

# **MONTAGUE TOWNSHIP SCHOOL DISTRICT**

**Montague Township School District  
Board of Education  
Montague, Sussex County  
New Jersey**

**Annual Comprehensive Financial Report  
For The Fiscal Year Ended June 30, 2024**

# **Annual Comprehensive**

## **Financial Report**

**of the**

**Montague Township School District**

**Board of Education**

**Montague, New Jersey**

**For the Fiscal Year Ending June 30, 2024**

**Prepared by**

**Montague Township School District**

**Board of Education**

**Finance Department**

# OUTLINE OF ACFR

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## **Introductory Section**



# MONTAGUE TOWNSHIP SCHOOL DISTRICT



475 Route 206  
Montague, New Jersey 07827  
V: 973-293-7131/F: 973-293-3391  
[www.montagueschool.org](http://www.montagueschool.org)

**James Andriac**  
*Superintendent*

**Alicia Citro**  
*Vice Principal*

**Michael Bussow**  
*School Business Administrator/  
Board Secretary*

**Danielle Conklin**  
*CSA Confidential Secretary*

**Melinda Tanzola**  
*Administrative Assistant to the SBA*

**Dana Berry**  
*Admin. Asst. to the Board Secretary*

The Honorable President and  
Members of the Board of Education  
Montague Township School District  
County of Sussex, New Jersey

Dear Board Members:

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

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, 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 supplementary schedules providing detailed budgetary information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and New Jersey's OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Information related to this single audit, including the auditors' reports on internal control and compliance with applicable laws, regulations, contracts, and grants along with findings and questioned costs, are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** The Montague Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Montague Township Board of Education and its school constitute the District's reporting entity.

The District provides a full range of educational services appropriate for students beginning at Pre-K age 3 through 12<sup>th</sup> grade. High School students attend High Point Regional High School, Sussex County Technical School and Kittatinny Regional High School.



2. **MAJOR INITIATIVES:** The Montague Township School District maintains its focus on updating the curriculum and materials, new instructional practices, and expanding new programming for access to all students. The District provides ongoing professional development for all staff through PLC meetings 20 times a year. The implementation of the Long- Term Strategic Plan that was created by the Board of Education that identified priorities and guidance for the next 5 years will be updated to ensure that all priorities are funded and focused on student needs.

The Budget Priorities are safety and security, continuity of programs, instructional technology, operations, and facilities management.

3. **ECONOMIC CONDITION AND OUTLOOK:** During the 2023-2024 school year, increase in expenses, coupled with cuts in State Aid had an impact on our school district. Increases included Instruction, Special Education, Operations/Transportation, Benefits, Capital Projects, and Charter School Tuition.
4. **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is 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 and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management.

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

5. **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by a vote of the Board of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.


An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as fund balance restrictions, commitments and assignments at June 30, 2024.

6. **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles as promulgated by the GASB. The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.
7. **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA "). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposits with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
8. **RISK MANAGEMENT:** The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. Insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule, contained in the District's ACFR.

The District is a member of the New Jersey Schools Insurance Group ("NJSIG") which is a risk-sharing public entity risk management pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance coverage for their respective members. Additional information on the pool is included in Note 9 to the Basic Financial Statements.

9. **OTHER INFORMATION:** Independent Audit-State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ardito & Company was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and New Jersey's OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The Auditors' Report on the basic financial statements and specific required supplementary information are included in the financial section of this report. The Auditors' Reports related specifically to the single audit and Government Auditing Standards are included in the single audit section of this report.
10. **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Montague Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

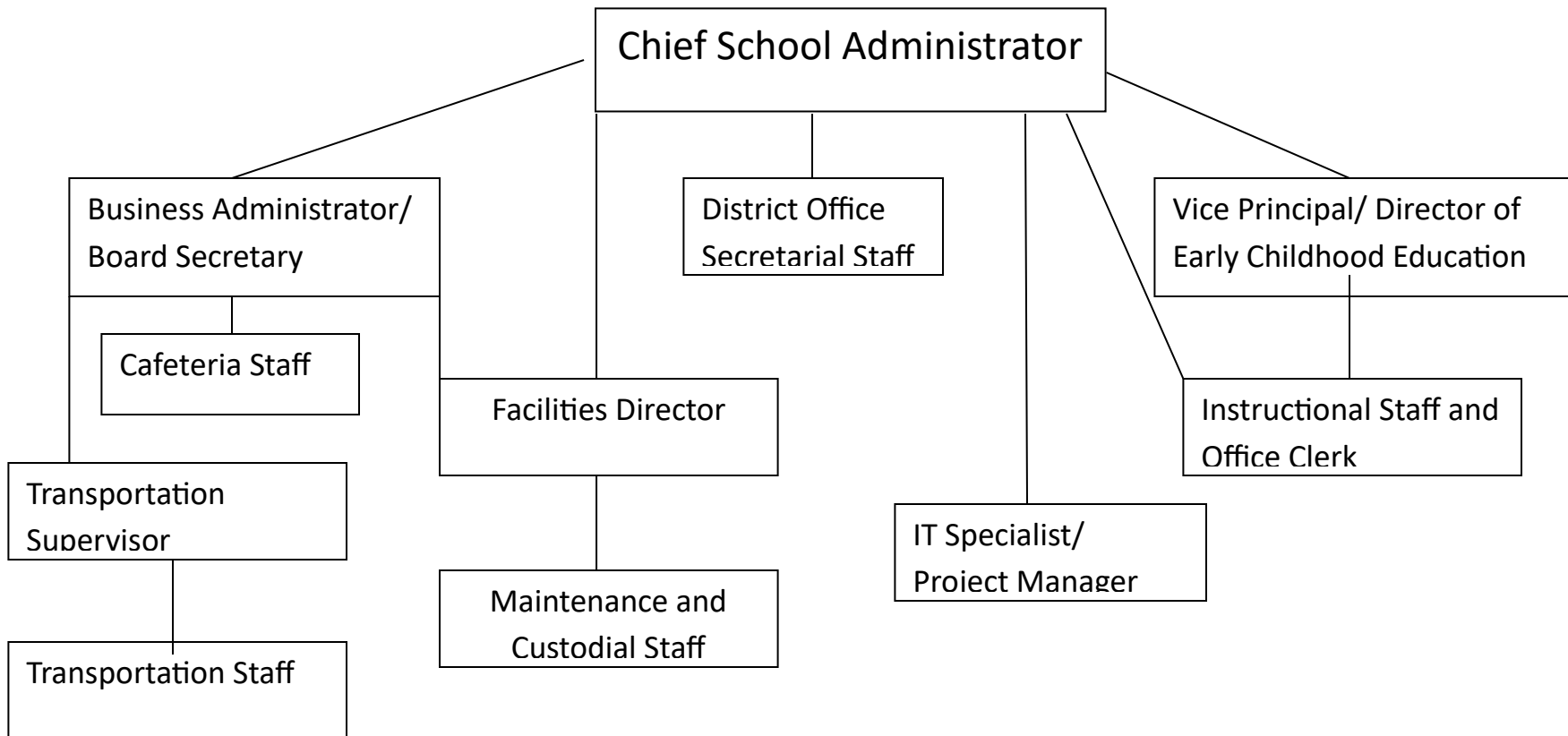
Respectfully submitted:

  
\_\_\_\_\_  
JAMES ANDRIAC  
Superintendent/Principal

Respectfully submitted:

  
\_\_\_\_\_  
MICHAEL BUSSOW  
Business Administrator/Board Secretary

## Montague Township School District Organizational Chart



**MONTAGUE TOWNSHIP SCHOOL DISTRICT  
BOARD OF EDUCATION**

**ROSTER OF OFFICIALS**

**June 30, 2024**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Andree Campbell, President	12/31/2026
Michael Zernhelt, Vice President	12/31/2025
Paul Brislin	12/31/2026
Jamie Johnson	12/31/2026
Lisa D'Amore	12/31/2024
Tasha DeGeorge	12/31/2025
Christopher Bell	12/31/2024

**Other Officials**

James Andriac, Acting Superintendent

Michael Bussow, School Business Administrator

Rene Metzgar, Treasurer of School Monies

**MONTAGUE TOWNSHIP SCHOOL DISTRICT  
BOARD OF EDUCATION**

**CONSULTANTS AND ADVISORS**

**ATTORNEY**

**Cleary Giacobbe Alfieri Jacobs, LLC**

169 Ramapo Valley Road  
Upper Level  
Oakland, New Jersey 07436

Comegno Law Group, PC  
521 Pleasant Valley Avenue  
Moorestown, New Jersey 08057

**AUDIT FIRM**

**Ardito & Company LLC**

1110 Harrison Street, Suite C  
Frenchtown, New Jersey 08825

**OFFICIAL DEPOSITORIES**

**Provident Bank**

266 Clove Road  
Montague, New Jersey 07827

**State of New Jersey Cash Management Fund**

Division of Investment  
Department of the Treasury  
Trenton, New Jersey 08625

## **Financial Section**

# **Independent Auditor's Report**



## **ARDITO & COMPANY LLC**

1110 Harrison Street, Suite C  
Frenchtown, New Jersey 08825-1192  
908-996-4711 Fax: 908-996-4688  
e-mail: [anthony@arditoandcompany.com](mailto:anthony@arditoandcompany.com)

Anthony Ardito, CPA, RMA, CMFO, PSA

### **Independent Auditor's Report**

The Honorable President and  
Members of the Board of Education  
Montague Township School District  
County of Sussex  
Montague, New Jersey 07827

#### **Report on the Audit of the Financial Statements**

##### ***Opinions***

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

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

##### ***Basis for Opinions***

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

##### ***Responsibilities of Management for the Financial Statements***

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

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

-Continued-



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

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

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

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Montague Township School District Board of Education's basic financial statements. The combining and individual non-

-Continued-

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

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the 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 December 10, 2024, on our consideration of the 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** the District's internal control over financial reporting and compliance.

*Ardito & Company LLC*

**ARDITO & COMPANY LLC**

Frenchtown, New Jersey

December 10, 2024

*Anthony Ardito*

Anthony Ardito

Certified Public Accountant

Licensed Public School Accountant No. 2369

**ARDITO & COMPANY LLC**

Frenchtown, New Jersey

December 10, 2024

**Required Supplementary Information - Part I**

**Management's Discussion and Analysis**

MONTAGUE TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
UNAUDITED

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

**Financial Highlights**

Key financial highlights for 2024 are as follows:

- ◆ In total, Net Position decreased \$134,464 which represents a 2.0% decrease from 2023.
- ◆ General revenues accounted for \$6,878,156 in revenue or 55.2% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$5,581,217 or 44.8% of total revenues of \$12,459,373.
- ◆ Total assets of governmental activities decreased by \$116,494, as cash and cash equivalents decreased by \$331,057, receivables decreased by \$406,086, and capital assets increased by \$644,980.
- ◆ The School District had \$12,593,837 in expenses; only \$5,581,217 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$6,878,156 were available to provide for these programs.
- ◆ Among major funds, the General Fund had \$10,835,465 in revenues and \$11,525,627 in expenditures. The General Fund's surplus balance decreased \$763,858 over 2023, which compares favorably to the budgeted decrease of \$1,892,647.

**Using this Generally Accepted Accounting Principals Report (GAAP)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand MontagueTownship School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail.

For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of MontagueTownship School District, the General Fund is by far the most significant fund.

MONTAGUE TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
UNAUDITED

**Reporting the School District as a Whole**

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

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

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

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

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

**Reporting the School District's Most Significant Funds**

**Fund Financial Statements**

The analysis of the School District's major funds begins on page 24. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

MONTAGUE TOWNSHIP SCHOOL DISTRICT

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

**Governmental Funds**

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

**The School District as a Whole**

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

Table 1 provides a summary of the School District's Net Position for 2024 compared to 2023.

**Table 1**  
**Net Position**

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Current and Other Assets	\$ 4,738,032	\$ 5,499,506
Capital Assets	<u>3,567,561</u>	<u>2,922,581</u>
<b>Total Assets</b>	<u>8,305,593</u>	<u>8,422,087</u>
 <b>Deferred Outflows of Resources</b>	 <u>1,297,034</u>	 <u>658,754</u>
 <b>Liabilities</b>		
Long-Term Liabilities	1,950,532	1,218,602
Other Liabilities	<u>984,512</u>	<u>945,380</u>
<b>Total Liabilities</b>	<u>2,935,044</u>	<u>2,163,982</u>
 <b>Deferred Inflows of Resources</b>	 <u>181,199</u>	 <u>296,011</u>
 <b>Net Position</b>		
Invested in Capital Assets, Net of Debt	3,567,561	2,922,581
Restricted	2,970,589	3,747,363
Unrestricted	<u>(51,766)</u>	<u>(49,096)</u>
<b>Total Net Position</b>	<u>\$ 6,486,384</u>	<u>\$ 6,620,848</u>

MONTAGUE TOWNSHIP SCHOOL DISTRICT

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

Total assets of governmental activities decreased by \$116,494, as cash and cash equivalents decreased by \$331,057, receivables decreased by \$406,086, and capital assets increased by \$644,980.

The cash decrease was due to capital asset investments, receivables decreased due to reimbursement of federal grants spent in the prior year, and capital assets increased due to capital additions, net of depreciation.

Table 2 shows the changes in Net Position from fiscal year 2023.

**Table 2**  
**Changes in Net Position**

	<u>2024</u>	<u>2023</u>
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 13,898	\$ 65,388
Operating Grants and Contributions	5,567,319	4,857,666
General Revenues:		
Property Taxes	6,572,446	6,572,446
Federal & State Aid Not Restricted	-	-
Investment Earnings	174,044	4,738
Other	131,666	127,129
<b>Total Revenues</b>	<u>12,459,373</u>	<u>11,627,367</u>
<b>Program Expenses</b>		
Instruction	5,068,182	4,841,397
Support Services:		
Tuition	1,807,627	1,662,914
Pupils and Instructional Staff	2,586,005	1,612,918
General Administration, School Administration, Business	1,121,781	1,233,103
Operations and Maintenance of Facilities	1,006,214	866,745
Pupil Transportation	878,379	745,945
Other	993	993
Business-Type Activities	<u>124,656</u>	<u>175,181</u>
<b>Total Expenses</b>	<u>12,593,837</u>	<u>11,139,196</u>
Increase in Net Position	<u>\$ (134,464)</u>	<u>\$ 488,171</u>

MONTAGUE TOWNSHIP SCHOOL DISTRICT

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

**Governmental Activities**

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District in the form of ballot questions. Property taxes made up 52.8% percent of revenues for governmental activities for the Montague Township School District for the fiscal year 2024.

Instruction comprises 40.2% of district expenses. Support services expenses make up 58.8% of the expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services compared to 2023. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

**Table 3**

	<u>Total Cost of Services 2024</u>	<u>Net Cost of Services 2024</u>	<u>Total Cost of Services 2023</u>	<u>Net Cost of Services 2023</u>
Instruction	\$ 5,068,182	\$ 1,775,881	\$ 4,841,397	\$ 1,794,275
Support Services:				
Tuition	1,807,627	1,807,627	1,662,914	1,662,914
Pupils and Instructional Staff	2,586,005	1,025,911	1,612,918	521,555
General Admin., School Admin., Business	1,121,781	648,584	1,233,103	748,943
Operation and Maintenance of Facilities	1,006,214	827,525	866,745	683,915
Pupil Transportation	878,379	878,379	745,945	745,945
Other Fiscal Charges	993	993	993	993
Business-Type Activities	<u>124,656</u>	<u>47,720</u>	<u>175,181</u>	<u>57,602</u>
<b>Total Expenses</b>	<u>\$ 12,593,837</u>	<u>\$ 7,012,620</u>	<u>\$ 11,139,196</u>	<u>\$ 6,216,142</u>

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

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

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

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

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



MONTAGUE TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
UNAUDITED

Business-type activities includes expenses related to activities provided by the School District which are designed to provide for students to participate in food service.

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

The dependence upon tax revenues is apparent. Over 35.0% of instruction activities are supported through taxes and other general revenues; for all activities general revenue support is 70.1%. The community, as a whole, is the primary support for the Montague Township School District.

