,942,874	\$ -	\$ 1,261,249	\$13,681,625	\$ 1,143,361
Compensated Absences	2,474,322	47,672	29,030	2,492,964	-
Net Pension Liability	16,915,676	4,257,015	4,803,981	16,368,710	-
	<u>\$34,332,872</u>	<u>\$ 4,304,687</u>	<u>\$ 6,094,260</u>	<u>\$32,543,299</u>	<u>\$ 1,143,361</u>

For governmental activities, compensated absences, financed purchases, and the net pension liability are liquidated by the general fund.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 7. Long-Term Obligations (Continued)

Financed Purchases

The School District executed a financed purchase agreement for an Energy Savings Improvement Plan (ESIP) on November 8, 2019 valued at \$15,250,000 of which \$2,470,000 has matured and been repaid.

The School District executed a financed purchase agreement for Buses and Vans on July 1, 2021 valued at \$665,860, of which \$531,112 has matured and been repaid.

The School District executed a financed purchase agreement for Copiers on November 3, 2021 valued at \$172,972 of which \$115,784 has matured and been repaid.

The School District executed a financed purchase agreement for Buses and Vans on November 15, 2021 valued at \$668,071 of which \$399,151 has matured and been repaid.

The School District executed a financed purchase agreement for Buses and Vans on November 1, 2022 valued at \$733,000 of which \$292,231 has matured and been repaid.

The following is a schedule of the remaining future minimum financed purchase payments, and the present value of the net minimum financed purchase payments at June 30, 2024:

Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
2025	\$ 1,410,694
2026	1,180,936
2027	1,050,994
2028	912,803
2029	937,299
2030-2034	5,006,375
2035-2039	4,486,524
2040	900,884
	<hr/>
Total Minimum Lease Payments	15,886,509
Less: Amount Representing Interest	(2,204,884)
	<hr/>
Present Value of Minimum Lease Payments	\$ 13,681,625
	<hr/> <hr/>

Amortization of the leased equipment and improvements under financed purchases is included with depreciation expense.

Bonds Authorized but not Issued

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

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

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

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

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 8. Pension Plans (Continued)

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

Components of Net Pension Liability - At June 30, 2024, the School District's proportionate share of the net pension liability was \$16,368,710. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The School District's proportion measured as of June 30, 2023, was 0.11300944%, which was an increase of 0.00092109% from its proportion measured as of June 30, 2022.

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources - For the year ended June 30, 2024, the School District's proportionate share of the PERS expense/(credit), calculated by the plan as of June 30, 2023 is (\$74,093). This expense/(credit) is recognized by the School District in the government-wide financial statements.

At June 30, 2024 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 156,506	\$ 66,910
Changes of Assumptions	35,959	992,014
Net Difference between Projected and Actual Earnings on Pension Plan Investments	75,380	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	398,200	592,937
School District contributions subsequent to measurement date	1,600,000	-
	<u>\$ 2,266,045</u>	<u>\$ 1,651,861</u>

\$1,600,000 is reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2023-2024 total salaries for PERS employees multiplied by an employer pension contribution rate of 17.61%. The payable is due on April 1, 2025 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 8. Pension Plans (Continued)

Year Ending June 30,	
2025	\$ (903,154)
2026	(521,314)
2027	635,129
2028	(159,580)
2029	(36,897)
	\$ (985,816)

Special Funding Situation - Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the District as of June 30, 2024. At June 30, 2024, the State's proportionate share of the PERS expense, associated with the District, calculated by the plan as of the June 30, 2023 measurement date was \$51,048.

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

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

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 8. Pension Plans (Continued)

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed 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%
	<u>100.00%</u>	

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

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2023, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 8. Pension Plans (Continued)

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	\$ 21,488,227	\$ 16,368,710	\$ 12,266,784

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2024 and 2023:

	<u>6/30/2024</u>	<u>6/30/2023</u>
Collective Deferred Outflows of Resources	\$ 666,045	\$ 1,567,625
Collective Deferred Inflows of Resources	1,651,861	3,590,970
Collective Net Pension Liability	16,368,710	16,915,676
School District's portion	0.1130%	0.1121%

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 8. Pension Plans (Continued)

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

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

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

Components of Net Pension Liability - At June 30, 2024, the State's proportionate share of the TPAF net pension liability, attributable to the School District was \$182,938,004. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2023, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.3584723380%, which was an increase of 0.0019085853% from its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the State of New Jersey recognized a pension expense in the amount of \$4,494,254 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2023 measurement date.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 8. Pension Plans (Continued)

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

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

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 8. Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed 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%
	<u>100.00%</u>	

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 actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 7.00% as well as what the State's proportionate share of the net pension liability, attributable to the School District's 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:

	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	<u>\$ 215,717,103</u>	<u>\$ 182,938,004</u>	<u>\$ 155,330,211</u>

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 8. Pension Plans (Continued)

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2024 and 2023:

	06/30/24	06/30/23
Collective Deferred Outflows of Resources	\$ 2,502,380,838	\$ 5,004,259,312
Collective Deferred Inflows of Resources	14,830,205,473	19,682,774,794
Collective Net Pension Liability	51,109,961,824	51,676,587,303
 School District's portion	 0.35847%	 0.35656%

B. Defined Contribution Retirement Plan (DCRP)

Plan Description - DCRP was established July 1, 2007, under the provisions of *N.J.S.A. 43:15C-1 et seq.* The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in PERS or TPAF on or after July 1, 2007, who earn salary in excess of established “maximum compensation” limits;
- Employees enrolled in the Police and Firemen’s Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established “maximum compensation” limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.

Contributions - The contribution policy is set by *N.J.S.A. 43:15C-3* and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2024, employee contributions totaled \$84,492, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$62,165.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 9. Post-Retirement Benefits

General Information about the OPEB Plan

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

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

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

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability of \$52,361,668,239 as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:			
Through 2026	2.75% to 4.25%	2.75% to 6.55%	3.25% to 16.25%
	based on years of service	based on years of service	based on years of service

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

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

OPEB Obligations and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2023 was \$191,153,283. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2023, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2023, the State proportionate share of the OPEB Obligation attributable to the School District was 0.36506339%, which was an increase of 0.00087226% from its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the State of New Jersey recognized an OPEB expense in the amount of \$6,354,589 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2023 measurement date.

Health Care Trend Assumptions

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 9. Other Post-Retirement Benefits (continued)

Discount Rate

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

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate:

The following presents the total nonemployer OPEB liability as of June 30, 2023, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2023		
	At 1% Decrease (2.65%)	At Discount Rate (3.65%)	At 1% Increase (4.65%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 224,094,408	\$ 191,153,283	\$ 164,705,384
State of New Jersey's Total Nonemployer OPEB Liability	\$ 61,385,066,712	\$ 52,361,668,239	\$ 45,116,926,835

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:

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

	June 30, 2023		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 158,686,695	\$ 191,153,283	\$ 233,635,897
State of New Jersey's Total Nonemployer OPEB Liability	\$ 43,468,257,358	\$ 52,361,668,239	\$ 63,998,719,320

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 9. Other Post-Retirement Benefits (continued)

Additional Information

Collective balances of the Local Group at June 30, 2023 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected & Actual Experience	\$ 7,639,717,639	\$ 13,791,541,217
Change in Assumptions	7,445,895,322	14,449,948,556
Contributions Made in Fiscal Year Ending 6/30/2024 After Measurement Date	TBD	N/A
	<u>\$ 15,085,612,961</u>	<u>\$ 28,241,489,773</u>

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

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

** Employer Contributions made after June 30, 2023 are reported as a deferred outflow of resources, but are not amortized in expense.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 9. Other Post-Retirement Benefits (continued)

Plan Membership

At June 30, 2022, the Program membership consisted of the following:

Active Plan Members	217,212
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	<u>152,383</u>
	<u><u>369,595</u></u>

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2024 (measurement date June 30, 2023) is as follows:

Total OPEB Liability

Service Cost	\$ 2,136,235,476
Interest Cost	1,844,113,951
Differences Between Expected and Actual Experiences	(980,424,863)
Changes of Assumptions	105,539,463
Contributions: Member	47,258,104
Gross Benefit Payments	<u>(1,437,516,858)</u>
Net Change in Total OPEB Liability	1,715,205,273
Total OPEB Liability (Beginning)	<u>50,646,462,966</u>
Total OPEB Liability (Ending)	<u><u>\$ 52,361,668,239</u></u>
Total Covered Employee Payroll	\$ 15,314,749,297
Net OPEB Liability as a Percentage of Payroll	342%

Note 10. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2024, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$15,553,610, \$3,210,228, \$4,233,123, and \$5,776, respectively.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 11. Risk Management

The School 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.

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

<u>Fiscal Year</u>	<u>Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>	
			<u>Restricted Unemployment Fund Balance</u>	<u>Unemployment Trust Liability</u>
2024	\$ 175,000	\$ 14,518	\$ 734,343	\$ 175,000
2023	-	51,857	748,861	-
2022	100,000	-	800,718	-

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

Joint Insurance Pool – The School District also participates in the Monmouth and Ocean County Shared Services Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation

Note 12. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2024 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Litigation – The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 12. Contingencies (Continued)

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

Note 13. Deferred Compensation

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

AXA Equitable
Metlife Securities, Inc.

Variable Annuity Life Insurance Co. (VALIC)
Security Benefits

Note 14. Compensated Absences

The School 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.

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2024, the liability for compensated absences reported was \$2,492,964.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024 (Continued)

Note 15. Tax Abatements (Continued)

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

Note 16. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2024 was \$2,202,061.

Note 17. Fund Balances

General Fund – Of the \$13,789,923 General Fund fund balance at June 30, 2024, \$3,444,451 has been restricted for the Capital Reserve Account; \$3,618,115 has been restricted for the Maintenance Reserve Account; \$734,343 has been restricted for unemployment claims; \$2,202,061 has been restricted for current year excess surplus; \$857,220 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$1,254,593 has been assigned - designated for subsequent year's expenditures; \$417,772 has been assigned to other purposes; and \$1,261,368 is unassigned.

Special Revenue Fund – Of the \$94,432 Special Revenue Fund fund balance at June 30, 2024, \$1,487 is restricted for scholarships; \$82,829 is restricted for student activities; and \$10,116 is restricted for technology trust.

Note 18. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$17,078,887 at June 30, 2024. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2024. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 19. Commitments

The District has contractual commitments as of June 30, 2024 to various vendors, which are recorded in the General Fund as Fund Balance Assigned to Other Purposes in the amount of \$417,772.

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2024

	ACCOUNT NUMBERS	JUNE 30, 2024				VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 82,934,189	\$ -	\$ 82,934,189	\$ 82,934,189	\$ -
Tuition	10-1300	-	-	-	6,940	6,940
Tuition From Individuals	10-1310	296,000	-	296,000	237,204	(58,796)
Play Proceeds	10-1710	-	12,571	12,571	16,270	3,699
Student Dues and Fees	10-1730	-	120,000	120,000	89,766	(30,234)
Rents and Royalties	10-1910	80,000	-	80,000	82,286	2,286
Sale of Property	10-1930	350,000	-	350,000	-	(350,000)
Refund of Prior Year's Expenditures	10-1980	-	-	-	237,913	237,913
Unrestricted Miscellaneous Revenues	10-1990	362,571	(124,517)	238,054	913,082	675,028
Advertising Fees - School Buses	10-1992	-	-	-	2,087	2,087
Interest Earned on Maintenance Reserve	10-1994	2,000	-	2,000	2,000	-
Interest Earned on Capital Reserve Funds	10-1995	1,000	-	1,000	1,000	-
Total Local Sources		84,025,760	8,054	84,033,814	84,522,737	488,923
State Sources:						
Categorical Transportation Aid	10-3121	1,189,069	-	1,189,069	1,189,069	-
Extraordinary Aid	10-3131	350,000	-	350,000	404,298	54,298
Categorical Special Education Aid	10-3132	3,375,643	-	3,375,643	3,375,643	-
Stabilization Aid	10-3246	-	72,883	72,883	72,883	-
Equalization Aid	10-3176	2,584,696	-	2,584,696	2,584,696	-
Categorical Security Aid	10-3177	349,448	-	349,448	349,448	-
Other State Aids	10-3190	-	-	-	96,278	96,278
Nonbudgeted:						
TPAF Pension (on-behalf)		-	-	-	15,553,610	15,553,610
TPAF Social Security (reimbursed)		-	-	-	3,210,228	3,210,228
TPAF Post Retirements		-	-	-	4,233,123	4,233,123
TPAF Long-Term Disability Insurance (on behalf)		-	-	-	5,776	5,776
Total State Sources		7,848,856	72,883	7,921,739	31,075,052	23,153,313
Federal Sources:						
Medicaid Reimbursement	10-4200	18,200	-	18,200	12,974	(5,226)
Total Federal Sources		18,200	-	18,200	12,974	(5,226)
Total Revenues		91,892,816	80,937	91,973,753	115,610,763	23,637,010

**MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2024**

	ACCOUNT NUMBERS	JUNE 30, 2024			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Current Expense:					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers	11-105-100-101	193,878	215,250	409,128	408,706
Other Purchased Services (400-500 series)	11-105-100-500	-	877,509	877,509	873,411
General Supplies	11-105-100-610	203,484	557,573	761,057	607,771
Kindergarten - Salaries of Teachers	11-110-100-101	1,996,431	(157,532)	1,838,899	1,824,289
Other Salaries for Instruction	11-110-100-106	-	569,599	569,599	560,464
Textbooks	11-110-100-640	-	375,238	375,238	365,363
Grades 1-5 - Salaries of Teachers	11-120-100-101	11,500,824	(141,001)	11,359,823	11,349,107
Purchase Professional-Educational Services	11-120-100-300	-	15,490	15,490	12,240
Other Objects	11-120-100-800	-	2,248	2,248	1,691
Grades 6-8 - Salaries of Teachers	11-130-100-101	10,609,098	(242,267)	10,366,831	10,287,851
Regular Programs - Home Instruction:					
Salaries of Teachers	11-150-100-101	12,000	5,500	17,500	14,841
Purchased Professional - Educational Services	11-150-100-320	6,000	2,000	8,000	6,369
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	11-190-100-106	406,806	(406,806)	-	-
Purchased Professional - Educational Services	11-190-100-320	15,490	(15,490)	-	-
Other Purchased Services	11-190-100-500	625,951	(625,951)	-	-
General Supplies	11-190-100-610	522,242	(522,242)	-	-
Textbooks	11-190-100-640	374,421	(374,421)	-	-
Other Objects	11-190-100-800	3,355	(3,355)	-	-
Total Regular Programs - Instruction		26,469,980	131,342	26,601,322	26,312,103
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	11-204-100-101	989,219	37,909	1,027,128	1,027,016
Other Salaries for Instruction	11-204-100-106	472,002	(32,001)	440,001	437,709
Other Purchased Services	11-204-100-500	21,800	17,565	39,365	26,480
General Supplies	11-204-100-610	12,400	-	12,400	3,990
Textbooks	11-204-100-640	3,500	-	3,500	-
Total Learning and/or Language Disabilities		1,498,921	23,473	1,522,394	1,495,195
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	11-212-100-101	493,408	(55,659)	437,749	437,747
Other Salaries for Instruction	11-212-100-106	356,679	15,111	371,790	368,988
Other Purchased Services	11-212-100-500	13,733	13,600	27,333	19,904
General Supplies	11-212-100-610	5,222	1	5,223	3,181
Total Multiple Disabilities		869,042	(26,947)	842,095	829,820

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2024

	ACCOUNT NUMBERS	JUNE 30, 2024			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Special Education - Instruction: Resource Room/Resource Center:					
Salaries of Teachers	11-213-100-101	7,061,260	(10,897)	7,050,363	7,041,962
Other Purchased Services	11-213-100-500	112,315	37,000	149,315	126,670
General Supplies	11-213-100-610	50,016	(5,265)	44,751	32,490
Textbooks	11-213-100-640	14,000	-	14,000	-
		7,237,591	20,838	7,258,429	7,201,122
Total Resource Room/Resource Center					57,307
Special Education - Instruction: Autism:					
Salaries of Teachers	11-214-100-101	344,278	172,001	516,279	516,279
Other Salaries for Instruction	11-214-100-106	329,558	214,856	544,414	544,413
Other Purchased Services	11-214-100-500	22,313	44,391	66,704	61,705
General Supplies	11-214-100-610	15,128	-	15,128	11,196
		711,277	431,248	1,142,525	1,133,593
Total Autism					8,932
Special Education - Instruction: Preschool Disabilities - Full-Time:					
Salaries of Teachers	11-216-100-101	826,721	(195,818)	630,903	630,903
Other Salaries for Instruction	11-216-100-106	439,935	4,262	444,197	443,696
Other Purchased Services	11-216-100-500	9,500	20,230	29,730	26,136
General Supplies	11-216-100-610	35,000	(3,000)	32,000	16,161
		1,311,156	(174,326)	1,136,830	1,116,896
Total Preschool Disabilities - Full-Time					19,934

**MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2024**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2024		VARIANCE FINAL TO ACTUAL
			BUDGET TRANSFERS	FINAL BUDGET	
Special Education - Instruction:					
Home Instruction:					
Salaries of Teachers	11-219-100-101	10,000	19,500	29,500	29,283 217
Purchased Professional - Educational Services	11-219-100-320	82,000	(13,895)	68,105	63,320 4,785
Total Home Instruction		92,000	5,605	97,605	92,603 5,002
Total Special Education - Instruction		11,719,987	279,891	11,999,878	11,869,229 130,649
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	11-230-100-101	621,396	150,867	772,263	714,508 57,755
Other Salaries for Instruction	11-230-100-106	277,718	(10,261)	267,457	265,998 1,459
Other Purchased Services	11-230-100-500	7,964	20,760	28,724	28,713 11
General Supplies	11-230-100-610	48,800	-	48,800	46,879 1,921
Total Basic Skills/Remedial - Instruction		955,878	161,366	1,117,244	1,056,098 61,146
Bilingual Education - Instruction:					
Salaries of Teachers	11-240-100-101	428,414	-	428,414	397,123 31,291
Other Purchased Services	11-240-100-500	19,550	-	19,550	17,130 2,420
General Supplies	11-240-100-610	7,600	-	7,600	695 6,905
Total Bilingual Education - Instruction		455,564	-	455,564	414,948 40,616
School-Sponsored Cocurricular/Extra Curricular Activities - Instruction:					
Salaries	11-401-100-100	262,220	-	262,220	246,516 15,704
Purchased Services (300-500 series)	11-401-100-300	11,527	500	12,027	10,919 1,108
Supplies and Materials	11-401-100-600	6,968	466	7,434	6,678 756
Total School-Sponsored Cocurricular/Extra Curricular Activities - Instruction		280,715	966	281,681	264,113 17,568
School-Sponsored Athletics - Instruction:					
Salaries	11-402-100-100	206,636	-	206,636	183,388 23,248
Supplies and Materials	11-402-100-600	11,084	110	11,194	10,941 253
Other Objects	11-402-100-800	23,553	-	23,553	17,875 5,678
Total School-Sponsored Athletics - Instruction		241,273	110	241,383	212,204 29,179

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2024

	JUNE 30, 2024				VARIANCE
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
ACCOUNT NUMBERS					
Other Instructional Programs - Instruction					
Salaries	631,771	-	631,771	624,269	7,502
Other Purchased Services	750	-	750	750	-
Supplies and Materials	16,330	(1,200.00)	15,130	13,081	2,049
Total Other Instructional Programs - Instruction	648,851	(1,200)	647,651	638,100	9,551
Undistributed Expenditures - Instruction (Tuition):					
Tuition to Other LEAs Within State - Special	72,177	133,386	205,563	205,261	302
Tuition to Private School Disabled - Within State	964,434	242,000	1,206,434	1,206,434	-
Tuition - Other	-	118,792	118,792	117,908	884
Total Undistributed Expenditures - Instruction (Tuition)	1,036,611	494,178	1,530,789	1,529,603	1,186
Undistributed Expenditures Attendance and Social Work:					
Salaries	1,021,038	(45,881)	975,157	959,621	15,536
Purchased Professional and Technical Services	10,097	-	10,097	-	10,097
Other Purchased Services	1,000	-	1,000	-	1,000
Total Undistributed Expenditures Attendance and Social Work	1,032,135	(45,881)	986,254	959,621	26,633
Undistributed Expenditures - Health Services:					
Salaries	881,623	(78,657)	802,966	764,045	38,921
Purchased Professional & Technical Services	170,750	(49,000)	121,750	113,599	8,151
Other Purchased Services	10,000	16,000	26,000	21,730	4,270
Supplies and Materials	17,373	671	18,044	14,336	3,708
Total Undistributed Expenditures - Health Services	1,079,746	(110,986)	968,760	913,710	55,050
Undistributed Expenditures - Speech, OT, PT and Related Services:					
Salaries	1,366,367	(62,128)	1,304,239	1,171,225	133,014
Purchased Professional - Educational Services	110,094	6,321	116,415	71,508	44,907
Supplies and Materials	19,160	(75)	19,085	2,376	16,709
Total Undistributed Expenditures - Speech, OT, PT and Related Services	1,495,621	(55,882)	1,439,739	1,245,109	194,630

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2024

	ACCOUNT NUMBERS	JUNE 30, 2024			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Other Support Services - Extra Services:					
Salaries	11-000-217-100	697,504	(22,900)	674,604	69,780
Purchased Professional - Educational Services	11-000-217-320	5,000	(5,000)	-	-
Travel - All Other	11-000-217-500	-	59,500	59,500	2
Total Undistributed Expenditures - Other Support Services - Extra Services		702,504	31,600	734,104	69,782
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	11-000-218-104	1,060,765	(592)	1,060,173	36,855
Salaries of Secretaries & Clerical Assistants	11-000-218-105	127,302	592	127,894	-
Other Purchased Professional and Technical Services	11-000-218-390	305,268	-	305,268	2,326
Other Purchased Services	11-000-218-500	356	1,000	1,356	326
Supplies and Materials	11-000-218-600	25,570	(15,721)	9,849	3,801
Total Undistributed Expenditures - Guidance		1,519,261	(14,721)	1,504,540	43,308
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	1,540,745	(45,838)	1,494,907	6,000
Salaries of Secretaries & Clerical Assistants	11-000-219-105	147,122	(4,000)	143,122	3,107
Other Salaries	11-000-219-110	49,064	(49,064)	-	-
Purchased Professional - Educational Services	11-000-219-320	155,000	80,000	235,000	47,090
Other Purchased Services	11-000-219-500	73,034	(34,934)	38,100	8,287
Miscellaneous Purchased Services	11-000-219-592	-	34,933	34,933	7,585
Supplies and Materials	11-000-219-600	53,643	6,500	60,143	23,786
Total Undistributed Expenditures - Child Study Teams		2,018,608	(12,403)	2,006,205	95,855
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	11-000-221-102	127,742	-	127,742	25,133
Salaries of Sec. and Clerical Assist.	11-000-221-105	91,063	9,158	100,221	909
Other Salaries	11-000-221-110	162,144	-	162,144	7,513
Sal. of Fac., Math, Literacy Coaches	11-000-221-176	887,089	-	887,089	53,812
Other Purchased Professional and Technical Services	11-000-221-390	12,100	(5,400)	6,700	600
Other Purchased Services	11-000-221-500	100,540	58,074	158,614	11,155
Supplies and Materials	11-000-221-600	21,708	(5,450)	16,258	9,464
Total Undistributed Expenditures - Improvement of Instruction Services		1,402,386	56,382	1,458,768	108,586

**MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2024**

	ACCOUNT NUMBERS	JUNE 30, 2024			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Educational Media Services/Library:					
Salaries	11-000-222-100	398,419	-	398,419	2,979
Other Purchased Services	11-000-222-500	42,831	214	43,045	11
Supplies and Materials	11-000-222-600	39,125	1,806	40,931	5,454
Total Undistributed Expenditures - Educational Media Services/Library		480,375	2,020	482,395	8,444
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Secretarial and Clerical Assistants	11-000-223-102	31,936	24,929	56,865	6,430
Salaries of Supervisors of Instruction	11-000-223-105	22,640	(22,640)	-	-
Other Salaries	11-000-223-110	47,698	(9,900)	37,798	28,394
Other Purchased Prof. and Tech. Services	11-000-223-390	2,650	4,000	6,650	128
Other Purchased Services	11-000-223-500	91,357	10,000	101,357	48,517
Supplies and Materials	11-000-223-600	3,360	(2,324)	1,036	1
Total Undistributed Expenditures - Instructional Staff Training Services		199,641	4,065	203,706	83,470
Undistributed Expenditures - Support Services - General Administration:					
Salaries	11-000-230-100	722,316	(47,379)	674,937	21,747
Legal Services	11-000-230-331	155,000	25,000	180,000	27,639
Audit Fees	11-000-230-332	45,000	-	45,000	5,900
Architectural/Engineering Services	11-000-230-334	201,189	(5,000)	196,189	86,147
Other Purchased Professional Services	11-000-230-339	73,500	-	73,500	14,505
Purchased Technical Services	11-000-230-340	79,500	-	79,500	7,505
Miscellaneous Purchased Services	11-000-230-510	507	150,886	151,393	127,778
Communications/Telephone	11-000-230-530	343,496	787	344,283	34,064
Other Purchased Services	11-000-230-590	157,900	(157,900)	-	-
General Supplies	11-000-230-610	22,000	-	22,000	17,579
BOE In-House Training/Meeting Supplies	11-000-230-630	500	-	500	318
Judgements Against School District	11-000-230-820	53,450	-	53,450	21,855
Miscellaneous Expenditures	11-000-230-890	9,770	-	9,770	3,251
BOE Membership Dues and Fees	11-000-230-895	38,000	-	38,000	4,308
Total Undistributed Expenditures - Support Services - General Administration		1,902,128	(33,606)	1,868,522	372,596

**MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2024**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	JUNE 30, 2024		VARIANCE FINAL TO ACTUAL
				FINAL BUDGET	ACTUAL	
Undistributed Expenditures -						
Support Services - School Administration:						
Salaries of Principals/Assistant Principals	11-000-240-103	3,154,933	97	3,155,030	3,081,032	73,998
Salaries of Secretaries & Clerical Assistants	11-000-240-105	1,041,802	23,115	1,064,917	1,054,657	10,260
Other Purchased Services	11-000-240-500	110,724	13,350	124,074	106,875	17,199
Supplies and Materials	11-000-240-600	70,934	10,134	81,068	68,389	12,679
Other Objects	11-000-240-800	23,283	1,125	24,408	20,086	4,322
Total Undistributed Expenditures -		4,401,676	47,821	4,449,497	4,331,039	118,458
Support Services - School Administration						
Undistributed Expenditures - Central Services:						
Salaries	11-000-251-100	694,111	2,650	696,761	696,711	50
Purchased Professional Services	11-000-251-330	1,000	-	1,000	-	1,000
Miscellaneous Purchased Services	11-000-251-592	7,400	-	7,400	5,984	1,416
Supplies and Materials	11-000-251-600	7,500	-	7,500	5,419	2,081
Miscellaneous Expenditures	11-000-251-890	3,200	-	3,200	3,200	-
Total Undistributed Expenditures - Central Services		713,211	2,650	715,861	711,314	4,547
Undistributed Expenditures -						
Administrative Information Technology:						
Salaries	11-000-252-100	248,380	4,489	252,869	252,485	384
Purchased Technical Services	11-000-252-340	30,000	(2,000)	28,000	11,814	16,186
Other Purchased Services	11-000-252-500	259,375	(20,000)	239,375	213,618	25,757
Supplies and Materials	11-000-252-600	77,078	-	77,078	64,042	13,036
Total Undistributed Expenditures -		614,833	(17,511)	597,322	541,959	55,363
Administrative Information Technology						
Undistributed Expenditures -						
Required Maintenance for School Facilities:						
Cleaning, Repair & Maintenance Services	11-000-261-420	2,059,086	(633,533)	1,425,553	1,078,819	346,734
Lead Testing of Drinking Water	11-000-261-421	2,500	(2,500)	-	-	-
General Supplies	11-000-261-610	346,808	15,000	361,808	239,836	121,972
Total Undistributed Expenditures -		2,408,394	(621,033)	1,787,361	1,318,655	468,706
Required Maintenance for School Facilities						

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2024

	ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2024		VARIANCE FINAL TO ACTUAL
			BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Custodial Services:					
Salaries	11-000-262-100	1,871,483	(13,543)	1,857,940	100,554
Salaries of Non-Instructional Aides	11-000-262-107	548,526	(14,701)	533,825	170,429
Unused Vacation Payment to Staff	11-000-262-199	-	13,543	13,543	-
Purchased Professional and Technical Services	11-000-262-300	105,225	-	105,225	67,588
Cleaning, Repair & Maintenance Services	11-000-262-420	2,919,301	31,122	2,950,423	107,362
Other Purchased Property Services	11-000-262-490	284,761	-	284,761	44,804
Insurance	11-000-262-520	283,237	31,423	314,660	9,642
Miscellaneous Purchased Services	11-000-262-590	13,000	31,544	44,544	8,125
General Supplies	11-000-262-610	273,265	(190)	273,075	45,504
Energy (Natural Gas)	11-000-262-621	542,856	(69,500)	473,356	69,102
Energy (Electricity)	11-000-262-622	637,985	68,000	705,985	95,880
Energy (Oil)	11-000-262-624	12,651	1,500	14,151	3,812
Other Objects	11-000-262-800	26,254	-	26,254	7,196
Interest - Energy Savings Impr Prog Bonds	11-000-262-837	256,780	664,000	920,780	-
Principal - Energy Savings Impr Prog Bonds	11-000-262-917	664,000	(664,000)	-	-
Total Undistributed Expenditures - Custodial Services		8,439,324	79,198	8,518,522	729,998
Undistributed Expenditures - Care and Upkeep of Grounds:					
Salaries	11-000-263-100	30,948	-	30,948	2,279
Cleaning, Repair & Maintenance Services	11-000-263-420	225,298	(5,000)	220,298	67,175
General Supplies	11-000-263-610	41,734	5,000	46,734	11,883
Total Undistributed Expenditures - Care and Upkeep of Grounds		297,980	-	297,980	81,337
Security:					
Salaries	11-000-266-100	318,169	13,181	331,350	3,641
Purchased Professional and Technical Services	11-000-266-390	374,200	11,457	385,657	20,102
Cleaning, Repair, and Maintenance Services	11-000-266-420	106,987	(26,478)	80,509	19,404
General Supplies	11-000-266-610	16,550	1,441	17,991	1,219
Other Objects	11-000-266-800	864	400	1,264	496
Total Security		816,770	1	816,771	44,862

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2024

	ACCOUNT NUMBERS	JUNE 30, 2024			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -					
Student Transportation Services:					
Salaries of Non-Instructional Aides	11-000-270-107	323,943	(23,000)	300,943	158
Salaries of Pupil Transportation (Between Home & School) - Regular	11-000-270-160	2,126,198	(58,101)	2,068,097	17,732
Sal for Pupil Trans (Bet Home & Sch)- Sp Ed	11-000-270-161	489,084	(23,000)	466,084	2,459
Sal for Pupil Trans (Other than Bet. Home & Sch)	11-000-270-162	12,115	377	12,492	12,492
Unused Vacation Payment to Terminated / Retired Staff	11-000-270-199	-	13,101	13,101	-
Other Purchased Prof. and Technical Serv.	11-000-270-390	25,428	458	25,886	3,023
Cleaning, Repair and Maintenance Services	11-000-270-420	56,067	3,397	59,464	31,740
Lease Purchase Payments - School Buses	11-000-270-443	565,180	-	565,180	1
Contract Services - Aid in Lieu Payments - Non Public Schools	11-000-270-503	244,858	49,542	294,400	8,398
Contract Services (Between Home & School) - Vendors	11-000-270-511	213,600	(59,674)	153,926	4,294
Contract Services (Other Than Between Home & School) - Vendors	11-000-270-512	13,500	(13,500)	-	-
Contract Services (Between Home & School) - Joint Agreement	11-000-270-513	26,000	(10,000)	16,000	1,832
Contract Serv.(Sp Ed Stds)-Joint Agrmnts	11-000-270-515	894,603	189,674	1,084,277	37,394
Miscellaneous Purchased Services - Transportation	11-000-270-593	70,496	2,000	72,496	2,852
General Supplies	11-000-270-610	7,100	-	7,100	3,186
Transportation Supplies	11-000-270-615	658,060	(70,164)	587,896	151,208
Miscellaneous Expenditures	11-000-270-800	17,392	-	17,392	6,700
Total Undistributed Expenditures -		5,743,624	1,110	5,744,734	283,469
Student Transportation Services					
Unallocated Benefits:					
Social Security Contributions	11-000-291-220	926,127	75,000	1,001,127	3,539
Other Retirement Contributions - PERS	11-000-291-241	1,449,995	60,408	1,510,403	-
Unemployment Compensation	11-000-291-250	-	14,520	14,520	2
Workmen's Compensation	11-000-291-260	488,175	(40,752)	447,423	3,000
Health Benefits	11-000-291-270	15,344,948	(364,058)	14,980,890	267,199
Tuition Reimbursement	11-000-291-280	76,122	15,000	91,122	17,111
Other Employee Benefits	11-000-291-290	243,500	-	243,500	244
Unused Sick Payment to Staff	11-100-100-297	125,000	(14,520)	110,480	54
Total Unallocated Benefits		18,653,867	(254,402)	18,399,465	291,149

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2024

	ACCOUNT NUMBERS	JUNE 30, 2024			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Nonbudgeted:					
TPAF Pension (on-behalf)		-	-	-	15,553,610 (15,553,610)
TPAF Social Security (reimbursed)		-	-	-	3,210,228 (3,210,228)
TPAF Post Retirements		-	-	-	4,233,123 (4,233,123)
TPAF Long-Term Disability Insurance (on behalf)		-	-	-	5,776 (5,776)
Total Undistributed Expenditures		54,958,695	(447,400)	54,511,295	74,376,603 (19,865,308)
Total Expenditures - Current Expense		95,730,943	125,075	95,856,018	115,143,398 (19,287,380)
Capital Outlay:					
Equipment:					
Grades 6-8	12-130-100-730	-	6,853	6,853	6,853 -
School-Sponsored & Other Instructional Programs	12-400-100-730	11,032	-	11,032	11,000 32
Undistributed Expenditures:					
Undist. Expend.-Support Serv. - Inst. Staff	12-000-220-730	5,074	875	5,949	5,948 1
Undistributed Expenditures - School Admin.	12-000-240-730	2,500	(145)	2,355	2,355 -
Undistributed Expenditures - Admin Info Tech.	12-000-252-730	243,401	-	243,401	243,401 -
Undist. Expend. - Custodial Services	12-000-262-730	145,435	(11,929)	133,506	133,291 215
Undist. Expend. - Security	12-000-266-730	-	4,000	4,000	- 4,000
School Buses - Regular	12-000-270-733	213,228	45,000	258,228	213,228 45,000
Total Equipment		620,670	44,654	665,324	616,076 49,248
Facilities Acquisition & Construction Services:					
Construction Services	12-000-400-450	178,914	-	178,914	167,117 11,797
Total Facilities Acquisition & Construction Services		178,914	-	178,914	167,117 11,797
Total Capital Outlay		799,584	44,654	844,238	783,193 61,045
Total Expenditures		96,530,527	169,729	96,700,256	115,926,591 (19,226,335)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures Before Other Financing Sources/(Uses)		(4,637,711)	(88,792)	(4,726,503)	(315,828) 4,410,675

**MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2024**

ACCOUNT NUMBERS	JUNE 30, 2024			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Other Financing Sources/(Uses):				
Transfers In(Out):				
Transfer of Funds to Charter Schools	(88,792)	88,792	-	-
Total Other Financing Sources/(Uses)	(88,792)	88,792	-	-
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures After Other Financing Sources/(Uses)	(4,726,503)	-	(4,726,503)	4,410,675
Fund Balances, July 1	14,853,436	-	14,853,436	-
Fund Balances, June 30	\$ 10,126,933	\$ -	\$ 10,126,933	\$ 4,410,675
Restricted Fund Balance:				
Capital Reserve			\$ 3,444,451	
Maintenance Reserve			3,618,115	
Excess Surplus			2,202,061	
Excess Surplus Designated for Subsequent Year's Expenditures			857,220	
Reserve for Unemployment Claims			734,343	
Assigned Fund Balance:				
Designated for Subsequent Year's Expenditures			1,254,593	
Year-End Encumbrances			417,772	
Unassigned Fund Balance			2,009,053	
Subtotal			14,537,608	
Reconciliation to Governmental Funds Statements (GAAP):				
Last State Aid Payments Not Recognized on GAAP Basis			(747,685)	
Fund Balance per Governmental Funds (GAAP)			\$ 13,789,923	