### **The School District's Funds**

Information about the School District's major funds starts on page 24. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other sources of \$13,039,584 and expenditures of \$13,796,168. The General Fund's surplus balance decreased \$763,858 over 2023, which compares favorably to the budgeted decrease of \$1,892,647.

### **General Fund Budgeting Highlights**

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

During the course of the fiscal 2024 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

For the General Fund, budget basis revenue and other financing sources, excluding on-behalf payments, was \$9,399,835, \$430,021 over original budgeted estimates of \$8,969,814. This difference was due primarily to an increases in miscellaneous revenues (interest earned), and non-budgeted extraordinary aid.

General fund revenues fell short of expenditures by \$733,762. Again this deficit compares to a budgeted deficit of \$1,892,647, which was due to the budgeted use of surplus needed to balance the 2023-2024 budget. The budgeted deficit was reduced due to non-budgeted revenue as noted above and unspent the operating budget.

Overall general fund balance (budget basis) was \$4,026,859, and amounts ear-marked and reserved for future purposes were \$3,664,807, creating a surplus in unreserved statutory fund balance of \$362,052. Management believes unreserved fund balance at statutory levels will provide adequate working capital for the district.

MONTAGUE TOWNSHIP SCHOOL DISTRICT

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

**Capital Assets**

At the end of the fiscal year 2024, the School District had \$3,567,220 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2024 balances compared to 2023.

**Table 4**  
**Capital Assets (Net of Depreciation) at June 30,**

	<u>2024</u>	<u>2023</u>
Land	\$ 45,148	\$ 45,148
Land Improvements	100,368	107,739
Buildings and Improvements	2,874,906	2,180,085
Machinery and Equipment	<u>546,798</u>	<u>587,635</u>
Totals	<u>\$ 3,567,220</u>	<u>\$ 2,920,607</u>

Overall capital assets increased \$646,613 from fiscal year 2023 to fiscal year 2024. The increase in capital assets was due to capital additions, net of depreciation expense for the year.

Capital improvements of \$973,839 were purchased during fiscal year 2024 and are mainly costs associated with the HVAC and paving projects, other instructional and non-instructional equipment.

**Debt Administration**

At June 30, 2024, the School District had \$51,422 as outstanding long term debt. Of this amount, \$51,422 is for compensated absences.

At June 30, 2024, the School District's overall legal debt margin was \$13,074,560 and the unvoted debt margin was the same.

MONTAGUE TOWNSHIP SCHOOL DISTRICT

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

**For the Future**

The Montague Township School District is in very good financial condition presently. A major concern is the increased reliance on local property taxes with future possible decreases in state funding.

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

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator/Board Secretary at Montague Township School District, 475 Route 206, Montague, NJ 07827.

## **Basic Financial Statements**

## **DISTRICT-WIDE FINANCIAL STATEMENTS**

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

## MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit A-1

## STATEMENT OF NET POSITION

June 30, 2024

	GOVERNMENTAL BUSINESS-TYPE		
	<u>ACTIVITIES</u>	<u>ACTIVITIES</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 3,937,221	\$ 4,706	\$ 3,941,927
Receivables, Net	793,054	3,051	796,105
Inventory			
Capital Assets, Net (Note 4):	3,567,220	341	3,567,561
<b>Total Assets</b>	<u>8,297,495</u>	<u>8,098</u>	<u>8,305,593</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Deferred Outflows	<u>1,297,034</u>		<u>1,297,034</u>
<b>LIABILITIES</b>			
Accounts Payable	205,332		205,332
Payroll Deductions and Withholdings Payable	271,008		271,008
Payable to Federal & State Government	38,340		38,340
Unearned Revenue	469,832		469,832
Net Pension Liability (Note 8)	1,899,110		1,899,110
Noncurrent Liabilities (Note 5):			
Due Beyond One Year	<u>51,422</u>		<u>51,422</u>
<b>Total Liabilities</b>	<u>2,935,044</u>		<u>2,935,044</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension Deferred Inflows	<u>181,199</u>		<u>181,199</u>
<b>NET POSITION</b>			
Invested in Capital Assets, Net of Related Debt	3,567,220	341	3,567,561
Restricted for:			
Capital Reserve Account	1,601,897		1,601,897
Maintenance Reserve Account	222,212		222,212
Other Purposes	1,146,480		1,146,480
Unrestricted	<u>(59,523)</u>	<u>7,757</u>	<u>(51,766)</u>
<b>Total Net Position</b>	<u>\$ 6,478,286</u>	<u>\$ 8,098</u>	<u>\$ 6,486,384</u>

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

MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit A-2

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	PROGRAM REVENUES				NET(EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Regular	\$ 4,049,424		\$ 2,799,251		\$ (1,250,173)		\$ (1,250,173)
Special Education	893,501		493,050		(400,451)		(400,451)
Other Special Instruction	125,257		-		(125,257)		(125,257)
Support Services:							
Tuition	1,807,627		-		(1,807,627)		(1,807,627)
Student & Instruction Related Services	2,586,005		1,560,094		(1,025,911)		(1,025,911)
School Administrative Services	367,489		284,580		(82,909)		(82,909)
General and Business Admin. Services	754,292		188,617		(565,675)		(565,675)
Plant Operations and Maintenance	1,006,214		178,689		(827,525)		(827,525)
Pupil Transportation	878,379		-		(878,379)		(878,379)
Other Fiscal Charges	993		-		(993)		(993)
Total Governmental Activities	12,469,181	-	5,504,281	-	(6,964,900)	-	(6,964,900)
Business-Type Activities:							
Food Service	124,656	15,242	63,038			\$ (46,376)	(46,376)
After-Care	-	(1,344)	-			(1,344)	(1,344)
Total Business-Type Activities	124,656	13,898	63,038	-	-	(47,720)	(47,720)
Total Primary Government	\$ 12,593,837	\$ 13,898	\$ 5,567,319		\$ (6,964,900)	\$ (47,720)	\$ (7,012,620)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes,Net					\$ 6,572,446		\$ 6,572,446
Investment Earnings					171,979	2,065	174,044
Miscellaneous Income					131,666		131,666
Transfers					(7,381)	7,381	
Total General Revenues, Special Items, Extraordinary Items and Transfers					6,868,710	9,446	6,878,156
Change in Net Position					(96,190)	(38,274)	(134,464)
Net Position—Beginning					6,602,739	46,372	6,649,111
Prior Period Adjustment (Note 19)					(28,263)		(28,263)
Net Position—Beginning (As Restated)					6,574,476	46,372	6,620,848
Net Position—Ending					\$ 6,478,286	\$ 8,098	\$ 6,486,384

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

## **FUND FINANCIAL STATEMENTS**

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



## MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit B-1

BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2024

	GENERAL FUND	SPECIAL REVENUE FUND	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 3,931,048	\$ 6,173	\$ 3,937,221
Interfund Receivables	157,245	36,316	193,561
Receivables from Other Governments	219,263	573,791	793,054
<b>TOTAL ASSETS</b>	<b>\$ 4,307,556</b>	<b>\$ 616,280</b>	<b>\$ 4,923,836</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 179,480	\$ 25,852	\$ 205,332
Payroll Deductions and Withholdings Payable	271,008		271,008
Unemployment Compensation Claims Payable	-		
Payable to State Government		38,145	38,145
Payable to Federal Government		195	195
Interfund Payable	36,316	157,245	193,561
Deferred Revenue		469,832	469,832
<b>Total Liabilities</b>	<b>486,804</b>	<b>691,269</b>	<b>1,178,073</b>
<b>Fund Balances:</b>			
<u>Restricted for:</u>			
Capital Reserve Account	\$ 1,601,897		\$ 1,601,897
Maintenance Reserve	222,212		222,212
Impact Aid Reserve	361,794		361,794
Excess Surplus	344,953		344,953
Excess Surplus - Designated for			
Subsequent Year's Expenditures	345,832		345,832
Student Activities		5,950	5,950
Scholarships		547	547
<u>Assigned to:</u>			
General Fund - Designated for			
Subsequent Year's Expenditures	87,404		87,404
Year-End Encumbrances	700,715		700,715
<u>Unassigned:</u>			
General Fund	155,945		155,945
Special Revenue Fund		(81,486)	(81,486)
<b>Total Fund Balances</b>	<b>3,820,752</b>	<b>(74,989)</b>	<b>3,745,763</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 4,307,556</b>	<b>\$ 616,280</b>	<b>\$ 4,923,836</b>

Amounts reported for *governmental activities* in the statement of  
net assets (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 \$7,580,257 and the accumulated depreciation is \$4,013,037.	\$3,567,220
Deferred Outflows related to pension contributions subsequent to the Net Pension Liability measurement date are not current financial resources and therefore are not reported in the fund statements. (See Note 8)	1,297,034
Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns are not reported as liabilities in the fund statements. (See Note 8)	(181,199)
Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 8)	(1,899,110)
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 5)	(51,422)
Net Position of governmental activities	<u>\$ 6,478,286</u>

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

## MONTAGUE TOWNSHIP SCHOOL DISTRICT

## Exhibit B-2

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>			
<b>Local sources:</b>			
Local Tax Levy	\$ 6,572,446		\$ 6,572,446
Tuition	-		-
Miscellaneous	294,743	\$ 8,902	303,645
<b>Total - Local Sources</b>	6,867,189	8,902	6,876,091
<b>State Sources</b>	3,778,631	867,222	4,645,853
<b>Federal Sources</b>	189,645	1,327,995	1,517,640
<b>Total Revenues</b>	10,835,465	2,204,119	13,039,584
<b>EXPENDITURES</b>			
<b>Current:</b>			
Regular Instruction	1,739,990	792,484	2,532,474
Special Education Instruction	487,031		487,031
Other Special Instruction	125,257		125,257
School Sponsored Other Instruction			-
Support services and undistributed costs:			
Tuition	1,807,627		1,807,627
Student and Instruction Related Services	1,104,966	1,067,043	2,172,009
School Administrative Services	133,341		133,341
Other Administrative Services	604,287		604,287
Plant Operations and Maintenance	656,395		656,395
Pupil Transportation	878,379		878,379
Unallocated Benefits	2,925,306		2,925,306
Transfer to Charter School	329,324		329,324
Capital Outlay	733,724	411,014	1,144,738
<b>Total Expenditures</b>	11,525,627	2,270,541	13,796,168
Excess (Deficiency) of			
Revenues Over Expenditures	(690,162)	(66,422)	(756,584)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from After-Care Fund	48,619		48,619
Transfer to Special Revenue Fund - Preschool	(66,315)	66,315	
Transfers to Food Service Fund	(56,000)		(56,000)
<b>Total Other Financing Sources and Uses</b>	(73,696)	66,315	(7,381)
Net Change in Fund Balances	(763,858)	(107)	(763,965)
Fund Balance—July 1	4,584,610	(74,882)	4,509,728
Prior Period Adjustment	-	-	-
Fund Balance—July 1 (Restated)	4,584,610	(74,882)	4,509,728
<b>Fund Balance—June 30</b>	<b>\$ 3,820,752</b>	<b>\$ (74,989)</b>	<b>\$ 3,745,763</b>

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

MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit B-3

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

**Total Net Change in Fund Balances - Governmental Funds (from B-2)** **\$ (763,965)**

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

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

Depreciation Expense	\$ (327,226)	
Capital Outlays	<u>973,839</u>	646,613

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption.  
This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period. (26,355)

In the statement of activities, compensated absences is accrued regardless of when paid. In the governmental funds, compensated absences are reported when paid. This amount is the amount by which the current year's compensated absence payments exceed the current year's amount earned. 47,517

**Change in Net Position of Governmental Activities** **\$ (96,190)**

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

## MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit B-4

STATEMENT OF PROPRIETARY NET POSITION  
PROPRIETARY FUNDS

June 30, 2024

		<b>Business-Type Activities - Enterprise Funds</b>	
		<b><u>Food Service</u></b>	<b><u>Totals</u></b>
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and Cash Equivalents		\$ 4,706	\$ 4,706
Accounts Receivable		3,051	3,051
<b>Total Current Assets</b>		<u>7,757</u>	<u>7,757</u>
<b>Noncurrent Assets:</b>			
Furniture, Machinery and Equipment		22,205	22,205
Less Accumulated Depreciation		(21,864)	(21,864)
<b>Total Noncurrent Assets</b>		<u>341</u>	<u>341</u>
<b>Total Assets</b>		<u><b>8,098</b></u>	<u><b>8,098</b></u>
<b>NET POSITION</b>			
Invested in Capital Assets Net of Related Debt		341	341
Unrestricted		7,757	7,757
<b>Total Net Position</b>		<u><b>\$ 8,098</b></u>	<u><b>\$ 8,098</b></u>

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

## MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit B-5

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
 FOR THE YEAR ENDED JUNE 30, 2024

	<b>Business-type Activities - Enterprise Fund</b>		
	<b>Food Service</b>	<b>After- Care</b>	<b>Total Enterprise</b>
<b>Operating Revenues:</b>			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 15,242	-	\$ 15,242
Program Fees		\$ (1,344)	(1,344)
Miscellaneous	666	1,399	2,065
<b>Total Operating Revenues</b>	<b>15,908</b>	<b>55</b>	<b>15,963</b>
 <b>Operating Expenses:</b>			
Cost of Sales - Reimbursable Programs	88,897		88,897
Salaries	31,500		31,500
Supplies	2,105		2,105
Miscellaneous	521		521
Depreciation	1,633		1,633
<b>Total Operating Expenses</b>	<b>124,656</b>		<b>124,656</b>
 Operating Income (Loss)	 (108,748)	 55	 (108,693)
 <b>Nonoperating Revenues (Expenses):</b>			
State Sources:			
State School Lunch Program	3,392		3,392
Federal Sources:			
National School Lunch Program	36,588		36,588
School Breakfast Program	11,169		11,169
Supply Chain Assistance	11,889		11,889
<b>Total Nonoperating Revenues (Expenses)</b>	<b>63,038</b>		<b>63,038</b>
 Income (Loss) Before Contributions and Transfers	 (45,710)	 55	 (45,655)
 Transfers In (Out)	 56,000	 (48,619)	 7,381
Change in Net Position	10,290	(48,564)	(38,274)
 Total Net Position—Beginning	 (2,192)	 48,564	 46,372
<b>Total Net Position—Ending</b>	<b>\$ 8,098</b>	<b>-</b>	<b>\$ 8,098</b>

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

## MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit B-6

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds		
	<u>Food Service</u>	<u>After- Care</u>	<u>Total Enterprise</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 15,242	\$ 55	\$ 15,297
Payments to Employees	(31,500)		(31,500)
Payments to Suppliers	(90,857)	-	(90,857)
<b>Net Cash Provided by (used for) Operating Activities</b>	<b>(107,115)</b>	<b>55</b>	<b>(107,060)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers from Other Funds	35,405	(52,355)	(16,950)
State Sources	3,728		3,728
Federal Sources	71,595		71,595
<b>Net Cash Provided by (used for) Non-Capital Financing Activities</b>	<b>110,728</b>	<b>(52,355)</b>	<b>58,373</b>
Net Increase (Decrease) in Cash and Cash Equivalents	3,613	(52,300)	(48,687)
Balances—Beginning of Year	1,093	52,300	53,393
<b>Balances—End of Year</b>	<b>\$ 4,706</b>	<b>-</b>	<b>\$ 4,706</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:</b>			
Operating Income (Loss)	\$ (108,748)	\$ 55	\$ (108,693)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation and Net Amortization	1,633		1,633
Federal Commodities	-		-
(Increase) Decrease in Accounts Receivable, Net	-		-
(Increase) Decrease in Inventories	-		-
Increase (Decrease) in Accounts Payable	-		-
<b>Total Adjustments</b>	<b>1,633</b>	<b>-</b>	<b>1,633</b>
<b>Net Cash Provided by (used for) Operating Activities</b>	<b>\$ (107,115)</b>	<b>\$ 55</b>	<b>\$ (107,060)</b>

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

## **Notes to Financial Statements**

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (Statement No.34). This Statement provided for the most significant change in financial reporting in over twenty years and included a phased-in implementation period (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments). The District was not required to implement the new model until the 2003-2004 school year.

In addition, the School District has implemented GASB Statement No.37, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus, Statement No.38, Certain Financial Statement Note Disclosures, Statement No.40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No.3, and Statement 44, Economic Condition Reporting: The Statistical Section (GASB 44), an amendment of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles is found in the Introduction, a revised statistical section in the Outline of the ACFR, GASB Statement No. 45, Other Post-retirement Employee Benefits, GASB No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and GASB No. 63 and 65, Deferred Outflows and Inflows and Net Position, and Items Previously Reported as Assets and Liabilities, GASB No. 68, Accounting for Pensions, an amendment of GASB No. 27, GASB No. 75, Accounting for OPEB, GASB 84, Fiduciary Activities, GASB 87, Leases, GASB 96, Subscriptions, GASB 98, Annual Comprehensive Financial Report, and GASB 100, Accounting Changes and Error Corrections. The implementation of these statements did effect net position balances as previously reported for the fiscal year ended June 30, 2023.

**A. Reporting Entity:**

The Montague Township School District is a Type II district located in the County of Sussex, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-8. The Montague Township School District had an approximate enrollment at June 30, 2024, of 304 students.

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

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

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



MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation, Basis of Accounting:**

The School District's basic financial statements consist of District-wide statements, including a statement of Net Position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**Basis of Presentation**

*District-wide Statements:* The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees and charged to external parties. The statement of net position presents the financial condition of the governmental and business-type activity of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the School District.

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

**GOVERNMENTAL FUNDS**

The District reports the following governmental funds:

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

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation, Basis of Accounting (Continued):**

**GOVERNMENTAL FUNDS (Continued)**

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

**Capital Projects Fund** - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

**PROPRIETARY FUNDS**

The District reports the following proprietary fund:

**Enterprise (Food Service) Fund** - This Enterprise Fund accounts for all revenues and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges.

**After-Care Fund** - This Enterprise Fund accounts for the financial transactions related to providing care to students after the school day.

**Basis of Accounting**

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

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation, Basis of Accounting (Continued):**

*District-wide, Proprietary, Financial Statements:* The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year.

The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements:* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**C. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the county office and approved by the Board of Education. 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. In addition, transfers are also covered by changes in N.J.A.C.6A:23A-2.3, that can require approval through the state department. All budget amendments/transfers must be approved by School Board resolution and are subject to transfer limitations and approvals per P.L. 2004, c.73(S-1701).

All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year). Appropriations, except remaining project appropriations, encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Budgets/Budgetary Control (Continued):**

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

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

**D. Encumbrance Accounting:**

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

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

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

**E. Assets, Liabilities and Equity:**

**Cash and Cash Equivalents:**

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, money market accounts and short-term investments with original maturities of three months or less.

**Interfund Transactions:**

Transfers between governmental and business-type activities on the District-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 the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities and Equity (Continued):**

**Inventories:**

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method.

**Allowance for Uncollectible Accounts:**

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

**Capital Assets:**

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

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method under the half-year convention over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office and Computer Equipment	5-10
Instructional Equipment	10
Grounds Equipment	15

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

**Compensated Absences:**

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

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities and Equity (Continued):**

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

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments. Salary related payments for the employer's share of social security and medicare taxes, as well as pension contributions, are included.

For the District-wide Statements, the entire compensated absence liability is reported in accordance with GAAP. For the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

**Deferred Revenue:**

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes that were received as of June 30, 2024, but which were levied to finance subsequent fiscal years operations, have been recorded as deferred revenue. Grants and entitlement received before the eligible requirements are met are also recorded as deferred revenue.

**Accrued Liabilities and Long-Term Obligations:**

All payables, accrued liabilities and long-term obligations are reported on the District-wide financial statements. In general, governmental fund payables 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, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

**Net Position:**

Net Position represent the difference between assets and liabilities. Net Position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction or improvement of those assets. Net Position are 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. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted Net Position are available.

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities and Equity (Continued):**

**Fund Balance Reserves:**

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances, capital reserve, and maintenance reserve.

**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.

**Operating Revenues and Expenses:**

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

**Allocation of Indirect Expenses:**

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

**Extraordinary and Special Items:**

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

**Management Estimates:**

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

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 2: CASH AND CASH EQUIVALENTS**

**Deposits:**

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

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

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

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

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

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the district's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the municipality would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2024, all of the district's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The district does not have a policy for custodial credit risk.

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

	Cash and Cash Equivalents (A-1)
Checking	<u>\$ 3,882,862</u> <u>\$ 3,882,862</u>

The carrying amount of the Board's cash and cash equivalents at June 30, 2024, was \$3,883,862 and the bank balance was \$4,581,854. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes. Of these bank balances, \$250,000 was covered by federal depository insurances and \$4,331,854 was covered by collateral pool.



MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 2: CASH AND CASH EQUIVALENTS - (Continued)**

**Investments:**

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

In order to maximize liquidity, the district utilizes the New Jersey Cash Management Fund ("NJCMF") as its sole investments. The NJCMF is administered by the New Jersey Department of Treasury. It invests pooled monies from various State and non-State agencies in primarily short-term investments. These investments include: U.S. Treasuries, short-term Commercial Paper, U.S. Agency Bonds, Corporate Bonds, and Certificates of Deposit. Agencies that participate in the NJCMF typically earn returns that mirror short-term investment rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty.

**At June 30, 2024, the district's balance was - \$ 59,065**

**Custodial Credit Risk:** Pursuant to GASB 40, the NJCMF, which is a pooled investment, is exempt from custodial credit risk disclosure. The district does not have a policy for custodial credit risk.

**Credit Risk:** The district does not have an investment policy regarding the management of credit risk. GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or investments guaranteed by the U.S. government. The NJCMF is not rated by a rating agency.

**Interest Rate Risk:** The district does not have a policy to limit interest rate risk. The average maturity of the district's investments is less than one year.

**NOTE 3: RECEIVABLES**

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

	Governmental Fund Financial <u>Statements</u>	Government-Wide Financial <u>Statements</u>
State Aid	\$ 219,263	\$ 219,463
Federal Aid	573,791	576,642
Local	-	-
Gross Receivable	\$ 793,054	\$ 796,105
Less: Allow. for Uncollectibles	-	-
Total Receivables, Net	<u>\$ 793,054</u>	<u>\$ 796,105</u>

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 4: CAPITAL ASSETS**

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

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	Ending <u>Balance</u>
<b>Governmental Activities:</b>				
<i>Capital Assets Being Depreciated:</i>				
Land	\$ 45,148			\$ 45,148
Site Improvements	242,906			242,906
Buildings and Building Improvements	5,221,018	\$ 908,951		6,129,969
Machinery and Equipment	1,097,346	64,888		1,162,234
Total at Historical Cost	6,606,418	973,839	-	7,580,257
Less Accumulated Depreciation for:				
Site Improvements	(135,167)	(7,371)		(142,538)
Building and Improvements	(3,040,933)	(214,130)		(3,255,063)
Equipment	(509,711)	(105,725)		(615,436)
Total Accumulated Depreciation	(3,685,811)	(327,226)		(4,013,037)
Total Capital Assets Being Depreciated, net of Accumulated Depreciation	2,920,607	646,613		3,567,220
<b>Government Activity Capital Assets, Net</b>	<b>\$ 2,920,607</b>	<b>\$ 646,613</b>		<b>\$ 3,567,220</b>

On January 11, 2001, the NJ State Department of Education announced that effective July 1, 2001, the capitalization threshold used by school districts in the State of New Jersey is increased to \$2,000. The previous threshold was \$500. Applying the higher capitalization threshold retroactively (removal of old assets from the General Fixed Assets Account Group) will be permitted by the State regulations in situations where (1) the assets have been fully depreciated, or (2) the assets have exceeded their useful lives. The retirement of machinery and equipment is due to the retroactive application of the higher threshold of equipment capitalization. That is, the District has removed from their records assets with a historical cost greater than \$500 but not greater than \$2,000 that were fully depreciated or had exceeded their useful lives.

Depreciation expense was charged to functions as follows:

Regular Instruction	\$ 216,951
Special Education	22,906
Student Related Services	30,432
School & General Administration	16,034
Plant and Operations	40,903
Total	<u>\$ 327,226</u>

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 5: LONG-TERM OBLIGATIONS**

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

**A. Long-Term Obligation Activity:**

Changes in long-term obligations for the year ended June 30, 2024, are as follows:

	Balance <u>7/1/2023</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>6/30/2024</u>	Amounts Due Within <u>One Year</u>
<b>Governmental Activities:</b>					
Other Liabilities:					
Compensated Absences Payable	\$ 98,939		\$ (47,517)	\$ 51,422	
<b>Total Other Liabilities</b>	<b>\$ 98,939</b>		<b>\$ (47,517)</b>	<b>\$ 51,422</b>	<b>-</b>

Compensated absences have been liquidated in the General Fund.

The district had no bonds outstanding as of June, 30, 2024.

The district had no bonds authorized but not issued as of June, 30, 2024.

The district had no capital lease liabilities as of June, 30, 2024.

**NOTE 6: DEFERRED COMPENSATION**

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

AXA Equitable Financial  
Lincoln Life Financial

**NOTE 7: COMPENSATED ABSENCES**

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

The District support staff are granted sick leave in varying amounts under the District's contracted personnel policies. Sick leave benefits provide for ordinary sick pay and provide for payment based upon predetermined rates and allowable days and upon retirement in the state pension system.

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2024, no liability existed for compensated absences in the proprietary fund types.

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS**

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

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, 100% of employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Summary of Significant Accounting Policies - 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.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

The employer contributions for the district are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the district (employer) 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 district (employer) 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 district. However, the state's portion of the net pension liability that was associated with the district was \$11,182,350 as measured on June 30, 2023 and \$10,819,113 measured on June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$274,718 and revenue of \$274,718 for support provided by the State. The measurement period for the pension expense and revenue reported in the district's financial statements (A-2) at June 30, 2024 is based upon changes in the collective net pension liability with a measurement period of June 30, 2022 through June 30, 2023. Accordingly, the pension expense and the related revenue associated with the support provided by the State is based upon the changes in the collective net pension liability between July 1, 2022 and June 30, 2023.

Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

	<u>6/30/2023</u>	<u>6/30/2024</u>
Collective deferred outflows of resources	\$4,996,491,160	\$2,498,730,891
Collective deferred inflows of resources	\$19,532,696,776	\$14,719,080,314
Collective net pension liability (Nonemployer-State of New Jersey)	\$51,594,415,806	\$51,032,669,551
State's portion of the net pension liability that was associated with the district	\$10,819,113	\$11,182,350
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	0.020970%	0.021912%

*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:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75-5.65% based on years of service
Investment Rate of Return	7.00%

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.

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

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments (7.0% 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:

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	28.00%	8.98%
Non-US devel.markets equity	12.75%	9.22%
International Small Cap Equit	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 Yeld	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash equivalents	2.00%	3.31%
US Treasuries	4.00%	3.31%
Risk mitigation	3.00%	6.21%

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

*Sensitivity of the State's net pension liability to changes in the discount rate* - Since the District has no proportionate share of the net pension liability because of the special funding situation, the district would not be sensitive to any changes in the discount rate. The following presents the State's net pension liability measured as of June 30, 2023, calculated using the discount rate shown above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>
State's Collective Net Pension Liability	\$ 60,267,919,597	\$ 51,109,961,824	\$ 43,396,784,734

*Pension plan fiduciary net position* - Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>. The plan fudiciary net position as of June 30, 2023 was \$27,130,181,268.

*Amortization of Deferred Outflows and Inflows of Resources* - Amount reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amoounts) related to pensions will be recognized in the state's pension expense as follows:

	<u>Year Ended June 30:</u>
2024	(\$3,918,676,894)
2025	(3,446,016,070)
2026	(1,604,289,401)
2027	(1,742,641,843)
2028	(1,672,806,952)
Thereafter	<u>56,606,524</u>
Total	<u>(\$12,327,824,636)</u>

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

*Pension Expense* - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2023 are as follows:

Service cost	\$1,364,281,690
Interest on total pension liability	5,268,967,929
Member contributions	(933,033,324)
Administrative expense	13,581,904
Expected investment return net of investment expenses	(1,703,986,173)
Pension expense related to specific liabilities of individual employers	(449,590)
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	195,761,712
Changes in assumptions	(3,048,968,450)
Difference between projected and actual investment earnings on pension plan investments	<u>99,467,335</u>
Total pension expense	<u>\$1,255,623,033</u>

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

*Summary of Significant Accounting Policies* - 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 PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At June 30, 2024, the District reported a liability of \$1,899,110 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The total pension liability for the June 30, 2022 valuation was determined by an experience study for the period July 1, 2018 to June 30, 2021. The District's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2023 and 2022. At June 30, 2023, the District's proportion was 0.013% which was an increase of 0.006% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense/(benefit) of \$283,272. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 18,158	\$ 7,763
Changes of assumptions	4,172	115,094
Net difference between projected and actual earnings on pension plan investments	8,746	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,090,720	58,342
District contributions subsequent to the measurement date	175,238	
Total	<u>\$ 1,297,034</u>	<u>\$ 181,199</u>

\$175,238 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2024, the plan measurement date is June 30, 2023) will be recognized as a reduction of the net pension liability measured as of June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Year Ended June 30:</u>	
2024	\$1,027,546	
2025	573,537	
2026	(801,479)	
2027	143,433	
2028	<u>(2,439)</u>	
Total	<u>\$940,597</u>	

	<u>6/30/2023</u>	<u>6/30/2024</u>
Collective deferred outflows of resources	\$1,660,772,008	\$1,080,204,730
Collective deferred inflows of resources	3,236,303,935	1,780,216,457
Collective net pension liability (Non State - Local Group)	\$15,091,376,611	\$14,606,489,066
District's portion of net pension liability	\$1,119,663	\$1,899,110
District's proportion %	0.007%	0.013%

*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 actuarial 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%



MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

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

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of 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 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>
US Equity	28.00%	8.98%
Non-US devel.markets equity	12.75%	9.22%
International Small Cap Equit	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%
US Treasuries	4.00%	3.31%
Risk mitigation	3.00%	6.21%

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

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate* - The following presents the District's proportionate share of the net pension liability measured as of June 30, 2023, calculated using the discount rate as disclosed above, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current</u> <u>Discount Rate</u>	<u>1% Increase</u>
	<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>
District's proportionate share of the net pension liability	\$ 2,472,237	\$1,899,110	\$ 1,411,303

*Pension Expense* - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2023 are as follows:

Service cost	(\$2,351,036)
Interest on total Pension liability	(8,878,618)
Benefit changes	0
Member contributions	1,896,108
Administrative expens	(41,491)
Expected investment return net of investment expenses	5,233,513
Pension expense related to specific liabilities of individual employers	34,940
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	(153,266)
Changes in assumptions	4,287,283
Difference between projected and actual investment earnings on pension plan investments	<u>255,837</u>
Total pension expense	<u>\$283,272</u>

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>.

**Defined Contribution Retirement Plan (DCRP)** - The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

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

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

□ New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65. □ The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members. □ The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. □ Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.

□ The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law. □ New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary. □ In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

**Contribution Requirements** - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 (PERS) and N.J.S.A. 18:66 (TPAF) requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 6.5% and the PERS rate is 6.5% of covered payroll.

During the fiscal year ended June 30, 2024, the State of New Jersey did contribute \$1,231,107 to the TPAF for post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$234,619 during the year ended June 30, 2024, for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. The PERS amounts have been included in the fund-based statements as pension expense and the TPAF on-behalf amounts have been included in fund-based statements as revenues and expenditures. The PERS and TPAF amounts have been modified and included in the District-wide financial statements in accordance with GASB Statement No. 68.

**NOTE 9: POST-RETIREMENT BENEFITS**

**Plan description and benefits provided**

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefit for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than 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. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

**Total Nonemployer OPEB Liability**

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education.