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2024**

	JUNE 30, 2024				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources	\$ -	\$ 339,469	\$ 339,469	\$ 355,640	\$ (16,171)
State Sources	353,622	130,774	484,396	224,173	260,223
Federal Sources	1,723,425	121,707	1,845,132	1,737,588	107,544
Total Revenues	2,077,047	591,950	2,668,997	2,317,401	351,596
Expenditures:					
Instruction:					
Salaries of Teachers	303,484	-	303,484	300,368	3,116
Other Salaries for Instruction	173,304	-	173,304	173,304	-
Purchased Professional - Educational Services	182,846	15,647	198,493	186,790	11,703
Other Purchased Services (400-500 Series)	793,432	34,855	828,287	803,910	24,377
General Supplies	63,596	50,349	113,945	67,619	46,326
Textbooks	14,974	(344)	14,630	14,630	-
Total Instruction	1,531,636	100,507	1,632,143	1,546,621	85,522
Support Services:					
Salaries of Other Professional Staff	113,975	(2,351)	111,624	82,403	29,221
Personal Services - Employee Benefits	45,255	(180)	45,075	42,542	2,533
Purchased Educational Services	262,533	49,946	312,479	296,456	16,023
Supplies and Materials	13,346	-	13,346	10,366	2,980
Scholarships Awarded	-	250	250	250	-
Student Activities	-	332,084	332,084	332,084	-
Chromebook Repairs	-	7,135	7,135	7,135	-
Total Support Services	435,109	386,884	821,993	771,236	50,757
Facilities Acquisition & Construction Services:					
Instructional Equipment	6,053	-	6,053	6,053	-
Infrastructure	104,249	104,559	208,808	-	208,808
Total Facilities Acquisition & Construction Services	110,302	104,559	214,861	6,053	208,808
Total Expenditures	2,077,047	591,950	2,668,997	2,323,910	345,087
Total Outflows	2,077,047	591,950	2,668,997	2,323,910	345,087
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	(6,509)	\$ 6,509
Fund Balance, July 1				100,941	
Fund Balance, June 30				<u>\$ 94,432</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 1,487	
Student Activities				82,829	
Technology Trust				<u>10,116</u>	
Total Fund Balance				<u>\$ 94,432</u>	

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
YEAR ENDED JUNE 30, 2024**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 115,610,763	\$ 2,317,401
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(7,607)
Prior Year	-	42,999
The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		
Current Year	(747,685)	-
Prior Year	768,021	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 115,631,099</u>	<u>\$ 2,352,793</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 115,926,591	\$ 2,323,910
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	35,392
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 115,926,591</u>	<u>\$ 2,359,302</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST TEN FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's proportion of the net pension liability	0.1130%	0.1121%	0.1113%	0.11780%	0.11545%	0.10892%	0.11205%	0.11316%	0.10947%	0.11176%
School District's proportionate share of the net pension liability	\$ 16,368,710	\$ 16,915,676	\$ 13,179,162	\$ 19,209,643	\$ 20,801,442	\$ 21,445,269	\$ 26,083,284	\$ 30,530,840	\$ 24,573,054	\$ 20,924,067
School District's covered payroll	\$ 8,570,884	\$ 8,469,797	\$ 7,914,825	\$ 8,003,492	\$ 8,420,559	\$ 8,066,661	\$ 7,451,664	\$ 7,563,569	\$ 7,556,838	\$ 7,556,838
School District's proportionate share of the net pension liability as a percentage of its covered payroll	190.98%	199.72%	166.51%	240.02%	247.03%	265.85%	350.03%	403.66%	325.18%	276.89%
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%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's contractually required contribution	\$ 1,510,402	\$ 1,413,488	\$ 1,302,860	\$ 1,288,642	\$ 1,122,940	\$ 1,083,375	\$ 1,038,017	\$ 1,005,336	\$ 941,119	\$ 921,313
Contributions in relation to the contractually required contribution	(1,510,402)	(1,413,488)	(1,302,860)	(1,288,642)	(1,122,940)	(1,083,375)	(1,038,017)	(1,005,336)	(941,119)	(921,313)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 8,545,628	\$ 8,570,884	\$ 8,469,787	\$ 7,914,825	\$ 8,003,492	\$ 8,420,559	\$ 8,066,661	\$ 7,451,664	\$ 7,563,569	\$ 7,556,838
Contributions as a percentage of covered payroll	17.67%	16.49%	15.38%	16.28%	14.03%	12.87%	12.87%	13.49%	12.44%	12.19%

MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	182,938,004	183,966,985	174,535,906	243,129,433	219,073,748	233,643,713	245,811,661	293,394,568	238,571,199	198,195,083
	\$ 182,938,004	\$ 183,966,985	\$ 174,535,906	\$ 243,129,433	\$ 219,073,748	\$ 233,643,713	\$ 245,811,661	\$ 293,394,568	\$ 238,571,199	\$ 198,195,083
School District's covered payroll	\$ 44,005,078.00	\$ 44,140,049.00	\$ 42,178,830.00	\$ 40,551,122.00	\$ 40,156,457.00	\$ 39,259,445.00	\$ 37,474,004.00	\$ 37,474,004.00	\$ 37,842,545.00	\$ 37,025,512.00
School District's proportionate share of the net pension liability as a percentage of its covered 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	32.29%	32.29%	35.52%	26.49%	25.41%	22.33%	28.71%	35.09%	41.47%	33.64%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

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**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT
BENEFITS (GASB 75)**

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MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST SEVEN FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service Cost	\$ 7,489,565	\$ 9,548,283	\$ 11,453,909	\$ 6,383,515	\$ 5,933,498	\$ 6,714,057	\$ 8,097,639
Interest Cost	6,732,185	4,888,126	5,587,583	5,306,673	6,301,650	6,693,991	5,777,624
Changes of Benefit Terms	-	-	(229,262)	-	-	-	-
Difference Between Expected and Actual Experiences	(2,828,353)	8,784,963	(40,508,312)	43,868,713	(21,846,270)	(14,278,906)	-
Changes of Assumptions	385,286	(49,480,348)	212,504	44,412,882	2,195,812	(18,254,354)	(24,149,315)
Contributions: Member	172,522	155,328	142,847	128,297	134,008	147,009	155,485
Gross Benefit Payments	(5,247,848)	(4,841,834)	(4,401,451)	(4,232,825)	(4,520,760)	(4,253,539)	(4,222,551)
Net Change in Total OPEB Liability	6,703,357	(30,945,482)	(27,742,182)	95,867,255	(11,802,062)	(23,231,742)	(14,341,118)
Total OPEB Liability (Beginning)	184,449,926	215,395,408	243,137,590	147,270,335	159,072,397	182,304,139	196,645,257
Total OPEB Liability (Ending)	\$ 191,153,283	\$ 184,449,926	\$ 215,395,408	\$ 243,137,590	\$ 147,270,335	\$ 159,072,397	\$ 182,304,139
State's Covered Employee Payroll	\$ 52,575,962	\$ 52,609,846	\$ 50,093,655	\$ 48,554,614	\$ 48,159,949	\$ 49,811,257	\$ 48,836,607
Net OPEB Liability as a Percentage of Payroll	364%	351%	430%	501%	306%	319%	373%

Note - The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2024**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms

None.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2019	5.60%	2015	4.13%
2022	7.00%	2018	4.86%	2014	4.68%
2021	7.00%	2017	4.25%		
2020	5.40%	2016	3.22%		

The long-term expected rate of return used as of June 30, measurement data is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2019	7.00%	2015	7.90%
2022	7.00%	2018	7.00%	2014	7.90%
2021	7.00%	2017	7.00%		
2020	7.00%	2016	7.65%		

Public Employees' Retirement System (PERS)

Changes in Benefit Terms

None.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2019	6.28%	2015	4.90%
2022	7.00%	2018	5.66%	2014	5.39%
2021	7.00%	2017	5.00%		
2020	7.00%	2016	3.98%		

The long-term expected rate of return used as of June 30, measurement data is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2019	7.00%	2015	7.65%
2022	7.00%	2018	7.00%	2014	7.90%
2021	7.00%	2017	7.00%		
2020	7.00%	2016	7.65%		

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms

None.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	3.65%	2020	2.21%	2017	3.58%
2022	3.54%	2019	3.50%	2016	2.85%
2021	2.16%	2018	3.87%		

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2024**

	Title I	Title IIA	Title III	Title IV	I.D.E.A. Part B - Basic
Revenues:					
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-
Federal Sources	141,225	74,185	32,617	10,320	1,101,921
Total Revenues	\$ 141,225	\$ 74,185	\$ 32,617	\$ 10,320	\$ 1,101,921
Expenditures:					
Instruction:					
Salaries of Teachers	\$ 110,790	\$ -	\$ -	\$ -	\$ -
Other Salaries for Instruction	-	-	-	-	173,304
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Services (400-500 Series)	6,976	-	1,120	7,648	779,173
General Supplies	2,108	-	11,643	2,672	233
Textbooks	-	-	-	-	-
Total Instruction	119,874	-	12,763	10,320	952,710
Support Services:					
Salaries of Other Professional Staff	8,728	15,263	17,839	-	-
Personal Services - Employee Benefits	9,142	1,166	1,365	-	13,258
Purchased Educational Services	1,500	57,756	-	-	123,596
Supplies and Materials	1,981	-	650	-	6,304
Scholarships Awarded	-	-	-	-	-
Student Activities	-	-	-	-	-
Chromebook Repairs	-	-	-	-	-
Total Support Services	21,351	74,185	19,854	-	143,158
Facilities Acquisition & Construction Services:					
Instructional Equipment	-	-	-	-	6,053
Total Facilities Acquisition & Construction Services	-	-	-	-	6,053
Total Expenditures	\$ 141,225	\$ 74,185	\$ 32,617	\$ 10,320	\$ 1,101,921
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2024**

	I.D.E.A Part B. - Preschool	ARP - I.D.E.A. Part B. - Basic	Education Stabilization Fund (CARES Act)	Education Stabilization Fund (ARP ESSER)
Revenues:				
Local Sources	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-
Federal Sources	125,035	43,677	6,983	201,625
Total Revenues	<u>\$ 125,035</u>	<u>\$ 43,677</u>	<u>\$ 6,983</u>	<u>\$ 201,625</u>
Expenditures:				
Instruction:				
Salaries of Teachers	\$ -	\$ -	\$ 6,484	\$ 183,094
Other Salaries for Instruction	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	4,523
General Supplies	10,000	-	-	-
Textbooks	-	-	-	-
Total Instruction	<u>10,000</u>	<u>-</u>	<u>6,484</u>	<u>187,617</u>
Support Services:				
Salaries of Other Professional Staff	-	40,573	-	-
Personal Services - Employee Benefits	-	3,104	499	14,008
Purchased Educational Services	113,604	-	-	-
Supplies and Materials	1,431	-	-	-
Scholarships Awarded	-	-	-	-
Student Activities	-	-	-	-
Chromebook Repairs	-	-	-	-
Total Support Services	<u>115,035</u>	<u>43,677</u>	<u>499</u>	<u>14,008</u>
Facilities Acquisition & Construction Services:				
Instructional Equipment	-	-	-	-
Total Facilities Acquisition & Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 125,035</u>	<u>\$ 43,677</u>	<u>\$ 6,983</u>	<u>\$ 201,625</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MARLBORO TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2024

	Nonpublic Textbooks	Nonpublic Auxiliary	Nonpublic Handicapped	Nonpublic Nursing	Nonpublic Technology
Revenues:					
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	14,630	46,336	86,348	31,680	12,126
Federal Sources	-	-	-	-	-
Total Revenues	<u>\$ 14,630</u>	<u>\$ 46,336</u>	<u>\$ 86,348</u>	<u>\$ 31,680</u>	<u>\$ 12,126</u>
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional - Educational Services	-	46,336	86,348	31,680	-
Other Purchased Services (400-500 Series)	-	-	-	-	4,470
General Supplies	-	-	-	-	7,656
Textbooks	14,630	-	-	-	-
Total Instruction	<u>14,630</u>	<u>46,336</u>	<u>86,348</u>	<u>31,680</u>	<u>12,126</u>
Support Services:					
Salaries of Other Professional Staff	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-
Purchased Educational Services	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-
Student Activities	-	-	-	-	-
Chromebook Repairs	-	-	-	-	-
Total Support Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Facilities Acquisition & Construction Services:					
Instructional Equipment	-	-	-	-	-
Total Facilities Acquisition & Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 14,630</u>	<u>\$ 46,336</u>	<u>\$ 86,348</u>	<u>\$ 31,680</u>	<u>\$ 12,126</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2024**

	Nonpublic Security	Other Local Grants	Student Activity	Scholarships	Technology Trust	Totals
Revenues:						
Local Sources	\$ -	\$ 22,680	\$ 320,796	\$ -	\$ 12,164	\$ 355,640
State Sources	33,053	-	-	-	-	224,173
Federal Sources	-	-	-	-	-	1,737,588
Total Revenues	\$ 33,053	\$ 22,680	\$ 320,796	\$ -	\$ 12,164	\$ 2,317,401
Expenditures:						
Instruction:						
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -	300,368
Other Salaries for Instruction	-	-	-	-	-	173,304
Purchased Professional - Educational Services	19,264	3,162	-	-	-	186,790
Other Purchased Services (400-500 Series)	-	-	-	-	-	803,910
General Supplies	13,789	19,518	-	-	-	67,619
Textbooks	-	-	-	-	-	14,630
Total Instruction	33,053	22,680	-	-	-	1,546,621
Support Services:						
Salaries of Other Professional Staff	-	-	-	-	-	82,403
Personal Services - Employee Benefits	-	-	-	-	-	42,542
Purchased Educational Services	-	-	-	-	-	296,456
Supplies and Materials	-	-	-	-	-	10,366
Scholarships Awarded	-	-	-	250	-	250
Student Activities	-	-	332,084	-	-	332,084
Chromebook Repairs	-	-	-	-	7,135	7,135
Total Support Services	-	-	332,084	250	7,135	771,236
Facilities Acquisition & Construction Services:						
Instructional Equipment	-	-	-	-	-	6,053
Total Facilities Acquisition & Construction Services	-	-	-	-	-	6,053
Total Expenditures	\$ 33,053	\$ 22,680	\$ 332,084	\$ 250	\$ 7,135	\$ 2,323,910
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(11,288)	(250)	5,029	(6,509)
Fund Balance, July 1	-	-	94,117	1,737	5,087	100,941
Fund Balance, June 30	\$ -	\$ -	\$ 82,829	\$ 1,487	\$ 10,116	\$ 94,432