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 9: POST-RETIREMENT BENEFITS-(Continued)**

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

*Actuarial assumptions and other imputes.* The June 30, 2024 GASB 75 reporting is based on a measurement date of June 30, 2023. The total nonemployer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions used in the June 30, 2022 valuation were based on the results of actuarial experience studies for the periods July 1, 2018 - June 30, 2021 for TPAF, PERS and PFRS. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Total Nonemployer OPEB Liability:	\$	52,361,668,239		
			TPAF/ABP	PERS
Salary Increases			2.75% to 4.25%	2.75% to 6.55%
				3.25% to 16.25%
			Based on service years	

**(a) Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**(b) Discount Rate**

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

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

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 9: POST-RETIREMENT BENEFITS-(Continued)**

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

	<u>Total OPEB Liability</u>
<b>The State's Total OPEB Liability Balance at 6/30/2022</b>	<b>\$50,646,462,966</b>
<u>Changes for the year:</u>	
Service Cost	2,136,235,476
Interest on the Total OPEB Liability	1,844,113,951
Change in Benefit Terms	-
Differences Between Expected and Actual Experience	(980,424,863)
Changes of Assumptions	105,539,463
Gross Benefit Payments	-
Contributions from Members/Employers	(1,390,258,754)
Net changes	<u>1,715,205,273</u>
<b>The State's Total OPEB Liability Balance at 6/30/2023</b>	<b><u>\$52,361,668,239</u></b>

**The State's total OPEB liability attributable to the District:** **\$12,277,128**

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

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

	<u>June 30, 2023</u>		
	At 1% Decrease <u>2.65%</u>	At Discount Rate <u>3.65%</u>	At 1% Increase <u>4.65%</u>
Total OPEB Liability (School Retirees)	\$61,385,066,712	\$52,361,668,239	\$45,116,926,835

	<u>June 30, 2022</u>		
	At 1% Decrease <u>2.54%</u>	At Discount Rate <u>3.54%</u>	At 1% Increase <u>4.54%</u>
Total OPEB Liability (School Retirees)	\$59,529,589,697	\$50,646,462,966	\$43,527,080,995

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

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 9: POST-RETIREMENT BENEFITS-(Continued)**

June 30, 2023			
	Health Care Cost		
	<u>At 1% Decrease</u>	<u>Trend Rate</u>	<u>At 1% Increase</u>
Total OPEB Liability (School Retirees)	\$43,468,257,358	\$52,361,668,239	\$63,998,719,320

June 30, 2022			
	Health Care Cost		
	<u>At 1% Decrease</u>	<u>Trend Rate</u>	<u>At 1% Increase</u>
Total OPEB Liability (School Retirees)	\$41,862,397,291	\$50,646,462,966	\$62,184,866,635

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

For the year ended June 30, 2023, the board of education recognized OPEB expense and related revenue of \$297,177 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

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

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences Between Expected and Actual Experience	\$7,639,717,639	\$13,791,541,217
Changes of assumptions or other inputs	<u>7,445,895,322</u>	<u>14,449,948,556</u>
Total	<u>\$15,085,612,961</u>	<u>\$28,241,489,773</u>

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

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

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 10: CONTINGENT LIABILITIES**

**GRANT PROGRAMS**

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

**LITIGATION**

The Board is not involved in claims or lawsuits incidental to its operations.

**NOTE 11: FUND BALANCE APPROPRIATED**

General Fund (Exhibit B-1) - Of the \$3,820,752 General Fund fund balance at June 30, 2024, \$700,715 is reserved for encumbrances; \$690,785 is reserved as excess surplus in accordance with N.J.S.A.18A:7F-7, as amended (\$345,832 of the excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2025), \$1,601,897 has been reserved in the Capital Reserve Account; \$222,212 has been reserved in the Maintenance Reserve Account; \$361,794 has been reserved in the Impact Aid Reserve Account; \$87,404 is reserved for subsequent year's expenditures has been anticipated as revenue for the year ended June 30, 2025; and, \$155,945 is unreserved and undesignated.

**NOTE 12: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Township of Montague Board of Education by inclusion in the FY 2000-2001 budget for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23-2.13(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	\$ 2,134,167
Interest Earned	67,730
Deposits (PL 2007 c.62 (A1)-Board Resolution June 12, 2024	630,000
Budgeted Withdrawal	(1,230,000)
Ending Balance, June 30, 2024	<u>\$ 1,601,897</u>



MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 13: MAINTENANCE RESERVE ACCOUNT**

A maintenance reserve account was established by the School District Board of Education in fiscal year 2021, for the accumulation of funds for use in accordance with PL 2007 c.62 (A1). The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance July 1, 2023	\$ 240,013
Budgeted Withdrawal	(25,000)
Interest Earned	<u>7,199</u>
Ending balance June 30, 2024	<u><u>\$ 222,212</u></u>

**NOTE 14: IMPACT AID RESERVE ACCOUNT**

As permitted by P.L.2015, c.46 which amended N.J.S.A. 18A:7F-41 a federal impact reserve account was established by the District Board of Education on June 24, 2015 by board resolution for the amount of federal impact aid funds – general fund – received during the current fiscal year for use as general fund expenditures in subsequent fiscal years. The federal impact aid – general reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance July 1, 2023	<u>\$ 361,794</u>
Ending balance June 30, 2024	<u><u>\$ 361,794</u></u>

**NOTE 15: CALCULATION OF EXCESS SURPLUS**

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2024 is \$344,953.

**NOTE 16: INTERFUND RECEIVABLES AND PAYABLES**

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

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 157,245	\$ 36,316
Special Revenue Fund	36,316	157,245
Enterprise Fund	<u>-</u>	<u>-</u>
Total	<u><u>\$ 193,561</u></u>	<u><u>\$ 193,561</u></u>

The special revenue fund owes the general fund for cash advances related to expenditures of federal grants in advance of federal reimbursement. The general fund owes the special revenue fund for payment of general fund expenditures in the special revenue fund.

MONTAGUE TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 17: DEFICIT FUND BALANCES**

The District has a deficit fund balance (Exhibit B-1) of \$74,989 in the Special Revenue Fund as of June 30, 2024, as reported in the fund statements (modified accrual basis). P.L.2003, c.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No.33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability.

Since the State is recording the last state aid payment in the subsequent fiscal year, the school district can not recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund balance deficits do not alone indicate that the district is facing financial difficulties.

**NOTE 18: TAX ABATEMENTS**

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

**NOTE 19: PRIOR PERIOD ADJUSTMENT**

**Restatement of Prior Period:**

As an ongoing process of maintaining records in accordance with GASB#34, the district conducted a physical appraisal of capital assets as of June 30, 2024. The appraisal revealed asset activity that that should be recorded as of June 30, 2023 due to fully depreciated assets. Accordingly, a restatement of Net Position as of June 30, 2023 was necessary.

**Governmental Activities Net Position:**

Net Position (per A-1), June 30, 2023	\$ 6,602,739
Restatement of Capital Assets	(28,263)
Net Position (per A-1), June 30, 2023, as Restated	<u>\$ 6,574,476</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

<b>BUDGETARY COMPARISON SCHEDULES</b>
---------------------------------------

## MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

## BUDGETARY COMPARISON SCHEDULE

## GENERAL FUND

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance Final to Actual Favorable/ (Unfavorable)</b>
<b>REVENUES:</b>					
<b>Local Sources:</b>					
Local Tax Levy	\$ 6,572,446		\$ 6,572,446	\$ 6,572,446	-
Miscellaneous	820		820	294,743	\$ 293,923
<b>Total - Local Sources</b>	<b>6,573,266</b>		<b>6,573,266</b>	<b>6,867,189</b>	<b>293,923</b>
<b>State Sources:</b>					
Equalization Aid	1,376,309		1,376,309	1,376,309	
Transportation Aid	326,614		326,614	326,614	
Special Education Aid	331,434		331,434	331,434	
Security Aid	100,706		100,706	100,706	
Other State Aid	95,886		95,886	207,938	112,052
TPAF Pension (On-Behalf - Non-Budgeted)				967,177	967,177
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				263,230	263,230
TPAF Pension LTD Insurance (On-Behalf - Non-Budgeted)				700	700
TPAF Social Security (Reimbursed - Non-Budgeted)				234,619	234,619
<b>Total State Sources</b>	<b>2,230,949</b>		<b>2,230,949</b>	<b>3,808,727</b>	<b>1,577,778</b>
<b>Federal Sources:</b>					
Impact Aid	165,599		165,599	189,645	24,046
<b>Total Federal Sources</b>	<b>165,599</b>		<b>165,599</b>	<b>189,645</b>	<b>24,046</b>
<b>TOTAL REVENUES</b>	<b>8,969,814</b>		<b>8,969,814</b>	<b>10,865,561</b>	<b>1,895,747</b>

## MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

## BUDGETARY COMPARISON SCHEDULE

## GENERAL FUND

Fiscal Year Ended June 30, 2024

	<b>Original Budget</b>	<b>Budget Transfers</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final to Actual Favorable/ (Unfavorable)</b>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
<b>Regular Programs - Instruction</b>					
Kindergarten - Salaries of Teachers	215,070	14,990	230,060	230,060	-
Grades 1-5 - Salaries of Teachers	1,018,270	(153,620)	864,650	826,750	37,900
Grades 6-8 - Salaries of Teachers	538,860	(6,228)	532,632	437,134	95,498
<b>Regular Programs - Home Instruction:</b>					
Purchased Professional-Educational Services	11,000	(7,000)	4,000	-	4,000
<b>Regular Programs - Undistributed Instruction</b>					
Salaries- District Substitutes	-	34,817	34,817	34,817	-
Other Salaries for Instruction	184,555	(8,755)	175,800	68,683	107,117
Unused Sick/Vacation Payment to Terminated/Retired Staff	17,500	(17,000)	500	-	500
Purchased Professional-Educational Services	1,506	(1,506)	-	-	-
Purchased Technical Services	48,250	(48,250)	-	-	-
Other Purchased Services (400-500 Series)	8,000	(8,000)	-	-	-
General Supplies	202,330	(116,566)	85,764	76,676	9,088
Textbooks	122,978	(66,405)	56,573	56,572	1
Other Objects	10,000	-	10,000	8,458	1,542
Misc Expend (field trips)	2,000	-	2,000	840	1,160
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<b>2,380,319</b>	<b>(383,523)</b>	<b>1,996,796</b>	<b>1,739,990</b>	<b>256,806</b>
<b>SPECIAL EDUCATION - INSTRUCTION</b>					
<b>Resource Room:</b>					
Salaries of Teachers	369,000	120,986	489,986	485,255	4,731
Other Salaries for Instruction	-	342	342	342	-
General Supplies	5,000	1,012	6,012	1,434	4,578
<b>Total Resource Room</b>	<b>374,000</b>	<b>122,340</b>	<b>496,340</b>	<b>487,031</b>	<b>9,309</b>

MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance Final to Actual Favorable/ (Unfavorable)</b>
<b>TOTAL SPECIAL EDUCATION - INSTRUCTION</b>	<b>374,000</b>	<b>122,340</b>	<b>496,340</b>	<b>487,031</b>	<b>9,309</b>
Salaries of Teachers	-	80,220	80,220	80,049	171
<b>Total Basic Skills/Remedial - Instruction</b>	-	80,220	80,220	80,049	171
<b>Other Instructional Programs - Instruction:</b>					
Salaries	14,000	1,332	15,332	15,332	-
Purchased Services (Series 300-500)	200	10,743	10,943	10,943	-
General Supplies	2,500	(1,594)	906	66	840
<b>Total Other Instructional Programs - Instruction</b>	<b>16,700</b>	<b>10,481</b>	<b>27,181</b>	<b>26,341</b>	<b>840</b>
<b>Athletic Programs- Instruction</b>					
Other Salaries for Instruction	3,500	(1,000)	2,500	-	2,500
General Supplies	1,750	-	1,750	1,367	383
Other Objects	1,000	16,500	17,500	17,500	-
<b>Athletic Programs - Instruction</b>	<b>6,250</b>	<b>15,500</b>	<b>21,750</b>	<b>18,867</b>	<b>2,883</b>
<b>TOTAL INSTRUCTION</b>	<b>2,777,269</b>	<b>(154,982)</b>	<b>2,622,287</b>	<b>2,352,278</b>	<b>270,009</b>

## MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

## BUDGETARY COMPARISON SCHEDULE

## GENERAL FUND

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance Final to Actual Favorable/ (Unfavorable)</b>
<b>UNDISTRIBUTED EXPENDITURES</b>					
<b>Instruction:</b>					
Tuition to Other LEAs Within the State - Regular	1,090,240	(25,000)	1,065,240	963,461	101,779
Tuition to Other LEAs Within the Stat - Special	524,941	170,648	695,589	690,292	5,297
Tuition to County Voc. District - Regular	95,000	5,000	100,000	93,375	6,625
Tuition to Private Schools for the Disabled - Within State	66,604	2,000	68,604	60,499	8,105
<b>Total Instruction</b>	<b>1,776,785</b>	<b>152,648</b>	<b>1,929,433</b>	<b>1,807,627</b>	<b>121,806</b>
<b>Attendance and Social Work:</b>					
Salaries	22,950	(22,950)	-	-	-
<b>Total Attendance and Social Work</b>	<b>22,950</b>	<b>(22,950)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Health Services:</b>					
Salaries	74,000	4,743	78,743	78,743	-
Purchased Professional and Technical Services	1,000	(1,000)	-	-	-
Other Purchased Services (400-500 Series)	10,000	(537)	9,463	9,463	-
Supplies and Materials	7,500	(129)	7,371	7,371	-
Other Objects	100	(75)	25	25	-
<b>Total Health Services</b>	<b>92,600</b>	<b>3,002</b>	<b>95,602</b>	<b>95,602</b>	<b>-</b>
<b>Other Supp. Services Students-Related Services:</b>					
Salaries	69,000	(69,000)	-	-	-
Purchased Professional - Educational Services	7,500	61,912	69,412	69,412	-
Supplies and Materials	2,500	(1,863)	637	-	637
<b>Total Other Supp. Services Students-Related Services</b>	<b>79,000</b>	<b>(8,951)</b>	<b>70,049</b>	<b>69,412</b>	<b>637</b>
Salaries		185,402	185,402	185,402	-
<b>Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.</b>	<b>-</b>	<b>185,402</b>	<b>185,402</b>	<b>185,402</b>	<b>-</b>
<b>Guidance:</b>					
Salaries of Other Professional Staff	157,450	(3,927)	153,523	153,523	-
Salaries of Secretarial and Clerical Assistants	13,995	(9,001)	4,994	-	4,994
General Supplies	500	(32)	468	468	-
<b>Total Guidance</b>	<b>171,945</b>	<b>(12,960)</b>	<b>158,985</b>	<b>153,991</b>	<b>4,994</b>



MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance Final to Actual Favorable/ (Unfavorable)</b>
<b>Other Supp. Services Students-Special:</b>					
Salaries of Other Professional Staff	383,710	(17,015)	366,695	237,028	129,667
Salaries of Secretarial and Clerical Assistants	10,200	13,229	23,429	23,428	1
Salaries Other	-	82,386	82,386	82,386	-
Purchased Professional - Educational Services	142,400	7,227	149,627	144,401	5,226
Other Purchased Services (400-500 Series)	9,000	(9,000)	-	-	-
Supplies and Materials	22,500	(17,952)	4,548	3,610	938
Other Objects	200	-	200	-	200
<b>Total Other Supp. Services Students-Special</b>	<b>568,010</b>	<b>58,875</b>	<b>626,885</b>	<b>490,853</b>	<b>136,032</b>
<b>Improvement of Instruction Services:</b>					
Salaries of Other Professional Staff	-	-	-	-	-
Salaries of Secretarial and Clerical Assistants	20,000	823	20,823	20,823	-
Purchased Professional - Educational Services	1,000	(1,000)	-	-	-
Other Purchased Prof. and Tech. Svcs.	15,000	(15,000)	-	-	-
Other Purchased Prof. Svcs (400-500 Series)	-	552	552	552	-
Supplies and Materials	3,000	(2,516)	484	484	-
<b>Total Improvement of Instruction Services</b>	<b>39,000</b>	<b>(17,141)</b>	<b>21,859</b>	<b>21,859</b>	<b>-</b>
<b>Educational Media Services/School Library:</b>					
Salaries	72,100	4,090	76,190	57,398	18,792
Salaries of Technology Coordinators	34,600	-	34,600	29,120	5,480
Purchased Professional and Technical Services	5,000	(4,300)	700	700	-
Supplies and Materials	3,000	(2,560)	440	440	-
Other Objects	1,000	(1,000)	-	-	-
<b>Total Educational Media Services/School Library</b>	<b>115,700</b>	<b>(3,770)</b>	<b>111,930</b>	<b>87,658</b>	<b>24,272</b>
<b>Instructional Staff Training Services:</b>					
Other Purchased Professional and Technical Services	2,000	(2,000)	-	-	-
Other Purchased Services (400-500 series)	2,500	(2,311)	189	189	-
<b>Total Instructional Staff Training Services</b>	<b>4,500</b>	<b>(4,311)</b>	<b>189</b>	<b>189</b>	<b>-</b>

MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE**

**GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance Final to Actual Favorable/ (Unfavorable)</b>
<b>Supp. Services - General Administration:</b>					
Salaries	83,504	50,396	133,900	133,900	-
Legal Services	20,000	60,439	80,439	74,439	6,000
Audit Fees	29,900	(150)	29,750	29,750	-
Communications/Telephone	13,800	8,223	22,023	22,023	-
BOE Other Purchased Services	1,000	4,500	5,500	5,500	-
Other Purchased Services (400-500)	1,500	983	2,483	2,483	-
General Supplies	1,000	(218)	782	782	-
Miscellaneous Expenses	1,000	6,190	7,190	3,291	3,899
BOE Membership Dues and Fees	5,000	(224)	4,776	4,776	-
<b>Total Supp. Services - General Administration</b>	<b>156,704</b>	<b>130,139</b>	<b>286,843</b>	<b>276,944</b>	<b>9,899</b>
<b>Support Services - School Administration:</b>					
Salaries of Principals/Assistant Principals	56,250	62,590	118,840	118,667	173
Salaries of Secretarial and Clerical Assistants	13,995	-	13,995	13,860	135
Supplies and Materials	-	2,200	2,200	814	1,386
<b>Total Support Services - School Administration</b>	<b>70,245</b>	<b>64,790</b>	<b>135,035</b>	<b>133,341</b>	<b>1,694</b>
<b>Central Services:</b>					
Salaries	140,750	58,655	199,405	188,555	10,850
Purchased Professional Services	-	2,500	2,500	2,356	144
Purchased Technical Services	15,000	(12,923)	2,077	805	1,272
Other Purchased Services (400-500)	1,000	5,438	6,438	6,438	-
Supplies and Materials	1,000	4,000	5,000	2,521	2,479
Other Objects	1,000	133	1,133	1,133	-
<b>Total Central Services</b>	<b>158,750</b>	<b>57,803</b>	<b>216,553</b>	<b>201,808</b>	<b>14,745</b>
<b>Admin Info Tech.:</b>					
Salaries	43,250	29,226	72,476	72,476	-
Purchased Professional Services	-	4,418	4,418	4,418	-
Purchased Technical Services	4,500	41,853	46,353	46,353	-
Other Purchased Services (400-500 Series)	1,000	(1,000)	-	-	-
Supplies and Materials	500	(195)	305	305	-
Other Objects	-	1,983	1,983	1,983	-
<b>Total Admin. Info. Tech.</b>	<b>49,250</b>	<b>76,285</b>	<b>125,535</b>	<b>125,535</b>	<b>-</b>

MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b>Variance Final to Actual Favorable/ (Unfavorable)</b>
<b>Required Maintenance for School Facilities:</b>					
Salaries	164,068	10,836	174,904	174,904	-
Cleaning, Repair and Maintenance Services	150,000	(28,416)	121,584	73,451	48,133
Lead Testing of Drinking Water	1,000	584	1,584	1,584	-
Supplies and Materials	5,000	7,878	12,878	12,878	-
Other Objects	1,000	-	1,000	927	73
<b>Total Required Maintenance for School Facilities</b>	<b>321,068</b>	<b>(9,118)</b>	<b>311,950</b>	<b>263,744</b>	<b>48,206</b>
<b>Other Operations and Maintenance of Plant:</b>					
Salaries	158,345	12,380	170,725	112,694	58,031
Purchased Professional and Technical Services	17,000	527	17,527	16,727	800
Purchased Technical Services	-	7,477	7,477	7,477	-
Cleaning, Repair and Maintenance Services	18,000	4,556	22,556	22,554	2
Other Purchased Property Services	23,750	-	23,750	18,523	5,227
Insurance	38,000	6,307	44,307	44,307	-
Miscellaneous Purchased Services	5,000	-	5,000	3,235	1,765
General Supplies	35,000	(261)	34,739	34,149	590
Energy (Natural Gas)	64,000	-	64,000	43,852	20,148
Energy (Electricity)	42,000	10,000	52,000	44,740	7,260
<b>Total Other Operations and Maintenance of Plant</b>	<b>401,095</b>	<b>40,986</b>	<b>442,081</b>	<b>348,258</b>	<b>93,823</b>
<b>Care and Upkeep of Grounds:</b>					
Cleaning, Repair and Maintenance Services	4,309	(4,309)	-	-	-
Other Objects	500	-	500	136	364
<b>Total Care and Upkeep of Grounds</b>	<b>4,809</b>	<b>(4,309)</b>	<b>500</b>	<b>136</b>	<b>364</b>
<b>Security:</b>					
Salaries	59,400	-	59,400	40,258	19,142
Cleaning, Repair and Maintenance Services	18,109	(14,798)	3,311	3,110	201
General Supplies	-	889	889	889	-
<b>Total Security</b>	<b>77,509</b>	<b>(13,909)</b>	<b>63,600</b>	<b>44,257</b>	<b>19,343</b>

MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<b>Original Budget</b>	<b>Budget Transfers</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final to Actual Favorable/ (Unfavorable)</b>
<b>Student Transportation Services</b>					
Sal. For Pup.Trans. (Bet. Home and School) - Regular	240,741	(1,650)	239,091	239,091	-
Sal. For Pup.Trans. (Bet. Home and School) - Special	16,910	7,632	24,542	24,542	-
Other Purchased Prof. and Tech. Svcs.	-	26	26	26	-
Cleaning, Repair and Maintenance Services	20,000	74,808	94,808	94,808	-
Rental Payments- School Buses	7,500	(914)	6,586	6,586	-
Contr Serv. - Aid in Lieu Payments - Non-public School	18,000	-	18,000	12,815	5,185
Contr Serv. - Aid in Lieu Payments - Choice School	16,000	(2,906)	13,094	12,718	376
Contracted Services (Between Home and School)-Joint Agrmts.	7,000	5,075	12,075	12,075	-
Contract. Serv.(Sp Ed Stds)-Joint Agrmnts	-	4,336	4,336	4,336	-
Contracted Services (Spec. Ed. Students)-ESCs & CTSAs	341,500	(812)	340,688	339,834	854
Transportation Insurance	-	9,792	9,792	9,792	-
Misc Purchased Services - Transportation	7,000	30,817	37,817	37,817	-
General Supplies	58,800	6,974	65,774	65,774	-
Transportation Supplies	3,000	13,801	16,801	16,706	95
Other Objects	6,750	(5,215)	1,535	1,459	76
<b>Total Student Transportation Services</b>	<b>743,201</b>	<b>141,764</b>	<b>884,965</b>	<b>878,379</b>	<b>6,586</b>
<b>UNALLOCATED BENEFITS</b>					
Social Security Contributions	105,000	36,603	141,603	141,603	-
Other Retirement Contributions-Regular	97,500	78,795	176,295	176,295	-
Unemployment Compensation	14,500	6,265	20,765	20,765	-
Workmen's Compensation	36,000	8,354	44,354	44,354	-
Health Benefits	1,250,000	(154,140)	1,095,860	1,052,874	42,986
Tuition Reimbursement	12,000	11,689	23,689	23,689	-
<b>TOTAL UNALLOCATED BENEFITS</b>	<b>1,515,000</b>	<b>(12,434)</b>	<b>1,502,566</b>	<b>1,459,580</b>	<b>42,986</b>
On-behalf TPAF pension Contrib. (non-budgeted)	-	-	-	967,177	(967,177)
On-behalf TPAF PRM Contrib. (non-budgeted)	-	-	-	263,230	(263,230)
On-behalf TPAF pension LTD Ins. (non-budgeted)	-	-	-	700	(700)
Reimbursed TPAF Social Security Contrib. (non-budgeted)	-	-	-	234,619	(234,619)
<b>TOTAL ON-BEHALF CONTRIBUTIONS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,465,726</b>	<b>(1,465,726)</b>
<b>TOTAL PERSONAL SERVICES-EMPLOYEE BENEFITS</b>	<b>1,515,000</b>	<b>(12,434)</b>	<b>1,502,566</b>	<b>2,925,306</b>	<b>(1,422,740)</b>
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<b>6,368,121</b>	<b>801,841</b>	<b>7,169,962</b>	<b>8,110,301</b>	<b>(940,339)</b>

## MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

## BUDGETARY COMPARISON SCHEDULE

## GENERAL FUND

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance Final to Actual Favorable/ (Unfavorable)</b>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<b>9,145,390</b>	<b>646,859</b>	<b>9,792,249</b>	<b>10,462,579</b>	<b>(670,330)</b>
<b>CAPITAL OUTLAY</b>					
<b>Equipment:</b>					
Grades 1-5	11,250	(8,070)	3,180	3,180	-
Grades 6-8	11,250	-	11,250	11,250	-
Undistributed Expenditures - Custodial Services	17,475	(3,968)	13,507	13,507	-
<b>Total Equipment</b>	<b>39,975</b>	<b>(12,038)</b>	<b>27,937</b>	<b>27,937</b>	<b>-</b>
<b>Facilities Acquisition and Construction Services</b>					
Architectural/Engineering Services	-	366,380	366,380	147,019	219,361
Construction Services	1,230,000	(299,258)	930,742	557,775	372,967
Debt Service Assessment SDA Funding	993	-	993	993	-
<b>Total Facilities Acquisition and Construction Services</b>	<b>1,230,993</b>	<b>67,122</b>	<b>1,298,115</b>	<b>705,787</b>	<b>592,328</b>
<b>TOTAL CAPITAL OUTLAY</b>	<b>1,270,968</b>	<b>55,084</b>	<b>1,326,052</b>	<b>733,724</b>	<b>592,328</b>
Transfer to Charter School	354,788	-	354,788	329,324	25,464
<b>TOTAL EXPENDITURES</b>	<b>10,771,146</b>	<b>701,943</b>	<b>11,473,089</b>	<b>11,525,627</b>	<b>(52,538)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(1,801,332)</b>	<b>(701,943)</b>	<b>(2,503,275)</b>	<b>(660,066)</b>	<b>1,843,209</b>
<b>Other Financing Sources:</b>					
<b>Operating Transfer In/(Out):</b>					
Transfer from After-Care Fund		-		48,619	48,619
Transfer to Food Service Fund	(25,000)	(31,000)	(56,000)	(56,000)	-
Transfer to Special Revenue Fund - Preschool	(66,315)	-	(66,315)	(66,315)	-
<b>Total Other Financing Sources:</b>	<b>(91,315)</b>	<b>(31,000)</b>	<b>(122,315)</b>	<b>(73,696)</b>	<b>48,619</b>

## MONTAGUE TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance Final to Actual Favorable/ (Unfavorable)</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)</b>	(1,892,647)	(732,943)	(2,625,590)	(733,762)	1,891,828
<b>Fund Balance, July 1</b>	4,760,621		4,760,621	4,760,621	-
<b>Prior Period Adjustment</b>					
<b>Fund Balance, July 1 (Restated)</b>	4,760,621		4,760,621	4,760,621	
<b>Fund Balance, June 30</b>	\$ 2,867,974	\$ (732,943)	\$ 2,135,031	\$ 4,026,859	\$ 1,891,828
<b>Recapitulation:</b>					
<b>Restricted for:</b>					
Capital Reserve				\$ 1,601,897	
Maintenance Reserve				222,212	
Impact Aid Reserve				361,794	
Excess Surplus				344,953	
Excess Surplus - Designated for Subsequent Year's Expenditures				345,832	
<b>Assigned to:</b>					
Designated for Subsequent Year's Expenditures				87,404	
Year-End Encumbrances				700,715	
<b>Unassigned:</b>					
Unrestricted Fund Balance				<u>362,052</u>	
<b>Fund Balance per Governmental Funds(Budgetary Basis)</b>				\$ 4,026,859	
<b>Reconciliation to Governmental Funds Statement(GAAP Basis):</b>					
Current Year Last State Aid Payment not recognized on GAAP basis until received				<u>(206,107)</u>	
<b>Fund Balance per Governmental Funds(GAAP Basis)</b>				<u><u>\$ 3,820,752</u></u>	

**BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND**

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>REVENUES:</b>					
Local Sources	\$ 300	\$ 8,602	\$ 8,902	\$ 8,902	-
State Sources	1,230,769	(101,185)	1,129,584	878,732	\$ (250,852)
Federal Sources	1,282,055	201,065	1,483,120	1,483,120	-
<b>Total Revenues</b>	<b>2,513,124</b>	<b>108,482</b>	<b>2,621,606</b>	<b>2,370,754</b>	<b>(250,852)</b>
<b>EXPENDITURES:</b>					
<b>Instruction</b>					
Salaries of Teachers	399,206	(24,275)	374,931	351,616	23,315
Other Salaries for Instruction	205,835	(73,325)	132,510	132,180	330
Other Purchased Services	5,000	32,364	37,364	34,589	2,775
Tuition	92,250	23,226	115,476	115,476	-
General Supplies	1,203,496	(976,503)	226,993	161,645	65,348
Other Objects	-	474	474	474	-
<b>Total Instruction</b>	<b>1,905,787</b>	<b>(1,018,039)</b>	<b>887,748</b>	<b>795,980</b>	<b>91,768</b>
<b>Support Services</b>					
Salaries of Supervisors of Instruction	-	31,763	31,763	31,763	-
Salaries of Program Directors	-	24,460	24,460	18,905	5,555
Salaries of Other Professional Staff	-	36,143	36,143	11,429	24,714
Salaries of Secr. And Clerical Assistants	-	18,810	18,810	11,540	7,270
Other Salaries	143,103	(5,661)	137,442	99,137	38,305
Salaries of Community Parent Involvement Spec.	-	7,771	7,771	3,905	3,866
Salaries of Master Teachers	71,000	(971)	70,029	70,029	-
Personal Services - Employee Benefits	287,709	51,181	338,890	338,890	-
Purchased Prof. -Ed. Services	20,013	(10,013)	10,000	-	10,000
Purchased Prof. Tech Svcs.	-	220,916	220,916	220,916	-
Cleaning, Repair & Maintenance Svcs.	40,000	186,304	226,304	226,304	-
Contr Serv-Trans. (Field Trips)	5,000	-	5,000	1,680	3,320
Travel	2,000	-	2,000	-	2,000
Other Purchased Services	-	21,967	21,967	21,967	-
Supplies & Materials	2,000	27,151	29,151	29,145	6
Other Objects	79,565	(19,323)	60,242	4,935	55,307
Scholarships	-	150	150	150	-
Student Activities	300	2,045	2,345	2,345	-
<b>Total Support Services</b>	<b>650,690</b>	<b>592,693</b>	<b>1,243,383</b>	<b>1,093,040</b>	<b>150,343</b>
<b>Facilities Acq. &amp; Construction Services:</b>					
Buildings	-	472,699	472,699	472,699	-
Instructional Equipment	9,365	31,722	41,087	32,346	8,741
Non-Instructional Equipment	13,597	25,000	38,597	38,597	-
<b>Total Facilities Acq. &amp; Construction Services</b>	<b>22,962</b>	<b>529,421</b>	<b>552,383</b>	<b>543,642</b>	<b>8,741</b>
<b>Total Expenditures</b>	<b>2,579,439</b>	<b>104,075</b>	<b>2,683,514</b>	<b>2,432,662</b>	<b>250,852</b>
<b>Total Outflows</b>	<b>\$ 2,579,439</b>	<b>\$ 104,075</b>	<b>\$ 2,683,514</b>	<b>\$ 2,432,662</b>	<b>\$ 250,852</b>
<b>Other Financing Sources (Uses):</b>					
Transfers from Other Funds	<b>66,315</b>		<b>66,315</b>	<b>66,315</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>		<b>4,407</b>	<b>4,407</b>	<b>4,407</b>	
<b>Fund Balance Beginning</b>				<b>2,090</b>	
<b>Prior Period Adjustment *</b>				<b>-</b>	
<b>Fund Balance Beginning (Restated)</b>				<b>2,090</b>	
<b>Fund Balance Ending</b>				<b>\$ 6,497</b>	
<b>Recapitulation:</b>					
Restricted:					
Scholarships				\$ 547	
Student Activities				5,950	
<b>Fund Balance per Governmental Funds(Budgetary Basis)</b>				<b>\$ 6,497</b>	
<b>Reconciliation to Governmental Funds Statement (GAAP Basis):</b>					
Last State Aid Payment not recognized on GAAP basis				(81,486)	
<b>Fund Balance per Governmental Funds (GAAP Basis)</b>				<b>\$ (74,989)</b>	