F. Capital Projects Fund

Not Applicable

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H. Fiduciary Fund

Not Applicable

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I. Long-Term Debt

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES
YEAR ENDED JUNE 30, 2024**

PURPOSE	AMOUNT OF ORIGINAL ISSUE	INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2023	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2024
2020 Buses - 5					
2020 Mid- Bus -2	\$ 641,869	4.21%	\$ 131,149	\$ 131,149	\$ -
2020 Backhoe - 1	100,286	3.70%	20,837	20,837	-
School Energy Savings Program	15,250,000	1.91%	13,444,000	664,000	12,780,000
2022 Buses - 5					
2021 Mid-Bus - 2	665,860	1.09%	268,044	133,296	134,748
2022 Buses - 5					
2023 Mid- Bus -2	668,071	1.19%	401,017	132,097	268,920
2022 Copiers	172,972	3.00%	100,838	43,650	57,188
2023 Buses - 5					
2023 Mid- Bus -2	733,000	3.83%	576,989	136,220	440,769
Total	\$		\$ 14,942,874	\$ 1,261,249	\$ 13,681,625

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STATISTICAL SECTION (Unaudited)

Third Section

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Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. The Exhibits are presented for the last ten fiscal years.

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MARLBORO TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 48,113,191	\$ 49,930,282	\$ 62,545,871	\$ 62,049,590	\$ 59,941,496	\$ 56,705,311	\$ 53,404,182	\$ 50,326,279	\$ 46,102,941	\$ 42,859,895
Restricted	10,950,622	9,607,724	9,692,506	10,111,542	12,135,960	8,864,994	7,557,935	8,452,497	7,011,165	4,746,088
Unrestricted (Deficit)	(17,078,887)	(17,014,623)	(17,269,020)	(22,201,488)	(25,789,241)	(25,179,420)	(23,944,710)	(24,472,923)	(22,639,727)	(21,372,114)
Total Governmental Activities										
Net Position	\$ 41,984,926	\$ 42,523,383	\$ 54,969,357	\$ 49,959,644	\$ 46,288,215	\$ 40,390,885	\$ 37,017,407	\$ 34,305,853	\$ 30,474,379	\$ 26,233,869
Business-Type Activities:										
Net Investment in Capital Assets	\$ 712,634	\$ 732,968	\$ 686,377	\$ 643,180	\$ 398,368	\$ 434,932	\$ 359,653	\$ 283,050	\$ 310,817	\$ 345,397
Unrestricted (Deficit)	579,619	679,389	507,294	145,163	221,324	208,489	313,554	419,183	366,103	326,063
Total Business-Type Activities										
Net Position	\$ 1,292,253	\$ 1,412,357	\$ 1,193,671	\$ 788,343	\$ 619,692	\$ 643,421	\$ 673,207	\$ 702,233	\$ 676,920	\$ 671,460
District-Wide:										
Net Investment in Capital Assets	\$ 48,825,825	\$ 50,663,250	\$ 63,232,248	\$ 62,692,770	\$ 60,339,864	\$ 57,140,243	\$ 53,763,835	\$ 50,609,329	\$ 46,413,758	\$ 43,205,292
Restricted	10,950,622	9,607,724	9,692,506	10,111,542	12,135,960	8,864,994	7,557,935	8,452,497	7,011,165	4,746,088
Unrestricted (Deficit)	(16,499,268)	(16,335,234)	(16,761,726)	(22,056,325)	(25,567,917)	(24,970,931)	(23,631,156)	(24,053,740)	(22,273,624)	(21,046,051)
Total District Net Position	\$ 43,277,179	\$ 43,935,740	\$ 56,163,028	\$ 50,747,987	\$ 46,907,907	\$ 41,034,306	\$ 37,690,614	\$ 35,008,086	\$ 31,151,299	\$ 26,905,329

Source: ACFR Schedule A-1

MARLBORO TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
UNAUDITED

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 52,750,695	\$ 50,290,874	\$ 50,709,036	\$ 54,934,279	\$ 43,349,934	\$ 48,815,408	\$ 51,708,987	\$ 47,360,063	\$ 41,644,306	\$ 38,812,737
Special Education	22,447,450	20,860,051	20,562,075	12,531,759	12,287,361	11,981,547	12,742,003	18,829,601	16,686,291	15,383,599
Other Instruction	4,889,707	4,546,468	4,722,530	4,140,535	3,600,544	3,503,123	4,188,185	4,137,725	4,301,453	3,899,995
Nonpublic School Programs	-	-	-	-	286,134	243,995	235,282	211,020	200,447	169,623
Support Services:										
Tuition	2,061,956	1,263,578	1,457,631	1,869,785	2,424,369	1,818,934	2,721,703	2,187,105	2,167,769	2,146,011
Student & Instruction Related Services	13,307,528	12,833,037	14,036,103	14,133,175	14,255,555	15,683,290	15,861,888	14,567,546	12,977,350	12,185,012
Other Administrative Services	2,016,559	2,308,221	2,517,414	2,468,197	2,428,303	2,315,074	2,462,769	2,100,175	2,044,009	2,067,140
Central Services	958,875	892,271	915,556	930,376	-	-	-	-	-	-
Administration Information Technology Services	730,579	817,128	1,086,219	1,542,022	-	-	-	-	-	-
School Administrative Services	5,838,387	5,825,354	5,915,669	6,056,017	6,607,534	7,131,493	7,588,044	7,369,904	6,607,572	6,087,140
Business Administrative Services	-	-	-	-	2,050,207	2,110,212	2,284,908	2,084,087	1,945,728	1,651,141
Plant Operations & Maintenance	11,607,234	29,166,525	11,703,677	11,815,389	12,625,527	11,304,569	10,341,640	9,133,883	9,152,971	8,867,078
Pupil Transportation	7,361,969	6,985,360	6,915,181	6,118,795	6,287,231	6,245,266	6,840,307	6,561,180	6,026,469	5,813,977
Interest & Other Charges	905,998	901,853	911,808	999,690	104,170	315,204	316,498	452,578	468,930	319,931
Total Governmental Activities	124,876,938	136,690,722	121,452,898	117,540,019	106,306,869	111,468,115	117,255,214	114,994,867	104,223,295	97,403,384
Expenses										
Business-Type Activities:										
Food Service	2,281,340	2,071,454	2,606,531	1,461,043	1,195,016	1,516,656	1,428,476	1,378,373	1,466,306	1,334,342
Total Business-Type Activities	2,281,340	2,071,454	2,606,531	1,461,043	1,195,016	1,516,656	1,428,476	1,378,373	1,466,306	1,334,342
Expense										
Total District Expenses	\$ 127,158,278	\$ 138,762,176	\$ 124,059,429	\$ 119,001,062	\$ 107,501,885	\$ 112,984,771	\$ 118,683,690	\$ 116,373,240	\$ 105,689,601	\$ 98,737,726
Program Revenues:										
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 196,257	\$ 207,364	\$ 730,708	\$ 813,455	\$ 701,446
Operating Grants & Contributions	31,704,066	31,237,226	36,954,599	32,156,605	21,684,063	25,501,358	31,677,611	19,511,076	13,224,474	15,722,047
Total Governmental Activities	31,704,066	31,237,226	36,954,599	32,156,605	21,684,063	25,697,615	31,884,975	20,241,784	14,037,929	16,423,493
Program Revenues										
Business-Type Activities:										
Charges for Services:										
Food Service	1,561,822	1,562,824	413,458	9,886	798,963	1,167,379	1,104,299	1,151,499	1,175,748	1,107,644
Operating Grants & Contributions	599,414	727,316	2,598,401	1,619,808	372,324	319,491	295,151	252,551	296,018	224,701
Total Business Type Activities	2,161,236	2,290,140	3,011,859	1,629,694	1,171,287	1,486,870	1,399,450	1,404,050	1,471,766	1,332,345
Program Revenues										
Total District Program Revenues	\$ 33,865,302	\$ 33,527,366	\$ 39,966,458	\$ 33,786,299	\$ 22,855,350	\$ 27,184,485	\$ 33,284,425	\$ 21,645,834	\$ 15,509,695	\$ 17,755,838
Net (Expense)/Revenue:										
Governmental Activities	\$ (93,172,872)	\$ (105,453,496)	\$ (84,498,299)	\$ (85,383,414)	\$ (84,622,806)	\$ (85,770,500)	\$ (85,370,239)	\$ (94,753,083)	\$ (90,185,366)	\$ (80,979,891)
Business-Type Activities	(120,104)	218,686	405,328	168,651	(23,729)	(29,786)	(29,026)	25,677	5,460	(1,997)
Total District-Wide Net Expense	\$ (93,292,976)	\$ (105,234,810)	\$ (84,092,971)	\$ (85,214,763)	\$ (84,646,535)	\$ (85,800,286)	\$ (85,399,265)	\$ (94,727,406)	\$ (90,179,906)	\$ (80,981,888)

MARLBORO TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
UNAUDITED

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
FISCAL YEAR ENDING JUNE 30,										
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General										
Purposes, Net	\$ 82,934,189	\$ 80,701,477	\$ 79,200,098	\$ 77,647,155	\$ 74,806,764	\$ 73,339,965	\$ 71,901,926	\$ 71,178,461	\$ 68,007,538	\$ 63,742,279
Taxes Levied for Debt Service	-	-	-	-	3,093,229	3,067,690	3,044,386	3,945,945	3,941,633	3,849,426
Grants & Contributions	8,111,678	11,647,918	9,891,799	10,438,465	11,864,800	12,312,729	12,804,932	22,994,948	22,025,896	15,176,417
Investment Earnings	-	-	-	-	96,993	70,168	12,021	4,409	6,466	1,238
Tuition Received	244,144	110,700	118,549	42,285	-	-	-	-	-	-
Miscellaneous Income	1,344,404	547,427	297,566	94,906	648,458	353,426	318,528	460,430	444,343	265,860
Transfers In/Out	-	-	-	-	-	-	-	364	-	-
Special and Extraordinary Items	-	-	-	(10,087)	9,892	-	-	-	-	-
Total Governmental Activities	92,634,415	93,007,522	89,508,012	88,212,724	90,520,136	89,143,978	88,081,793	98,584,557	94,425,876	83,035,220
Business-Type Activities:										
Transfers In/Out	-	-	-	-	-	-	-	(364)	-	-
Total Business-Type Activities	-	-	-	-	-	-	-	(364)	-	-
Total District-Wide	\$ 92,634,415	\$ 93,007,522	\$ 89,508,012	\$ 88,212,724	\$ 90,520,136	\$ 89,143,978	\$ 88,081,793	\$ 98,584,193	\$ 94,425,876	\$ 83,035,220
Change in Net Position:										
Governmental Activities	\$ (538,457)	\$ (12,445,974)	\$ 5,009,713	\$ 2,829,310	\$ 5,897,330	\$ 3,373,478	\$ 2,711,554	\$ 3,831,474	\$ 4,240,510	\$ 2,055,329
Business-Type Activities	(120,104)	218,686	405,328	168,651	(23,729)	(29,786)	(29,026)	25,313	5,460	(1,997)
Total District	\$ (658,561)	\$ (12,227,288)	\$ 5,415,041	\$ 2,997,961	\$ 5,873,601	\$ 3,343,692	\$ 2,682,528	\$ 3,856,787	\$ 4,245,970	\$ 2,053,332

Source: ACFR Schedule A-2

MARLBORO TOWNSHIP SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
	FISCAL YEAR ENDING JUNE 30,									
General Fund:										
Restricted	\$ 10,856,190	\$ 9,506,783	\$ 9,590,905	\$ 10,001,169	\$ 12,126,067	\$ 8,864,994	\$ 7,557,935	\$ 8,452,495	\$ 6,953,497	\$ 4,746,086
Committed	-	-	-	-	818,077	908,957	1,896,829	1,118,967	242,378	517,490
Assigned	1,672,365	3,388,368	4,353,552	2,604,414	402,521	835,393	1,245,372	888,591	540,646	750,000
Unassigned	1,261,368	1,190,264	2,717,909	2,652,624	936,669	1,038,202	992,719	903,675	919,683	876,841
Total General Fund	\$ 13,789,923	\$ 14,085,415	\$ 16,662,366	\$ 15,258,207	\$ 14,283,334	\$ 11,647,546	\$ 11,692,855	\$ 11,363,728	\$ 8,656,204	\$ 6,890,417
All Other Governmental Funds:										
Restricted	\$ 94,432	\$ 100,941	\$ 101,601	\$ 100,481	\$ -	\$ -	\$ -	\$ 2	\$ 2	\$ 1
Assigned	-	-	-	9,892	9,894	1	-	-	-	-
Total All Other Governmental Funds	\$ 94,432	\$ 100,941	\$ 101,601	\$ 110,373	\$ 9,894	\$ 1	\$ -	\$ 2	\$ 2	\$ 1

Source: ACFR Schedule B-1

MARLBORO TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Tax Levy	\$ 82,934,189	\$ 80,701,477	\$ 79,200,098	\$ 77,647,155	\$ 77,899,993	\$ 76,407,655	\$ 74,946,312	\$ 75,124,406	\$ 71,949,171	\$ 67,591,705
Tuition Charges	244,144	110,700	118,549	42,285	91,375	93,066	88,000	606,909	689,506	585,678
Interest Earnings	-	-	-	-	96,993	70,168	12,021	4,409	6,466	1,238
Miscellaneous	1,722,725	743,529	425,274	144,332	557,083	500,126	472,232	612,823	601,292	416,609
State Sources	31,330,129	32,825,335	30,935,545	27,709,742	26,240,330	25,823,795	25,037,696	23,196,629	22,224,133	20,849,007
Federal Sources	1,752,705	2,990,544	2,438,684	1,703,483	1,421,187	1,217,006	1,228,913	1,337,067	1,412,385	1,391,022
Total Revenues	117,983,892	117,371,585	113,118,150	107,246,997	106,306,961	104,111,816	101,785,174	100,882,243	96,882,953	90,835,259
Expenditures										
Instruction:										
Regular Instruction	27,892,258	26,857,296	26,004,696	28,836,295	27,199,430	41,820,235	41,130,875	35,630,723	33,944,530	33,169,906
Special Education Instruction	11,869,229	11,140,084	10,544,679	6,578,215	7,709,567	10,728,069	10,559,175	15,039,938	14,445,520	13,762,862
Other Instruction	2,585,463	2,427,992	2,421,816	2,173,464	-	3,160,636	3,495,268	3,399,493	3,708,410	3,482,093
Nonpublic School Programs	-	-	-	-	186,422	220,140	196,355	211,020	200,447	169,623
Support Services:										
Tuition	1,529,603	949,095	1,041,234	1,289,722	1,579,523	1,641,104	2,271,409	2,187,105	2,167,769	2,146,011
Attendance & Social Work Services	959,621	965,080	777,444	724,849	-	-	-	-	-	-
Health Services	913,710	968,042	1,030,187	944,148	-	-	-	-	-	-
Student & Instruction Related Services	7,998,476	7,705,989	8,218,819	8,079,648	8,944,485	14,058,779	13,154,581	11,643,131	11,211,083	10,877,061
Other Administrative Services	1,495,926	1,733,744	1,798,272	1,702,489	1,582,088	2,088,738	2,024,436	1,872,872	1,907,246	1,961,794
Central Services	711,314	670,200	654,012	641,746	-	-	-	-	-	-
Administration Information										
Technology Services	541,959	613,759	775,922	1,063,641	-	-	-	-	-	-
School Administrative Services	4,331,039	4,375,522	4,225,757	4,177,261	4,145,824	6,377,101	6,280,594	6,094,720	5,942,388	5,635,859
Business Administrative Services	-	-	-	-	1,335,750	1,903,905	1,906,880	1,685,804	1,715,773	1,487,463
Plant Operations & Maintenance	10,095,731	10,798,198	8,732,051	9,696,852	8,225,778	10,199,365	8,630,659	8,223,459	8,615,602	8,490,966
Pupil Transportation	5,461,265	5,246,822	4,939,741	4,220,563	4,490,046	6,070,587	6,007,250	5,653,980	5,471,156	5,432,651
Unallocated Benefits	41,111,053	38,657,629	36,182,161	32,888,069	16,235,458	-	-	-	-	-
On Behalf TPAP Pension and Social Security Contributions	-	-	-	-	14,209,907	-	-	-	-	-
Capital Outlay	789,246	7,572,744	5,882,875	19,236,715	2,478,550	2,758,209	2,682,832	2,447,888	1,705,224	3,895,259
Debt Service:										
Principal	-	-	-	-	3,745,000	3,650,000	3,570,000	4,465,000	4,375,000	4,235,000
Interest & Other Charges	-	-	-	-	35,933	99,716	151,235	211,250	280,731	400,325
Total Expenditures	118,285,893	120,682,196	113,229,666	122,253,677	104,449,585	104,776,584	102,061,549	98,766,383	95,690,879	95,146,873
Other Financing Sources/(Uses):										
Capital Leases (Non-budgeted)	-	733,000	1,506,903	15,250,000	742,155	619,460	605,500	591,300	573,714	-
ESIP Reimbursements	-	-	-	9,892	-	-	-	-	-	-
Payments from Unemployment Reserve	-	-	-	(10,087)	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	364	-	-
Total Other Financing Sources/(Uses)	-	733,000	1,506,903	15,239,913	752,047	619,460	605,500	591,664	573,714	-
Net Change in Fund Balances	\$ (302,001)	\$ (2,377,611)	\$ 1,395,387	\$ 233,233	\$ 2,609,423	\$ (45,308)	\$ 329,125	\$ 2,707,524	\$ 1,765,788	\$ (4,311,614)
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	3.76%	3.71%	3.78%	4.97%	5.11%	5.12%

Source: ACFR Schedule B-2

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	INTEREST ON CAPITAL RESERVE	INTEREST ON MAINTENANCE RESERVE	TUITION OTHER	RENTALS	CONTRIBUTIONS	STUDENT FEES	MISCELLANEOUS	TOTAL
2024	\$ 206,533	\$ 1,000	\$ 2,000	\$ 244,144	\$ 82,286	\$ 10,930	\$ 89,766	\$ 951,889	\$ 1,588,548
2023	261,151	1,000	2,000	110,700	77,804	14,000	87,242	104,230	658,127
2022	3,000	-	-	118,549	70,518	-	-	224,047	416,114
2021	-	-	-	42,285	-	-	-	94,906	137,191
2020	84,042	12,951	-	91,375	82,144	62,207	81,185	331,547	745,451
2019	66,007	4,161	-	93,066	120,252	18,414	103,191	214,760	619,851
2018	11,378	643	-	88,000	101,733	88,115	119,364	128,681	537,914
2017	4,056	353	-	606,909	89,619	94,626	123,799	281,679	1,201,041
2016	6,320	146	-	689,506	86,496	91,995	123,949	265,852	1,264,264
2015	1,192	46	-	585,678	82,811	38,498	115,768	144,551	968,544
Total	\$ 643,679	\$ 20,300	\$ 4,000	\$ 2,670,212	\$ 793,663	\$ 418,785	\$ 844,264	\$ 2,742,142	\$ 8,137,045

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

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MARLBORO TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS
UNAUDITED

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	OFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ACTUAL (COUNTY EQUALIZED) VALUE
2024	\$ 60,443,700	\$ 6,611,024,970	\$ 31,937,000	\$ 842,300	\$ 513,969,400	\$ 81,161,800	\$ 50,753,900	\$ 7,350,133,070	\$ 7,350,133,070	1.138	\$ 9,560,532,910
2023	64,210,825	6,969,964,036	33,722,310	926,758	533,479,980	85,626,694	53,799,134	7,741,729,737	7,741,729,737	1.135	9,150,392,151
2022	60,576,250	6,575,437,770	31,813,500	874,300	503,283,000	80,779,900	50,753,900	7,303,518,620	7,303,518,620	1.106	8,632,445,425
2021	53,888,350	6,566,454,270	31,805,300	905,600	497,299,500	80,779,900	50,753,900	7,281,886,820	7,281,886,820	1.088	8,223,019,294
2020	73,126,400	6,527,605,100	37,138,400	976,900	465,858,300	80,779,900	13,253,900	7,198,738,900	7,198,738,900	1.083	8,014,823,105
2019	72,740,400	6,536,377,400	37,138,400	986,900	465,915,800	80,779,900	16,162,900	7,210,101,700	7,210,101,700	1.082	7,999,685,880
2018	75,738,300	6,514,545,800	37,119,700	993,300	457,853,700	80,779,900	22,287,000	7,189,317,700	7,189,317,700	1.063	7,647,396,766
2017	62,232,800	6,511,414,300	38,867,800	1,079,700	457,480,800	79,030,300	22,287,000	7,172,392,700	7,172,392,700	1.045	7,458,811,044
2016	64,533,000	6,503,789,000	38,438,000	1,084,200	454,550,000	79,788,500	22,287,000	7,164,469,700	7,164,469,700	1.048	7,354,851,699
2015	69,839,100	6,439,597,624	37,757,200	1,094,700	444,223,200	82,478,300	21,756,900	7,096,747,024	7,096,747,024	1.014	7,224,893,419

Source: District records tax list summary & municipal tax assessor.

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

Reassessment occurs when ordered by the County Board of Taxation

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

b. Tax rates are per \$100

**MARLBORO TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
UNAUDITED
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	MARLBORO TOWNSHIP BOARD OF EDUCATION			OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE (a)	GENERAL OBLIGATION DEBT SERVICE (b)	TOTAL DIRECT	FREEHOLD REGIONAL SCHOOL DISTRICT	MARLBORO TOWNSHIP	LIBRARY/OTHER	MONMOUTH COUNTY	
2024	1.138	-	1.138	0.486	0.407	0.018	0.253	2.302
2023	1.135	-	1.135	0.486	0.418	0.012	0.262	2.313
2022	1.106	-	1.106	0.480	0.409	0.019	0.251	2.265
2021	1.088	-	1.088	0.472	0.401	0.010	0.272	2.243
2020	1.040	0.043	1.083	0.473	0.393	0.022	0.297	2.268
2019	1.040	0.042	1.082	0.474	0.378	0.010	0.321	2.265
2018	1.021	0.042	1.063	0.458	0.379	0.010	0.317	2.227
2017	1.003	0.042	1.045	0.456	0.376	0.019	0.287	2.183
2016	0.991	0.057	1.048	0.440	0.377	0.019	0.290	2.174
2015	0.958	0.056	1.014	0.445	0.366	0.021	0.296	2.142

Source: District Records and Municipal Tax Collector

Note: N.J.S.A. 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.

**MARLBORO TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED**

Taxpayer	2024		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Marlboro Plaza Associates	\$ 49,238,515	1	0.670%
Union Hill Nine	32,811,750	2	0.446%
TMC Marlboro	24,166,485	3	0.329%
Amerian Plaza (Costco)	22,477,516	4	0.306%
Marlboro Commons LLC	13,654,708	5	0.186%
Marlboro Lowe's Retail Center	13,427,866	6	0.183%
CRP Royal Pines, LLC	13,030,676	7	0.177%
Brooks Edge Plaza, LLC	12,563,672	8	0.171%
Marlboro Business Park LLC	11,681,770	9	0.159%
Manzo Business Ventures LLC	9,716,001	10	0.132%
Total	<u>\$ 202,768,960</u>		<u>2.759%</u>

Taxpayer	2015		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Marlboro Plaza Assoicates	\$ 38,624,200	1	0.54%
Union Hill Nine	30,549,100	2	0.43%
T M C Marlboro	22,500,000	3	0.32%
American Plaza (Costco)	20,927,500	4	0.29%
CRP Royal Pines, LLC	14,521,100	5	0.20%
Marlboro Commons LLC	12,713,100	6	0.18%
Marlboro Lowe's Retail Center	12,501,900	7	0.18%
Brooks Edge Plaza, LLC	11,697,300	8	0.16%
Triangle Business Park LLC	11,043,800	9	0.16%
Lucas Development L.L.C.	8,801,500	10	0.12%
Total	<u>\$ 183,879,500</u>		<u>2.580%</u>

Source: District ACFR & Municipal Tax Assessor

**MARLBORO TOWNSHIP 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 (a)		COLLECTIONS IN SUBSEQUENT YEARS
			AMOUNT	PERCENTAGE OF LEVY	
2024	\$	82,934,189	\$ 82,934,189	100.00%	-
2023		80,701,477	80,701,477	100.00%	-
2022		79,200,098	79,200,098	100.00%	-
2021		77,647,155	77,647,155	100.00%	-
2020		77,899,993	77,899,993	100.00%	-
2019		76,407,655	76,407,655	100.00%	-
2018		74,946,312	74,946,312	100.00%	-
2017		75,124,406	75,124,406	100.00%	-
2016		71,949,171	71,949,171	100.00%	-
2015		67,591,705	67,591,705	100.00%	-

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

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

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for historical view of the School District's outstanding debt and its debt capacity.