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE**

For the Fiscal Year Ended June 30, 2024

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

	General Fund	Special Revenue Fund
<b>Sources/Inflows of Resources</b>		
Actual amounts (budgetary basis) "revenue"		
from the budgetary comparison schedule (Exhibits C-1 and C-2, respectively)	\$ 10,865,561	\$ 2,370,754
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year	N/A	56,860
Current Year	N/A	(218,981)
 Adjustment for: Prior year Final State Aid Payment excluded in State Source Revenues that is considered a revenue for GAAP reporting purposes	 176,011	 76,972
 Adjustment for: Current Year Final State Aid Payment included in State Source Revenues that is not considered a revenue for GAAP reporting purposes	 <u>(206,107)</u>	 <u>(81,486)</u>
 Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. (Exhibit B-2)	 <u>\$ 10,835,465</u>	 <u>\$ 2,204,119</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules (Exhibits C-1 and C-2, respectively)	\$ 11,525,627	\$ 2,432,662
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are 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.		
Prior Year	N/A	56,860
Current Year	N/A	(218,981)
 Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	 N/A	 N/A
Net transfers (outflows) to general fund	<u>N/A</u>	<u>N/A</u>
 Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (Exhibit B-2)	 <u>\$ 11,525,627</u>	 <u>\$ 2,270,541</u>



**Montague Township School District**  
**Required Supplementary Information - Part III**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Last Ten Fiscal Years**

**Exhibit L-3**

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

	<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's proportion of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State's proportionate share of the net pension liability (asset) associated with the District	<u>\$ 11,182,350</u>	<u>\$ 10,819,113</u>	<u>\$ 10,191,089</u>	<u>\$ 13,469,004</u>	<u>\$ 12,379,938</u>	<u>\$ 14,381,889</u>	<u>\$ 15,525,075</u>	<u>\$ 19,695,671</u>	<u>\$ 15,547,829</u>	<u>\$ 13,506,987</u>
Total	<u>\$ 11,182,350</u>	<u>\$ 10,819,113</u>	<u>\$ 10,191,089</u>	<u>\$ 13,469,004</u>	<u>\$ 12,379,938</u>	<u>\$ 14,381,889</u>	<u>\$ 15,525,075</u>	<u>\$ 19,695,671</u>	<u>\$ 15,547,829</u>	<u>\$ 13,506,987</u>
District's covered employee payroll	\$ 3,085,800	\$ 2,875,834	\$ 2,344,738	\$ 2,210,348	\$ 2,105,058	\$ 2,357,053	\$ 2,246,299	\$ 2,402,629	\$ 2,531,867	\$ 2,495,206
District's proportionate share of the of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	34.68%	32.29%	35.50%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

\*\* Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. Since the district (employer) does not contribute directly to the plan there is no net pension liability to report in the financial statements of the district.

**Exhibit L-1**

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

	<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's proportion of the net pension liability (asset)	0.01311%	0.00742%	0.00570%	0.00634%	0.00373%	0.00382%	0.00508%	0.00653%	0.00631%	0.00536%
District's proportionate share of the net pension liability (asset)	<u>\$ 1,899,110</u>	<u>\$ 1,119,663</u>	<u>\$ 675,811</u>	<u>\$ 1,033,808</u>	<u>\$ 672,165</u>	<u>\$ 753,076</u>	<u>\$ 1,183,629</u>	<u>\$ 1,935,046</u>	<u>\$ 1,415,814</u>	<u>\$ 1,003,219</u>
District's covered employee payroll	\$ 1,168,496	\$ 892,627	\$ 489,963	\$ 404,016	\$ 391,536	\$ 244,698	\$ 274,429	\$ 358,746	\$ 432,817	\$ 397,514
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	162.53%	125.43%	137.93%	255.88%	171.67%	307.76%	431.31%	539.39%	327.12%	252.37%
Plan fiduciary net position as a percentage of the total pension liability (Local)	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	58.18%	40.14%	47.92%	52.08%

**Montague Township School District**  
**Required Supplementary Information - Part III**  
**Schedule of District Contributions**  
**Last Ten Fiscal Years**

**Exhibit L-2**

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's covered employee payroll	\$ 3,085,800	\$ 2,875,834	\$ 2,606,029	\$ 2,344,738	\$ 2,210,348	\$ 2,105,058	\$ 2,357,053	\$ 2,246,299	\$ 2,402,629	\$ 2,531,867
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

\*\* Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. The district (employer) does not contribute to the plan.

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 175,238	\$ 93,560	\$ 67,136	\$ 69,351	\$ 37,388	\$ 38,318	\$ 47,842	\$ 58,390	\$ 54,224	\$ 44,173
Contributions in relation to the contractually required contribution	(175,238)	(93,560)	(67,136)	(69,351)	(37,388)	(38,318)	(47,842)	(58,390)	(54,224)	(44,173)
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered employee payroll	\$ 1,168,496	\$ 892,627	\$ 735,542	\$ 489,963	\$ 404,016	\$ 391,536	\$ 244,698	\$ 274,429	\$ 358,746	\$ 432,817
Contributions as a percentage of covered-employee payroll	15.00%	10.48%	9.13%	14.15%	9.25%	9.79%	19.55%	21.28%	15.11%	10.21%

Montague Township School District  
Required Supplementary Information - Part III  
Schedule of Changes in the State's Total OPEB Liability and Related Ratios  
Last Ten Fiscal Years \*

Exhibit M-1

State Health Benefit Local Education Retired Employees Plan (TPAF and PERS)

The State of New Jersey's Total OPEB Liability	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Service Cost	\$ 2,136,235,476	\$ 3,217,184,264	\$ 1,790,973,822	\$ 1,734,404,850	\$ 1,984,642,729	\$ 2,391,878,884	\$ 1,723,999,319			
Interest	1,844,113,951	1,556,661,679	1,503,341,357	1,827,787,206	1,970,236,232	1,699,441,736	1,823,643,792			
Change in Benefit Terms	-	(63,870,842)								
Differences Between Expected and Actual Experience	(980,424,863)	(11,385,071,658)	11,544,750,637	(7,323,140,818)	(5,002,065,740)					
Benefit Payments	-	59,202,205	(1,180,515,618)	(1,280,958,373)	(1,232,987,247)	(1,242,412,566)	(1,223,298,019)			
Contributions from Members	(1,390,258,754)	-	35,781,384	37,971,171	42,614,005	45,748,749	46,273,747			
Changes of Assumptions or other inputs	105,539,463	(1,186,417,186)	12,386,549,981	622,184,027	(5,291,448,855)	(7,086,599,129)	8,611,513,521			
<b>Net change in total OPEB liability</b>	<b>1,715,205,273</b>	<b>(7,802,311,538)</b>	<b>26,080,881,563</b>	<b>(4,381,751,937)</b>	<b>(7,529,008,876)</b>	<b>(4,191,942,326)</b>	<b>10,982,132,360</b>			
<b>Total OPEB Liability - Beginning</b>	<b>\$ 50,646,462,966</b>	<b>\$67,809,962,608</b>	<b>\$41,729,081,045</b>	<b>\$ 46,110,832,982</b>	<b>\$ 53,639,841,858</b>	<b>\$ 57,831,784,184</b>	<b>\$ 46,849,651,824</b>			
<b>Total OPEB Liability - Ending</b>	<b>\$ 52,361,668,239</b>	<b>\$60,007,651,070</b>	<b>\$67,809,962,608</b>	<b>\$ 41,729,081,045</b>	<b>\$ 46,110,832,982</b>	<b>\$ 53,639,841,858</b>	<b>\$ 57,831,784,184</b>			
<b>The State of New Jersey's total OPEB liability **</b>	<b>\$ 52,361,668,239</b>	<b>\$60,007,651,070</b>	<b>\$67,809,962,608</b>	<b>\$ 41,729,081,045</b>	<b>\$ 46,110,832,982</b>	<b>\$ 53,639,841,858</b>	<b>\$ 57,831,784,184</b>			
<b>The State of New Jersey's OPEB liability attributable to the District **</b>	<b>\$ 12,277,128</b>	<b>\$ 12,744,115</b>	<b>\$ 15,251,920</b>	<b>\$ 10,120,597</b>	<b>\$ 11,481,516</b>	<b>\$ 12,938,784</b>	<b>\$ 14,027,673</b>			
<b>The District's proportionate share of the total OPEB liability</b>	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>			
<b>District's covered employee payroll</b>	<b>\$ 4,254,296</b>	<b>\$ 3,341,571</b>	<b>\$ 2,834,701</b>	<b>\$ 2,614,364</b>	<b>\$ 2,496,594</b>	<b>\$ 2,601,751</b>	<b>\$ 2,520,728</b>			
<b>Total District's OPEB liability as a percentage of its covered-employee payroll</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>			
<b>District's contribution</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>			
<b>State's covered employee payroll ***</b>	<b>\$ 15,314,749,297</b>	<b>\$14,425,669,769</b>	<b>\$14,267,738,657</b>	<b>\$ 13,929,083,479</b>	<b>\$ 13,640,275,833</b>	<b>\$ 13,493,400,208</b>	<b>\$ 13,493,400,208</b>			
<b>Total State's OPEB liability as a percentage of its covered-employee payroll</b>	<b>341.90%</b>	<b>415.98%</b>	<b>475.27%</b>	<b>299.58%</b>	<b>338.05%</b>	<b>397.53%</b>	<b>428.59%</b>			

\*\* Note: Other Post Employment Benefits (OPEB) for employees of the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS) is considered a special funding situation as defined by GASB Statement No. 75 in which the State of New Jersey is 100% responsible for contributions to the health insurance plan. The district (employer) does not contribute to the plan and the district's OPEB liability is zero.

\*\*\* Covered payroll for the Measurement Period ending June 30, 2022 and June 30, 2023 is based on the payroll on the June 30, 2021 and June 30, 2022 census data, respectively

\* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

MONTAGUE SCHOOL DISTRICT

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-PART III**  
**Pension and Other Post Employment Benefits (OPEB) Schedules**

For the Fiscal Year Ended June 30, 2024

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

**Pension Schedules**

*Changes of benefit terms.* 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.

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

**OPEB Schedules**

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

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

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

**Pension Schedules**

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

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

**OPEB Schedules**

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

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

<b>OTHER SUPPLEMENTARY INFORMATION</b>
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<b>SPECIAL REVENUE FUND DETAIL STATEMENTS</b>
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The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

**SPECIAL REVENUE FUND**  
**COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS**

For the Fiscal Year Ended June 30, 2023

Page 1 of 3

	Title I	Title II	Title IV	IDEA Basic	IDEA Preschool	CRRSA ESSER II	ARP ESSER III
<b>REVENUES</b>							
Local Sources							
State Sources							
Federal Sources	\$ 127,861	\$ 28,442	\$ 10,000	\$ 115,476	\$ 4,860	\$ 374,088	\$ 662,750
<b>TOTAL REVENUES</b>	<b>127,861</b>	<b>28,442</b>	<b>10,000</b>	<b>115,476</b>	<b>4,860</b>	<b>374,088</b>	<b>662,750</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	68,000						27,621
Other Salaries for Instruction							
Other Purchased Services							24,664
Tuition				115,476			
General Supplies	16,341		10,000		4,860		43,185
Other Objects							
<b>Total Instruction</b>	<b>84,341</b>		<b>10,000</b>	<b>115,476</b>	<b>4,860</b>		<b>95,470</b>
<b>Support Services:</b>							
Salaries of Supervisors of Instruction							13,763
Salaries of Program Directors							
Salaries of Other Professional Staff							
Salaries of Secr. And Clerical Assistants							
Other Salaries							
Salaries of Comm. Parent Involv.							
Salaries of Master Teachers							
Personal Services - Employee Benefits	43,520						7,661
Purchased Prof. -Ed. Services							
Purchased Ed Services - Head Start							
Purchased Prof. Tech Svcs.		11,600					163,628
Cleaning, Repair & Maintenance Svcs.							203,708
Contr Serv-Trans. (Bet. Home & School)							
Contr Serv-Trans. (Field Trips)							
Travel							
Other Purchased Services		16,842					4,125
Supplies & Materials							19,062
Other Objects							
Scholarships							
Student Activities							
<b>Total Support Services</b>	<b>43,520</b>	<b>28,442</b>					<b>411,947</b>
<b>Facilities Acq. &amp; Contruction Services:</b>							
Buildings						374,088	98,611
Instructional Equipment							31,722
Non-Instructional Equipment							25,000
<b>Total Facilities Acq. &amp; Contruction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>374,088</b>	<b>155,333</b>
<b>TOTAL EXPENDITURES</b>	<b>127,861</b>	<b>28,442</b>	<b>10,000</b>	<b>115,476</b>	<b>4,860</b>	<b>374,088</b>	<b>662,750</b>
<b>Total Outflows</b>	<b>\$ 127,861</b>	<b>\$ 28,442</b>	<b>\$ 10,000</b>	<b>\$ 115,476</b>	<b>\$ 4,860</b>	<b>\$ 374,088</b>	<b>\$ 662,750</b>
<b>Other Financing Sources (Uses):</b>							
Transfers from Other Funds							
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance Beginning</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Prior Period Adjustment *</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance Beginning (Restated)</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance Ending</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**SPECIAL REVENUE FUND**  
**COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS**

For the Fiscal Year Ended June 30, 2023

Page 2 of 3

	ARP Accel Learn	ARP Summer	ARP Beyond Sch. Day	ARP Mental	REAP	Preschool Education State Aid	SDA Emerg. & Capital Grant
<b>REVENUES</b>							
Local Sources						\$ 871,907	\$ 6,825
State Sources							
Federal Sources	\$ 40,538	\$ 12,744	\$ 20,835	\$ 37,502	\$ 48,024		
<b>TOTAL REVENUES</b>	<b>40,538</b>	<b>12,744</b>	<b>20,835</b>	<b>37,502</b>	<b>48,024</b>	<b>871,907</b>	<b>6,825</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	250	10,270				245,475	
Other Salaries for Instruction						132,180	
Other Purchased Services	5,000			2,700		2,225	
Tuition							
General Supplies	11,967	2,000	1,425	4,756	48,024	17,087	
Other Objects		474					
<b>Total Instruction</b>	<b>17,217</b>	<b>12,744</b>	<b>1,425</b>	<b>7,456</b>	<b>48,024</b>	<b>396,967</b>	
<b>Support Services:</b>							
Salaries of Supervisors of Instruction			18,000				
Salaries of Program Directors						18,905	
Salaries of Other Professional Staff						11,429	
Salaries of Secr. And Clerical Assistants						11,540	
Other Salaries						99,137	
Salaries of Comm. Parent Involv.						3,905	
Salaries of Master Teachers						70,029	
Personal Services - Employee Benefits						287,709	
Purchased Prof. -Ed. Services							
Purchased Ed Services - Head Start							
Purchased Prof. Tech Svcs.	18,715			26,973			
Cleaning, Repair & Maintenance Svcs.						15,771	6,825
Contr Serv-Trans. (Bet. Home & School)							
Contr Serv-Trans. (Field Trips)						1,680	
Travel							
Other Purchased Services				1,000			
Supplies & Materials	4,606		1,410	2,073		1,994	
Other Objects						4,935	
Scholarships							
Student Activities							
<b>Total Support Services</b>	<b>23,321</b>		<b>19,410</b>	<b>30,046</b>		<b>527,034</b>	<b>6,825</b>
<b>Facilities Acq. &amp; Contruction Services:</b>							
Buildings						-	
Instructional Equipment						624	
Non-Instructional Equipment						13,597	
<b>Total Facilities Acq. &amp; Contruction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,221</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>40,538</b>	<b>12,744</b>	<b>20,835</b>	<b>37,502</b>	<b>48,024</b>	<b>938,222</b>	<b>6,825</b>
<b>Total Outflows</b>	<b>\$ 40,538</b>	<b>\$ 12,744</b>	<b>\$ 20,835</b>	<b>\$ 37,502</b>	<b>\$ 48,024</b>	<b>\$ 938,222</b>	<b>\$ 6,825</b>
<b>Other Financing Sources (Uses):</b>							
Transfers from Other Funds						66,315	
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance Beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Prior Period Adjustment *</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance Beginning (Restated)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance Ending</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**SPECIAL REVENUE FUND**  
**COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS**