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED**

FISCAL YEAR ENDED JUNE 30,	<u>GOVERNMENTAL ACTIVITIES</u>		TOTAL DISTRICT	PERCENTAGE OF	
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES		PERSONAL INCOME (a)	PER CAPITA (a)
2024	\$ -	\$ 13,681,625	\$ 13,681,625	0.56%	\$ 76,074
2023	-	14,942,874	14,942,874	0.46%	69,071
2022	-	15,580,432	15,580,432	0.46%	70,945
2021	-	1,421,561	1,421,561	4.92%	70,002
2020	-	1,325,300	1,325,300.00	5.21%	69,073
2019	3,745,000	1,187,570	4,932,570.00	1.38%	68,155
2018	7,395,000	1,051,241	8,446,241.00	0.80%	67,250
2017	10,965,000	803,589	11,768,589.00	0.56%	66,357
2016	15,430,000	563,592	15,993,592.00	0.41%	65,475
2015	19,805,000	320,463	20,125,463.00	0.32%	64,606

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

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUSTANDING				NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE (a) OF PROPERTY PER CAPITA (b)	
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES	DEDUCTIONS				
2024	\$ -	\$ 13,681,625	\$ -		\$ 13,681,625	N/A	76,074
2023	-	14,942,874	-		14,942,874	N/A	69,071
2022	-	15,580,432	-		15,580,432	N/A	70,945
2021	-	1,421,561	-		1,421,561	N/A	70,002
2020	-	1,325,300	-		1,325,300	N/A	69,073
2019	3,745,000	1,187,570	-		4,932,570	0.07%	68,155
2018	7,395,000	1,051,241	-		8,446,241	0.12%	67,250
2017	10,965,000	803,589	-		11,768,589	0.16%	66,357
2016	15,430,000	563,592	-		15,993,592	0.22%	65,475
2015	19,805,000	320,463	-		20,125,463	0.28%	64,606

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

a See Exhibit J-6 for property tax data.

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
YEAR ENDED JUNE 30, 2024
UNAUDITED

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Marlboro Township	\$ 66,410,376	100.00%	\$ 66,410,376
Other Debt:			
Marlboro Township Water Utility	37,457,997	100.00%	37,457,997
Marlboro Township Recreation and Swim Utility	1,495,361	100.00%	1,495,361
Western Monmouth Utility Authority	-	49.82%	-
Freehold Regional High School	3,055,169	24.07%	735,404
Monmouth County	-	6.25%	-
			<hr/>
Subtotal, Overlapping Debt			106,099,137.01
Marlboro Township School District Direct Debt			<hr/> -
			<hr/>
Total Direct & Overlapping Debt			<u><u>\$ 106,099,137.01</u></u>

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

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

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

	FISCAL YEAR									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Debt Limit	\$ 273,391,074	\$ 257,933,976	\$ 242,375,283	\$ 242,839,100	\$ 236,619,058	\$ 227,313,937	\$ 217,215,595	\$ 209,420,562	\$ 215,940,803	\$ 212,525,058
Total Net Debt Applicable to Limit	-	-	-	-	4,010,338	7,550,484	7,395,000	10,965,000	15,430,000	19,805,000
Legal Debt Margin	\$ 273,391,074	\$ 257,933,976	\$ 242,375,283	\$ 242,839,100	\$ 233,608,720	\$ 219,763,453	\$ 209,820,595	\$ 198,455,562	\$ 200,510,803	\$ 192,720,058
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	1.69%	3.32%	3.40%	5.24%	7.15%	9.32%
<u>Legal Debt Margin Calculation</u>										
Average Equalized Valuation of Taxable Property	Equalized Valuation Basis									
	2023									
	\$ 9,560,532,910									
	\$ 9,555,555,213									
Debt Limit (3% of Average Equalization Value) Net Bonded School Debt	2022									
	\$ 8,223,019,294									
Legal Debt Margin	2021									
	\$ 27,339,107,417									
Average Equalized Valuation of Taxable Property	\$ 9,113,035,806									
	\$ 9,113,035,806									
Debt Limit (3% of Average Equalization Value) Net Bonded School Debt	\$ 273,391,074									
	\$ 273,391,074									
Legal Debt Margin	\$ -									
	\$ 273,391,074									

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

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts.

Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED**

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2024	41,277	3,140,106,498	76,074	4.50%
2023	41,478	2,388,123,269	69,071	4.55%
2022	41,547	2,341,297,323	70,945	4.70%
2021	41,502	2,336,624,075	70,002	6.90%
2020	39,640	2,331,960,155	69,073	6.90%
2019	39,874	2,327,305,544	68,155	3.00%
2018	40,306	2,322,660,223	67,250	3.40%
2017	40,330	2,318,024,175	66,357	3.80%
2016	40,684	-	65,475	4.00%
2015	40,671	-	64,606	4.90%

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

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

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

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

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

**MARLBORO TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED**

	2024		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
Marlboro Township Board of Education	837	1	N/A
Marlboro Township	281	2	N/A
Shop Rite	272	3	N/A
Kohls	218	4	N/A
Costco	234	5	N/A
Freehold Regional Board of Education	183	6	N/A
First Student	172	7	N/A
Whole Foods	164	8	N/A
Whole Foods Market	102	9	N/A
Hobby Lobby	99	10	N/A
Total	2,562		N/A

	2015		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
Marlboro Township Board of Education	847	1	N/A
Marlboro Township	225	2	N/A
Shop Rite	268	3	N/A
Freehold Regional Board of Education	232	4	N/A
Lowe's	161	5	N/A
Pathmark	137	6	N/A
Home Depot	117	7	N/A
Acme	102	8	N/A
Arrow Woven-Label, Inc.	62	9	N/A
Century 21 - Mack Morris Iris	55	10	N/A
Total	2,206		N/A

Source: Township Administration Office

Note: Percentage of total employment not available

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

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

Function/Program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instruction:										
Regular	302	304	304	308	347	348	369	330	325	319
Special Education	120	117	117	112	60	60	66	108	109	101
Support Services:										
Student & Instruction Related Services	168	168	168	165	176	175	178	182	169	167
General Administration	9	9	9	8	8	8	8	8	9	8
School Administrative Services	41	41	41	41	42	42	42	37	37	37
Central Services	15	15	15	16	15	14	14	14	14	14
Plant Operations & Maintenance	89	89	89	88	88	88	88	90	88	88
Pupil Transportation	90	90	90	91	87	87	91	99	91	91
Total	834	833	833	829	823	822	856	868	842	825

Source: District Personnel Records

MARLBORO TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/ TEACHER RATIO (d)		AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEM	MIDDLE				
2024	4,513	\$ 95,856,018	\$ 21,240	1.37%	509	1:23	1:24	4,552	4,292	-1.09%	94.29%
2023	4,555	95,444,355	20,954	2.73%	509	1:23	1:24	4,602	4,343	0.35%	94.37%
2022	4,625	94,338,364	20,397	-0.56%	506	1:23	1:24	4,586	4,502	0.66%	98.17%
2021	4,589	94,134,816	20,513	0.19%	507	1:23	1:24	4,556	4,459	-4.35%	97.87%
2020	4,796	98,190,103	20,473	1.32%	507	1:23	1:24	4,763	4,624	-0.31%	97.08%
2019	4,863	98,268,659	20,207	6.42%	506	1:23	1:24	4,778	4,573	-1.71%	95.71%
2018	4,961	94,200,419	18,988	6.12%	504	1:23	1:24	4,861	4,644	-1.14%	95.54%
2017	5,034	90,074,903	17,893	3.97%	508	1:23	1:24	4,917	4,732	-2.27%	96.24%
2016	5,095	87,686,302	17,210	6.73%	507	1:23	1:24	5,031	4,844	-2.29%	96.28%
2015	5,274	85,042,500	16,125	0.52%	486	1:23	1:24	5,149	4,958	#DIV/0!	96.29%

Sources: District records and Schedules J-4, J-16

Note: Enrollment based on number of students at June 30.

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

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

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

d Pupil/Teacher ratio was obtained from the Comparative Spending Guide

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED**

<u>DISTRICT BUILDINGS</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District Building										
Early Learning Center:										
David. C. Abbott Early Learning Center (Jan. 2002)										
Square Feet	39,538	39,538	39,538	39,538	39,538	39,538	39,538	39,538	39,538	39,538
Capacity	550	550	550	550	550	550	550	550	550	550
Enrollment	246	268	268	218	212	237	248	398	394	379
Elementary Schools:										
Defino Central (1956):										
Square Feet	79,452	79,452	79,452	79,452	79,452	79,452	79,452	79,452	79,452	79,452
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	533	568	568	525	518	527	502	457	507	546
Robertsville (1967):										
Square Feet	70,880	70,880	70,880	70,880	70,880	70,880	70,880	70,880	70,880	70,880
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	480	451	451	466	456	476	534	577	556	535
Marlboro Elementary (1970):										
Square Feet	74,129	74,129	74,129	74,129	74,129	74,129	74,129	74,129	74,129	74,129
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	522	467	467	486	457	497	512	471	473	517
Asher Holmes (1973):										
Square Feet	70,825	70,825	70,825	70,825	70,825	70,825	70,825	70,825	70,825	70,825
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	444	485	485	469	456	497	572	592	587	620
Frank J. Dugan (1988):										
Square Feet	83,000	83,000	83,000	83,000	83,000	83,000	83,000	83,000	83,000	83,000
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	636	678	678	624	623	642	598	546	572	620
Middle School:										
Marlboro Middle (1976):										
Square Feet	198,820	198,820	198,820	198,820	198,820	198,820	198,820	198,820	198,820	198,820
Capacity	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	949	1,035	1,035	994	995	1,058	1,059	1,031	1,077	1,105
Memorial Middle School (2003):										
Square Feet	153,275	153,275	153,275	153,275	153,275	153,275	153,275	153,275	153,275	153,275
Capacity	990	990	990	990	990	990	990	990	990	990
Enrollment	743	815	815	807	800	845	901	925	939	963

MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>DISTRICT BUILDINGS</u>										
Middle School:										
Administration Building										
Square Feet	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Transportation										
Square Feet	9,060	9,060	9,060	9,060	9,060	9,060	9,060	9,060	9,060	9,060
Maintenance Offices										
Square Feet	900	900	900	900	900	900	900	900	900	900

Number of Schools at June 30, 2024:
Early Learning Center = 1
Elementary = 5
Middle School = 2
Other = 3

Source: District Facilities Office, District Records

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

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

SCHOOL FACILITIES	PROJECT # (s)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Defino Central Elementary	N/A	\$ 171,765	\$ 200,062	\$ 293,651	\$ 84,749	\$ 280,625	\$ 53,151	\$ 28,070	\$ 158,167	\$ 36,931	\$ 78,466
Frank Dugan Elementary	N/A	114,843	208,996	322,298	139,047	47,559	43,051	64,625	527,859	397,007	79,559
David C. Abbott Early Learning Center	N/A	98,774	99,557	110,538	52,896	76,101	71,417	24,967	33,120	38,664	79,978
Marlboro Elementary	N/A	131,740	186,658	188,844	56,691	96,752	35,738	120,542	32,632	29,061	83,644
Marlboro Memorial Middle School	N/A	218,489	385,949	111,742	111,029	54,374	86,669	153,591	91,475	24,334	107,463
Marlboro Middle School	N/A	309,966	500,632	300,383	130,569	616,552	142,134	139,900	94,582	159,413	284,385
Robertsville Elementary	N/A	49,321	178,477	196,147	99,767	65,162	44,612	90,448	65,240	188,114	275,712
Asher Holmes Elementary	N/A	38,240	178,339	153,606	72,823	186,888	52,944	33,001	31,800	181,916	86,182
Total School Facilities		1,133,138	1,938,670	1,677,209	747,571	1,424,013	529,716	655,144	1,034,875	1,055,440	1,075,389
Other Facilities		-	-	257,468.00	257,468	32,622	31,201	42,380	328,703	53,948	84,605
Grand Total		\$ 1,133,138	\$ 1,938,670	\$ 1,934,677	\$ 1,005,039	\$ 1,456,635	\$ 560,917	\$ 697,524	\$ 1,363,578	\$ 1,109,388	\$ 1,159,994