For the Fiscal Year Ended June 30, 2023

Page 3 of 3

	Local Safety Grant	Durleer Scholarship	Student Activity	Totals
<b>REVENUES</b>				
Local Sources	\$ 2,000	\$ 22	\$ 6,880	\$ 8,902
State Sources				878,732
Federal Sources				1,483,120
<b>TOTAL REVENUES</b>	<b>2,000</b>	<b>22</b>	<b>6,880</b>	<b>2,370,754</b>
<b>EXPENDITURES:</b>				
<b>Instruction:</b>				
Salaries of Teachers				351,616
Other Salaries for Instruction				132,180
Other Purchased Services				34,589
Tuition				115,476
General Supplies	2,000			161,645
Other Objects				474
<b>Total Instruction</b>	<b>2,000</b>			<b>795,980</b>
<b>Support Services:</b>				
Salaries of Supervisors of Instruction				31,763
Salaries of Program Directors				18,905
Salaries of Other Professional Staff				11,429
Salaries of Secr. And Clerical Assistants				11,540
Other Salaries				99,137
Salaries of Comm. Parent Involv.				3,905
Salaries of Master Teachers				70,029
Personal Services - Employee Benefits				338,890
Purchased Prof. -Ed. Services				-
Purchased Ed Services - Head Start				-
Purchased Prof. Tech Svcs.				220,916
Cleaning, Repair & Maintenance Svcs.				226,304
Contr Serv-Trans. (Bet. Home & School)				-
Contr Serv-Trans. (Field Trips)				1,680
Travel				-
Other Purchased Services				21,967
Supplies & Materials				29,145
Other Objects				4,935
Scholarships		150		150
Student Activities			2,345	2,345
<b>Total Support Services</b>		<b>150</b>	<b>2,345</b>	<b>1,093,040</b>
<b>Facilities Acq. &amp; Contruction Services:</b>				
Buildings				472,699
Instructional Equipment				32,346
Non-Instructional Equipment				38,597
<b>Total Facilities Acq. &amp; Contruction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>543,642</b>
<b>TOTAL EXPENDITURES</b>	<b>2,000</b>	<b>150</b>	<b>2,345</b>	<b>2,432,662</b>
<b>Total Outflows</b>	<b>\$ 2,000</b>	<b>\$ 150</b>	<b>\$ 2,345</b>	<b>\$ 2,432,662</b>
<b>Other Financing Sources (Uses):</b>				
Transfers from Other Funds				66,315
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>(128)</b>	<b>4,535</b>	<b>4,407</b>
<b>Fund Balance Beginning</b>	<b>-</b>	<b>675</b>	<b>1,415</b>	<b>2,090</b>
<b>Prior Period Adjustment *</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance Beginning (Restated)</b>	<b>-</b>	<b>675</b>	<b>1,415</b>	<b>2,090</b>
<b>Fund Balance Ending</b>	<b>-</b>	<b>\$ 547</b>	<b>\$ 5,950</b>	<b>\$ 6,497</b>

**MONTAGUE TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Preschool Education Aid Schedule of Expenditures**  
**Preschool - All Programs**  
**Budgetary Basis**  
**For the Fiscal Year Ended June 30, 2024**

	<b>Original Budget</b>	<b>Budget Transfers</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries of Teachers	\$ 318,000	\$ (49,210)	\$ 268,790	\$ 245,475	\$ 23,315
Other Salaries for Instruction	205,835	(73,325)	132,510	132,180	330
Other Purchased Services	5,000	-	5,000	2,225	2,775
General Supplies	104,910	(22,475)	82,435	17,087	65,348
<b>Total instruction</b>	<b>633,745</b>	<b>(145,010)</b>	<b>488,735</b>	<b>396,967</b>	<b>91,768</b>
<b>Support services:</b>					
Salaries of Program Directors	-	24,460	24,460	18,905	5,555
Salaries of Other Professional Staff	-	36,143	36,143	11,429	24,714
Salaries of Secr. And Clerical Assistants	-	18,810	18,810	11,540	7,270
Other Salaries	143,103	(5,661)	137,442	99,137	38,305
Salaries of Community Parent Involvement Spec.	-	7,771	7,771	3,905	3,866
Salaries of Master Teachers	71,000	(971)	70,029	70,029	-
Personal Services - Employee Benefits	287,709	-	287,709	287,709	-
Purchased Prof. -Ed. Services	10,000	-	10,000	-	10,000
Cleaning, Repair & Maintenance Svcs.	40,000	(24,229)	15,771	15,771	-
Contr Serv-Trans. (Field Trips)	5,000	-	5,000	1,680	3,320
Travel	2,000	-	2,000	-	2,000
Supplies & Materials	2,000	-	2,000	1,994	6
Other Objects	79,565	(19,323)	60,242	4,935	55,307
<b>Total support services</b>	<b>640,377</b>	<b>37,000</b>	<b>677,377</b>	<b>527,034</b>	<b>150,343</b>
<b>Facilities Acq. &amp; Construction:</b>					
Instructional Equipment	9,365	-	9,365	624	8,741
Non-Instructional Equipment	13,597	-	13,597	13,597	-
<b>Total Facilities Acq. &amp; Construction</b>	<b>22,962</b>	<b>-</b>	<b>22,962</b>	<b>14,221</b>	<b>8,741</b>
<b>Total Expenditures</b>	<b>\$ 1,297,084</b>	<b>(108,010)</b>	<b>\$ 1,189,074</b>	<b>\$ 938,222</b>	<b>\$ 250,852</b>

**CALCULATION OF BUDGET & CARRYOVER**

Total 2023-2024 PreK Aid Allocation	\$ 814,856
Add: Actual ECPA Carryover June 30, 2023	307,903
Add: Budgeted Transfer From General Fund	66,315
Total Funds Available for 2023-2024 Budget	1,189,074
Less: 2023-2024 Budgeted PreK & ECPA (Including prior year budgeted carryover)	(1,189,074)
Available & Unbudgeted Funds as of June 30, 2024	-
Add: June 30, 2024 Unexpended PreK Aid	250,852
2023-2024 Actual Carryover - PreK Aid	250,852
2023-2024 PreK Carryover Budgeted in 2024-2025	\$ 177,915

<b>CAPITAL PROJECTS FUND DETAIL STATEMENTS</b>
--

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

N/A

<p><b>PROPRIETARY FUND DETAIL STATEMENTS</b></p>
--

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

**Food Services Fund** - This fund provides for the operation of food services in all schools within the school district.

**THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5 AND B-6.**

<b>FIDUCIARY FUND DETAIL STATEMENTS</b>
---

Fiduciary Funds are defined by GASB No. 84 as four funds. (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds.

N/A

<b>LONG-TERM DEBT SCHEDULES</b>
---------------------------------

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

N/A

MONTAGUE TOWNSHIP SCHOOL DISTRICT  
Statistical Section

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends (J-1 thru J-5)</b> These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	87-92
<b>Revenue Capacity (J-6 thru J-9)</b> These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	93-96
<b>Debt Capacity (J-10 thru J-13)</b> These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	97-100
<b>Demographic and Economic Information (J-14 and J-15)</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	101-102
<b>Operating Information (J-16 thru J-20)</b> These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	103-107

**Sources:**

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.

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

**Exhibit J-1**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Invested in capital assets, net of related debt	\$ 1,635,421	\$ 1,641,163	\$ 1,589,327	\$ 1,477,500	\$ 1,731,032	\$ 1,696,173	\$ 2,334,595	\$ 2,776,225	\$ 2,948,870	\$ 3,567,220
Restricted	366,610	217,703	444,003	611,767	519,791	2,268,699	3,774,076	3,821,153	3,747,363	2,970,589
Unrestricted	(997,991)	(997,862)	(1,084,670)	(1,122,232)	(1,114,653)	(843,721)	(705,758)	(458,348)	(93,494)	(59,523)
Total governmental activities net assets	<u>\$ 1,004,040</u>	<u>\$ 861,004</u>	<u>\$ 948,660</u>	<u>\$ 967,035</u>	<u>\$ 1,136,170</u>	<u>\$ 3,121,151</u>	<u>\$ 5,402,913</u>	<u>\$ 6,139,030</u>	<u>\$ 6,602,739</u>	<u>\$ 6,478,286</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 9,414	\$ 8,567	\$ 7,720	\$ 6,873	\$ 6,873	\$ 6,873	\$ 5,240	\$ 3,607	\$ 1,974	\$ 341
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	35,183	28,288	23,663	25,443	8,229	12,170	535	18,303	44,398	7,757
Total business-type activities net assets	<u>\$ 44,597</u>	<u>\$ 36,855</u>	<u>\$ 31,383</u>	<u>\$ 32,316</u>	<u>\$ 15,102</u>	<u>\$ 19,043</u>	<u>\$ 5,775</u>	<u>\$ 21,910</u>	<u>\$ 46,372</u>	<u>\$ 8,098</u>
District-wide										
Invested in capital assets, net of related debt	\$ 1,644,835	\$ 1,649,730	\$ 1,597,047	\$ 1,484,373	\$ 1,737,905	\$ 1,703,046	\$ 2,339,835	\$ 2,779,832	\$ 2,950,844	\$ 3,567,561
Restricted	366,610	217,703	444,003	611,767	519,791	2,268,699	3,774,076	3,821,153	3,747,363	2,970,589
Unrestricted	(962,808)	(969,574)	(1,061,007)	(1,096,789)	(1,106,424)	(831,551)	(705,223)	(440,045)	(49,096)	(51,766)
Total district net assets	<u>\$ 1,048,637</u>	<u>\$ 897,859</u>	<u>\$ 980,043</u>	<u>\$ 999,351</u>	<u>\$ 1,151,272</u>	<u>\$ 3,140,194</u>	<u>\$ 5,408,688</u>	<u>\$ 6,160,940</u>	<u>\$ 6,649,111</u>	<u>\$ 6,486,384</u>

Source: ACFR Seehdule A-1



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

**Exhibit J-2**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
Governmental activities										
Instruction										
Regular	\$ 2,998,252	\$ 3,007,195	\$ 3,811,914	\$ 3,712,881	\$ 3,401,524	\$ 3,332,792	\$ 3,667,264	\$ 3,471,312	\$ 4,136,078	\$ 4,049,424
Special education	801,762	871,760	866,380	830,413	621,940	330,696	287,302	731,928	673,423	893,501
Other special education	41,492	367,078	175,318	390,352	243,414	-	-	-	31,896	125,257
School Sponsored Other Instruction	63,561	6,482	12,425	4,209	3,232	18,676	427	67,824		
Support Services:										
Tuition	-	-	-	-	-	-	-	-	1,662,914	1,807,627
Student & instruction related services	4,075,329	3,662,932	3,274,490	3,333,708	3,813,923	3,145,906	2,935,626	3,092,494	1,612,918	2,586,005
General administrative services	276,959	387,956	326,777	379,971	338,224	473,808	416,210	440,507	427,841	424,968
School administrative services	349,617	360,516	269,230	410,505	454,772	277,083	446,140	647,639	398,633	367,489
Plant operations and maintenance	538,050	554,997	583,386	489,112	592,107	505,300	501,886	747,643	866,745	1,006,214
Pupil transportation	1,011,551	1,006,746	955,273	1,040,205	948,393	534,466	412,487	662,371	745,945	878,379
Other Fiscal Charges									993	993
Charter Schools	573,397	463,836	441,269	286,070	492,527	429,923	655,457	525,399	406,629	329,324
Capital Outlay	17,184						124,183			
Interest on long-term debt	3,498	2,474								
Unallocated Depreciation										
Total governmental activities expenses	10,750,652	10,691,972	10,716,462	10,877,426	10,910,056	9,048,650	9,446,982	10,387,117	10,964,015	12,469,181
Business-type activities:										
Food service	98,249	107,130	86,414	101,670	100,775	75,534	91,004	317,230	149,612	124,656
Before and After Care						9,640		824	25,569	-
Total business-type activities expense	98,249	107,130	86,414	101,670	100,775	85,174	91,004	318,054	175,181	124,656
Total district expenses	\$ 10,848,901	\$ 10,799,102	\$ 10,802,876	\$ 10,979,096	\$ 11,010,831	\$ 9,133,824	\$ 9,537,986	\$ 10,705,171	\$ 11,139,196	\$ 12,593,837
<b>Program Revenues</b>										
Governmental activities:										
Operating grants and contributions	\$ 2,284,675	\$ 2,395,326	\$ 2,754,448	\$ 2,808,509	\$ 2,596,674	\$ 2,384,165	\$ 2,970,266	\$ 2,745,091	\$ 4,805,355	\$ 5,504,281
Charges for Services					19,450	-	1	194	120	-
Total governmental activities program revenues	2,284,675	2,395,326	2,754,448	2,808,509	2,616,124	2,384,165	2,970,267	2,745,285	4,805,475	5,504,281
Business-type activities:										
Charges for services										
Food service	14,718	13,696	12,129	39,558	18,943	9,476	87	11	17,604	15,242
Before and After Care						14,308		22,603	47,664	(1,344)
Operating grants and contributions	87,362	85,688	68,808	37,566	69,292	57,829	68,146	311,555	52,311	63,038
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	102,080	99,384	80,937	77,124	88,235	81,613	68,233	334,169	117,579	76,936
Total district program revenues	\$ 2,386,755	\$ 2,494,710	\$ 2,835,385	\$ 2,885,633	\$ 2,704,359	\$ 2,465,778	\$ 3,038,500	\$ 3,079,454	\$ 4,923,054	\$ 5,581,217