MARLBORO TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2024
UNAUDITED

COMPANY	TYPE OF COVERAGE	COVERAGE	DEDUCTIBLE
Utica	Property Blanket Building Contents- Replacement Cost Values	\$ 188,111,309	\$ 5,000
Utica	Flood	5,000,000 occ/	50,000
	Earthquake	5,000,000 agg.	25,000
Utica	General Liability		
	-Each Occurrence	1,000,000	-
	-General Aggregate	3,000,000	-
	-Prod/Completed Oper	3,000,000	-
	-Personal Injury	1,000,000	-
	-Fire Damage	1,000,000	-
	-Medical Expense Limit (Excluding Students)	10,000	-
	-Employee Benefit Liability	1,000,000	1,000
	-Aggregate	3,000,000	-
Utica	Automotive Coverage		
	-Combined Single Limit	1,000,000	-
	-Hired/Non-Owned	1,000,000	-
	-Uninsured & Underinsured	1,000,000	-
Utica	Inland Marine		
	-Electronic Data Processing Equipment	5,750,000	1,000
Utica	Crime Coverage		
	-Employee Dishonesty with Faithful Performance	100,000	500
	-Theft, Disappearance & Destruction Inside and Out	25,000	500
	-Computer Fraud	100,000	500
Utica	Boiler & Machinery Coverage	188,111,309	5,000
Utica	Catastrophe Liability Coverage		
	-Occurrence Limit	10,000,000	10,000
	-Aggregate Limit	10,000,000	-
	-Retained Limit	-	-
Utica	Board of Education		
	-School Leaders Errors and Omissions Each Loss (Coverage A & B)	1,000,000	10,000
	Aggregate (Shared)	3,000,000	10,000

MARLBORO TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2024
UNAUDITED

COMPANY	TYPE OF COVERAGE	COVERAGE	DEDUCTIBLE
National Union Fire	Accident-Volunteer Workers	250,000	N/A
Markel Insurance	Student Accident - Voluntary Program -Benefit Period 2 years	500,000	-
Travelers	Fidelity Bond -School Business Administrator/ Board Secretary	10,000	-
New Jersey School Boards Association Insurance Group	Worker's Compensation -Covered Payrolls - Professional -Covered Payrolls - Non-Professional Each Employee Aggregate	49,201,012 5,216,767 2,000,000 2,000,000	N/A N/A - -

Source: District Records

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SINGLE AUDIT SECTION

Fourth Section

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EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Marlboro Township School District
County of Monmouth
Marlboro, 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 Marlboro Township School District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated November 15, 2024.

Report On Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Marlboro Township School District's internal control over financial reporting (internal control) as a basis 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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Marlboro Township School 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 or significant deficiencies may exist that have not been identified.

Report On Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and audit requirements as prescribed by the 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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty

Certified Public Accountant

Public School Accountant, No. 2470

Lakewood, New Jersey

November 15, 2024

EXHIBIT K-2

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

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Marlboro Township School District's compliance with types of compliance requirements identified as subject to audit 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 School District's major federal and state programs for the fiscal year ended June 30, 2024. The Marlboro Township 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 Marlboro Township 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 and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 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 Marlboro Township School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Marlboro Township 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, New Jersey OMB's Circular 15-08 and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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 compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the 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 New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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 section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty

Certified Public Accountant

Public School Accountant, No. 2470

Lakewood, New Jersey

November 15, 2024

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

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MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2024

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2023	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	REPAYMENT OF PRIOR YEARS' BALANCES	MEMO			
										UNEARNED REVENUE	BALANCE, JUNE 30, 2024 (ACCOUNTS RECEIVABLE)	DUE TO GRANTOR	CUMULATIVE TOTAL EXPENDITURES
<u>New Jersey Department of Education:</u>													
General Fund:													
State Aid Public:													
Special Education Categorical Aid	495-034-5120-089	\$ 3,375,643	7/1/23-6-30/24	-	\$ -	\$ 3,375,643	\$ (3,375,643)	\$ -	\$ -	\$ -	\$ -	\$ 336,574	\$ 3,375,643
Security Aid	495-034-5120-084	349,448	7/1/23-6-30/24	-	-	349,448	(349,448)	-	-	-	-	34,842	349,448
Equalization Aid	495-034-5120-078	2,584,696	7/1/23-6-30/24	-	-	2,584,696	(2,584,696)	-	-	-	-	257,711	2,584,696
Stabilization Aid	495-034-5120-128	72,883	7/1/23-6-30/24	-	-	72,883	(72,883)	-	-	-	-	-	72,883
Total State Aid Public				-	-	6,382,670	(6,382,670)	-	-	-	-	629,127	6,382,670
Non-Public Aid:													
Transportation Aid	495-034-5120-014	1,189,069	7/1/23-6-30/24	-	-	1,189,069	(1,189,069)	-	-	-	-	118,538	1,189,069
Extraordinary Aid	495-034-5120-044	404,298	7/1/23-6-30/24	-	-	-	(404,298)	-	-	-	(404,298)	-	404,298
Extraordinary Aid	495-034-5120-044	250,365	7/1/22-6-30/23	(250,365)	-	250,365	-	-	-	-	-	-	-
Additional Non-Public Transportation Aid	495-034-5120-014	96,278	7/1/23-6-30/24	-	-	-	(96,278)	-	-	-	-	-	96,278
Additional Non-Public Transportation Aid	495-034-5120-014	68,640	7/1/23-6-30/23	(68,640)	-	68,640	-	-	-	-	(96,278)	-	-
Reimbursed TPAF Social Security Contributions	495-034-5120-043	3,210,228	7/1/23-6-30/24	-	-	3,049,560	(3,210,228)	-	-	-	(160,668)	-	3,210,228
Reimbursed TPAF Social Security Contributions	495-034-5094-003	3,110,563	7/1/22-6-30/23	(152,416)	-	152,416	-	-	-	-	-	-	-
TPAF - Post Retirement	495-034-5094-001	4,233,123	7/1/23-6-30/24	-	-	4,233,123	(4,233,123)	-	-	-	-	-	4,233,123
Medical (Noncash Assistance)													
TPAF - Pension	495-034-5094-002	15,553,610	7/1/23-6-30/24	-	-	15,553,610	(15,553,610)	-	-	-	-	-	15,553,610
TPAF - Long-Term Disability	495-034-5094-004	5,776	7/1/23-6-30/24	-	-	5,776	(5,776)	-	-	-	-	-	5,776
Total General Fund				(471,421)	-	30,885,229	(31,075,052)	-	-	-	(661,244)	747,685	31,075,052
Special Revenue Fund:													
Non-Public Aid:													
Textbooks	100-034-5120-064	14,974	7/1/23-6-30/24	-	-	14,974	(14,630)	-	-	-	-	-	14,630
Textbooks	100-034-5120-064	18,348	7/1/22-6-30/23	4,260	-	-	-	-	(4,260)	-	-	-	-
Nursing Services	100-034-5120-070	31,680	7/1/23-6-30/24	-	-	31,680	(31,680)	-	-	-	-	-	31,680
Technology Aid	100-034-5120-373	12,691	7/1/23-6-30/24	-	-	12,691	(12,126)	-	-	-	-	565	12,126
Technology Aid	100-034-5120-373	11,676	7/1/22-6-30/23	1,782	-	-	-	-	(1,782)	-	-	-	-
Security Aid	100-034-5120-509	54,120	7/1/23-6-30/24	6,969	-	54,120	(33,053)	-	-	-	-	21,067	33,053
Security Aid	100-034-5120-509	592,435	7/1/22-6-30/23	-	-	-	-	-	(6,969)	-	-	-	-
Auxiliary Services Aid (Chapter 192):													
Compensatory Education	100-034-5120-067	49,449	7/1/23-6-30/24	-	-	49,449	(41,666)	-	-	-	-	7,783	41,666
English as a Second Language	100-034-5120-067	4,670	7/1/23-6-30/24	-	-	4,670	(4,670)	-	-	-	-	-	4,670
Transportation	100-034-5120-068	9,762	7/1/23-6-30/24	-	-	9,762	-	-	-	9,762	-	-	-
Transportation	100-034-5120-068	9,522	7/1/22-6-30/23	9,522	-	-	-	-	(9,522)	-	-	-	-
Handicapped Services (Chapter 193):													
Examination and Classification	100-034-5120-066	45,778	7/1/23-6-30/24	-	-	45,778	(44,452)	-	-	-	1,326	-	44,452
Examination and Classification	100-034-5120-066	42,088	7/1/22-6-30/23	946	-	-	-	-	(946)	-	-	-	-
Corrective Speech	100-034-5120-066	12,160	7/1/23-6-30/24	-	-	12,160	(12,160)	-	-	-	-	-	12,160
Corrective Speech	100-034-5120-066	12,369	7/1/23-6-30/23	930	-	-	-	-	(930)	-	-	-	-
Supplementary Instruction	100-034-5120-066	29,736	7/1/23-6-30/24	-	-	29,736	(29,736)	-	-	-	-	-	29,736
SDA - Emergent Needs and Capital Maintenance	100-034-5120-519	104,559	7/1/22-6-30/23	104,249	-	104,559	-	-	-	104,559	-	-	-
SDA - Emergent Needs and Capital Maintenance	100-034-5120-519	104,249	7/1/22-6-30/23	104,249	-	-	-	-	-	104,249	-	-	-
Total Special Revenue Fund				128,658	-	369,579	(224,173)	-	(24,409)	208,808	-	40,847	224,173
<u>New Jersey Department of Agriculture:</u>													
Enterprise Fund:													
National School Lunch Program	100-010-3350-023	25,992	7/1/23-6-30/24	-	-	24,506	(25,992)	-	-	-	(1,486)	-	25,992
National School Lunch Program	100-010-3350-023	19,253	7/1/22-6-30/23	(950)	-	950	-	-	-	-	-	-	-
Total Enterprise Fund				(950)	-	25,456	(25,992)	-	-	-	(1,486)	-	25,992
Total State Financial Assistance				\$ (343,713)	\$ -	\$ 31,280,264	\$ (31,325,217)	\$ -	\$ (24,409)	\$ 208,808	\$ (662,730)	\$ 40,847	\$ 31,325,217
State Financial Assistance Programs not Subject to Calculation for Major Program Determination:													
TPAF - Post Retirement	495-034-5094-001	\$ 4,233,123	7/1/23-6-30/24	-	-	\$ -	\$ 4,233,123	-	-	-	-	-	-
Medical (Noncash Assistance)													
TPAF - Pension	495-034-5094-002	15,553,610	7/1/23-6-30/24	-	-	-	15,553,610	-	-	-	-	-	-
Contributions (Noncash Assistance)													
TPAF - Long-Term Disability	495-034-5094-004	5,776	7/1/23-6-30/24	-	-	-	5,776	-	-	-	-	-	-
Insurance (Noncash Assistance)													
Total State Financial Assistance Subject to Calculation for Major Program Determination													
												<u>\$ (1,532,708)</u>	

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

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MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2024

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Marlboro Township School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. All federal and state awards received directly from federal and state agencies, as well as federal awards 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. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2024 (Continued)

Note 3. Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$20,336 for the general fund and \$35,392 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. The net adjustment for the special revenue fund includes \$22,681 of local awards which are not included on the Schedules of Expenditures of Federal Awards and State Financial Assistance. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 12,974	\$ 31,095,388	\$ 31,108,362
Special Revenue Fund	1,739,731	234,741	1,974,472
Food Service Fund	573,422	25,992	599,414
Total Awards & Financial Assistance	<u>\$ 2,326,127</u>	<u>\$ 31,356,121</u>	<u>\$ 33,682,248</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Marlboro Township School District had no loan balances outstanding at June 30, 2024.

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified	
Internal control over financial reporting:		
1) Material weakness(es) identified?	_____ yes	_____ X _____ no
2) Significant deficiency(ies) identified?	_____ yes	_____ X _____ none reported
Noncompliance material to financial statements noted?	_____ yes	_____ X _____ no

Federal Awards

Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	_____ X _____ no
2) Significant deficiency(ies) identified?	_____ yes	_____ X _____ 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 2 CFR 200 section .516(a) of Uniform Guidance?		
	_____ yes	_____ X _____ no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
		Special Education Cluster:
84.027A	H027A230100	I.D.E.A. Part B
84.027X	H027X210100	ARP - I.D.E.A. Part B
84.173A	H173A230114	I.D.E.A. Preschool

Dollar threshold used to determine Type A programs	\$	750,000
Auditee qualified as low-risk auditee?	_____ X _____ yes	_____ no

State Financial Assistance

Identification of major programs:

Name of State Program

Transportation Aid

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

Section III - Federal Awards & State Financial Assistance Findings & Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
YEAR ENDED JUNE 30, 2024**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with Government Auditing Standards, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.