Continued

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

**Exhibit J-2**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (8,465,977)	\$ (8,296,646)	\$ (7,962,014)	\$ (8,068,917)	\$ (8,293,932)	\$ (6,664,485)	\$ (6,476,715)	\$ (7,641,832)	\$ (6,158,540)	\$ (6,964,900)
Business-type activities	3,831	(7,746)	(5,477)	(24,546)	(12,540)	(3,561)	(22,771)	16,115	(57,602)	(47,720)
Total district-wide net expense	<u>\$ (8,462,146)</u>	<u>\$ (8,304,392)</u>	<u>\$ (7,967,491)</u>	<u>\$ (8,093,463)</u>	<u>\$ (8,306,472)</u>	<u>\$ (6,668,046)</u>	<u>\$ (6,499,486)</u>	<u>\$ (7,625,717)</u>	<u>\$ (6,216,142)</u>	<u>\$ (7,012,620)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 5,667,385	\$ 5,780,732	\$ 5,780,732	\$ 5,896,347	\$ 6,256,056	\$ 6,552,974	\$ 6,717,893	\$ 6,572,446	\$ 6,572,446	\$ 6,572,446
Taxes Levied for Debt Service	124,637	122,378	2,008							
Transfers in/(out)	1,748	-	-	(25,076)	(23,528)	(7,500)	(9,500)	-	(82,031)	(7,381)
Unrestricted grants and contributions	2,245,946	2,244,711	2,225,159	2,185,393	2,176,829	2,088,287	1,902,417	1,710,952	-	-
Investment earnings	1,174	1,240	7,343	2,464	2,840	2,770	2,541	772	4,705	171,979
Miscellaneous income	20,273	4,549	34,428	28,164	50,870	9,940	145,126	93,779	127,129	131,666
Total governmental activities	<u>8,061,163</u>	<u>8,153,610</u>	<u>8,049,670</u>	<u>8,087,292</u>	<u>8,463,067</u>	<u>8,646,471</u>	<u>8,758,477</u>	<u>8,377,949</u>	<u>6,622,249</u>	<u>6,868,710</u>
Business-type activities:										
Transfers in/(out)				25476	(4,675)	7,500	9,500	-	82,031	7,381
Investment earnings	7	4	5	3	1	2	3	20	33	2,065
Total business-type activities	<u>7</u>	<u>4</u>	<u>5</u>	<u>25,479</u>	<u>(4,674)</u>	<u>7,502</u>	<u>9,503</u>	<u>20</u>	<u>82,064</u>	<u>9,446</u>
Total district-wide	<u>\$ 5,288,738</u>	<u>\$ 5,111,390</u>	<u>\$ 5,295,785</u>	<u>\$ 5,332,775</u>	<u>\$ 5,474,910</u>	<u>\$ 5,677,169</u>	<u>\$ 5,682,153</u>	<u>\$ 5,779,184</u>	<u>\$ 6,704,313</u>	<u>\$ 6,878,156</u>
<b>Change in Net Position</b>										
Governmental activities	\$ (404,814)	\$ (143,036)	\$ 87,656	\$ 18,375	\$ 169,135	\$ 1,981,986	\$ 2,281,762	\$ 736,117	\$ 463,709	\$ (96,190)
Business-type activities	3,838	(7,742)	(5,472)	933	(17,214)	3,941	(13,268)	16,135	24,462	(38,274)
Total district	<u>\$ (400,976)</u>	<u>\$ (150,778)</u>	<u>\$ 82,184</u>	<u>\$ 19,308</u>	<u>\$ 151,921</u>	<u>\$ 1,985,927</u>	<u>\$ 2,268,494</u>	<u>\$ 752,252</u>	<u>\$ 488,171</u>	<u>\$ (134,464)</u>

Source: ACFR Schedule A-2

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

**Exhibit J-3**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	\$ 366,610	\$ 214,962	\$ 439,254	\$ 607,018	\$ 519,791	\$ 2,266,077	\$ 3,771,602	\$ 3,819,357	\$ 3,541,806	\$ 2,876,688
Reserved	85,601	174,218	247,538	149,623	96,973	428,268	325,185	403,427	290,849	788,119
Unreserved	62,021	-	-	79,473	102,147	69,293	254,927	247,490	751,955	155,945
Total general fund	<u>\$ 514,232</u>	<u>\$ 389,180</u>	<u>\$ 686,792</u>	<u>\$ 836,114</u>	<u>\$ 718,911</u>	<u>\$ 2,763,638</u>	<u>\$ 4,351,714</u>	<u>\$ 4,470,274</u>	<u>\$ 4,584,610</u>	<u>\$ 3,820,752</u>
All Other Governmental Funds										
Restricted		\$ 2,741	\$ 4,749	\$ 4,749		\$ 2,622	\$ 2,474	\$ 1,796	\$ 2,090	\$ 6,497
Reserved	\$ 31,332	80,332	80,332	80,332		-	-	-		
Unreserved / (Deficit)	(2,008)					(74,846)	(73,163)	(71,113)	(76,972)	(81,486)
Total all other governmental funds	<u>\$ 29,324</u>	<u>\$ 83,073</u>	<u>\$ 85,081</u>	<u>\$ 85,081</u>	<u>-</u>	<u>(72,224)</u>	<u>\$ (70,689)</u>	<u>\$ (69,317)</u>	<u>\$ (74,882)</u>	<u>\$ (74,989)</u>

Source: ACFR Schedule B-1

**MONTAGUE TOWNSHIP SCHOOL DISTRICT**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**

**Exhibit J-4**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>Revenues</b>										
Tax levy	\$ 5,792,023	\$ 5,903,110	\$ 5,782,740	\$ 5,896,347	\$ 6,256,056	\$ 6,552,974	\$ 6,717,893	\$ 6,572,446	\$ 6,572,446	\$ 6,572,446
Tuition	-	-	-	-	19,450	-	-	-	120	-
Interest Earnings	1,174	1,240	7,343	2,464	2,840	2,770	2,541	772	-	-
Miscellaneous	20,273	4,549	34,428	28,164	50,870	9,940	145,128	93,973	131,834	303,645
State sources	3,324,954	3,417,531	3,351,686	3,546,767	3,481,004	3,794,813	4,179,204	4,085,406	4,787,914	4,645,853
Federal sources	611,857	473,627	398,008	272,621	598,471	438,009	541,414	631,466	706,801	1,517,640
Total revenue	9,750,281	9,800,057	9,574,205	9,746,363	10,408,691	10,798,506	11,586,180	11,384,063	12,199,115	13,039,584
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	1,806,233	1,646,499	1,822,591	1,821,876	1,808,214	2,012,408	2,374,347	2,279,731	2,904,538	2,532,474
Special education instruction	429,140	472,673	422,331	432,443	292,387	172,503	155,515	420,452	340,400	487,031
Other special instruction	40,838	178,410	74,075	175,554	112,246	-	-	-	31,896	125,257
Other instruction	3,850	3,150	5,250	1,893	1,835	9,585	-	40,149	-	-
<b>Support Services:</b>										
Tuition	-	-	-	-	-	-	-	-	1,662,914	1,807,627
Student & instruction related services	3,851,721	3,431,945	3,017,419	3,171,083	3,548,720	2,867,355	2,658,854	2,819,139	1,274,340	2,172,009
General administrative services	228,093	324,650	276,441	294,595	288,609	377,927	333,805	361,886	711,125	604,287
School Administrative services	224,158	222,018	151,858	266,257	360,831	203,675	287,558	443,697	206,757	133,341
Plant operations and maintenance	455,828	437,925	486,884	403,161	510,846	443,928	423,575	656,118	693,033	656,395
Pupil transportation	972,826	962,829	907,943	996,675	907,321	485,365	345,707	563,301	745,945	878,379
Unallocated employee benefits	1,432,413	1,569,409	1,589,231	1,680,788	1,869,359	1,688,887	1,935,255	2,476,289	2,586,602	2,925,306
Other Support Services	-	-	-	-	-	-	-	-	-	-
Charter Schools	573,397	463,836	441,269	286,070	492,527	429,923	655,457	525,399	406,629	329,324
Capital outlay	15,953	74,354	86,937	41,570	394,552	129,942	816,996	677,970	444,134	1,144,738
<b>Debt service:</b>										
Principal	128,500	128,000	-	-	-	-	-	-	-	-
Interest and other charges	9,368	4,661	-	-	-	-	-	-	-	-
Total expenditures	10,172,318	9,920,359	9,282,229	9,571,965	10,587,447	8,821,498	9,987,069	11,264,131	12,008,313	13,796,168
Excess (Deficiency) of revenues over (under) expenditures	(422,037)	(120,302)	291,976	174,398	(178,756)	1,977,008	1,599,111	119,932	190,802	(756,584)
<b>Other Financing Sources (uses)</b>										
Capital Leases	-	-	7,644	-	-	-	-	-	-	-
Funded by Budget Appropriation	48,500	49,000	-	-	-	-	-	-	-	-
Transfers in	1,748	-	-	(25,076)	(23,528)	(7,500)	(9,500)	-	-	48,619
Transfers out	-	-	-	-	-	-	-	-	(82,031)	(56,000)
Total other financing sources (uses)	50,248	49,000	7,644	(25,076)	(23,528)	(7,500)	(9,500)	-	(82,031)	(7,381)
Net change in fund balances	\$ (371,789)	\$ (71,302)	\$ 299,620	\$ 149,322	\$ (202,284)	\$ 1,969,508	\$ 1,589,611	\$ 119,932	\$ 108,771	\$ (763,965)
<b>Debt service as a percentage of noncapital expenditures</b>										
	1.56%	1.36%	1.35%	0.00%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: ACFR Schedule B-2

MONTAGUE TOWNSHIP SCHOOL DISTRICT

GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED

Exhibit J-5

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Prior Year</u> <u>Refunds</u>	<u>Tuition</u>	<u>Write-off</u> <u>Aged Payables</u>	<u>Miscellaneous</u>	<u>Total</u>
2015	\$ 1,174	\$ 6,269	-		\$ 14,004	\$ 21,447
2016	1,240	-	-		4,549	5,789
2017	7,343	-	-		34,428	41,771
2018	2,464	5,456	-		22,708	30,628
2019	2,840	21,193	\$ 19,450		29,677	73,160
2020	2,770	68			9,872	12,710
2021	2,541	104,221	-		40,905	147,667
2022	1,851	33,428	-		59,272	94,551
2023	4,705	97,852	120		28,469	131,146
2024	171,979	29,058	-	\$ 72,581	21,280	294,898

SOURCE: District Records

**MONTAGUE TOWNSHIP SCHOOL DISTRICT**  
**Assessed Value and Actual Value of Taxable Property,**  
**Last Ten Fiscal Years**

**Exhibit J-6**

<u>Fiscal Year Ended June 30</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm Reg.</u>	<u>Ofarm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	<u>Total Assessed Value</u>	<u>Less: Tax- Exempt Property</u>	<u>Public Utilities a</u>	<u>Net Valuation Taxable</u>	<u>Total Direct School Tax Rate b</u>	<u>Estimated Actual (County Equalized Value)</u>
2015	\$10,862,850	\$180,125,043	\$9,638,000	\$1,159,342	\$19,083,140	\$1,899,300	\$420,000	\$278,774,625	\$55,586,950	-	\$223,187,675	\$2.597	\$333,175,171
2016 *	16,354,600	263,029,600	14,750,900	1,208,000	35,023,300	27,828,900	448,000	441,523,300	82,880,000	-	358,643,300	1.615	342,264,384
2017	16,006,700	262,316,400	14,597,200	1,211,100	34,950,200	27,686,800	448,000	439,157,300	81,940,900	-	357,216,400	1.652	351,615,565
2018	15,448,800	261,925,700	14,297,600	936,300	34,950,200	27,626,800	448,000	438,017,000	82,383,600	-	355,633,400	1.626	367,140,165
2019	15,394,900	261,024,900	15,036,600	927,500	35,090,000	27,626,800	448,000	437,536,400	81,987,700	-	355,548,700	1.626	364,146,167
2020	14,791,800	260,551,500	15,044,100	949,100	35,109,100	27,626,800	448,000	437,241,900	82,721,500	-	354,520,400	1.807	368,075,329
2021	14,502,600	260,794,900	14,955,900	924,700	35,188,200	27,626,800	448,000	437,455,200	83,014,100	-	354,441,100	1.872	384,258,666
2022	14,314,900	262,475,600	14,467,200	889,300	35,705,000	27,626,800	375,000	439,135,800	83,282,000	-	355,853,800	1.881	390,010,305
2023	14,277,500	262,938,800	15,227,400	923,800	36,017,200	27,626,800	375,000	442,180,500	84,794,000	-	357,386,500	0.000	407,740,063
2024	14,450,300	264,530,900	15,435,100	984,800	36,465,100	27,626,800	433,000	444,183,700	84,257,700	-	359,926,000	0.000	440,981,256

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

**b** Tax rates are per \$100

\* Revaluation

**MONTAGUE TOWNSHIP SCHOOL DISTRICT**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**

**Exhibit J-7**

*(rate per \$100 of assessed value)*

Fiscal Year Ended June 30	Basic Rate <sup>a</sup>	Debt Service <sup>b</sup>	Total Direct	Township	Sussex County	Total Direct and Overlapping Tax Rate
2015	\$2.541	\$0.056	\$2.597	\$0.547	\$0.780	\$3.924
2016	*	1.582	0.033	1.615	0.389	2.496
2017		1.651	0.001	1.652	0.401	2.596
2018		1.626		1.626	0.408	2.623
2019		1.626		1.626	0.484	2.623
2020		1.807		1.807	0.409	2.818
2021		1.872		1.872	0.412	2.918
2022		1.881		1.881	0.418	2.941
2023		1.825		1.825	0.423	2.890
2024		1.826		1.826	0.433	2.892

Source: District Records and Municipal Tax Collector

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

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

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

\* Revaluation

**MONTAGUE TOWNSHIP SCHOOL DISTRICT**  
**Principal Property Tax Payers,**  
**Current Year and Nine Years Ago**

**Exhibit J-8**

**Montague Township**

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Tenneco, Inc.	\$ 25,700,000	1	7.1%			
Tri State Mall Assoc.	12,028,700	2	3.3%			
Nexxt Enterprises LLC	1,324,800	3	0.4%			
AMG, Pub II	1,295,000	4	0.4%			
Petrozino, LLC	1,291,800	5	0.4%	INFORMATION IS NOT AVAILABLE		
FSRP Realty, LLC	1,150,000	6	0.3%			
Ponky LLC	1,128,300	7	0.3%			
Lease Rentals at Gables LLC	1,061,000	8	0.3%			
442 Montague, LLC	818,300	9	0.2%			
ADPP Enterprises, Inc.	773,600	10	0.2%			
Total	<u>\$ 20,871,500</u>		<u>5.80%</u>	<u>\$ -</u>		<u>0.00%</u>

Source: District ACFR & Municipal Tax Assessor



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

**Exhibit J-9**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$ 5,792,023	\$ 5,792,023	100.00%	-
2016	5,903,110	5,903,110	100.00%	-
2017	5,782,740	5,782,740	100.00%	-
2018	5,896,347	5,896,347	100.00%	-
2019	6,260,805	6,260,805	100.00%	-
2020	6,552,974	6,552,974	100.00%	-
2021	6,717,893	6,717,893	100.00%	-
2022	6,572,446	6,572,446	100.00%	-
2023	6,572,446	6,572,446	100.00%	-
2024	6,572,446	6,572,446	100.00%	-

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

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

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

**Exhibit J-10**

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities	Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2015	\$79,000	-0-	-0-	\$49,000	-0-	\$128,000	0.06%	\$33.96
2016	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2017	-0-	-0-	\$ 6,079	-0-	-0-	\$ 6,079	-0-	\$ 1.64
2018	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2019	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2020	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2021	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2022	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2023	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2024	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

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

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

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

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

**Exhibit J-11**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2015	\$79,000.00	-0-	\$79,000.00	0.035%	\$20.96
2016	-0-	-0-	-0-	N/A	N/A
2017	-0-	-0-	-0-	N/A	N/A
2018	-0-	-0-	-0-	N/A	N/A
2019	-0-	-0-	-0-	N/A	N/A
2020	-0-	-0-	-0-	N/A	N/A
2021	-0-	-0-	-0-	N/A	N/A
2022	-0-	-0-	-0-	N/A	N/A
2023	-0-	-0-	-0-	N/A	N/A
2024	-0-	-0-	-0-	N/A	N/A

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

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

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

\* Current data unavailable

**MONTAGUE TOWNSHIP SCHOOL DISTRICT**  
**Ratios of Overlapping Governmental Activities Debt**  
**As of June 30, 2024**

**Exhibit J-12**

<u><b>Governmental Unit</b></u>	<u><b>Debt Outstanding</b></u>	<u><b>Estimated Percentage Applicable <sup>a</sup></b></u>	<u><b>Estimated Share of Overlapping Debt</b></u>
<b>Debt repaid with property taxes</b>			
Montague Township	\$ 1,473,000	100.000%	\$ 1,473,000
<b>Other debt</b>			
Sussex County	88,319,376	2.081%	<u>\$ 1,838,365</u>
Subtotal, overlapping debt			3,311,365
<b>Montague Township School District Direct Debt</b>			<u>-</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 3,311,365</u></u>

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

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

MONTAGUE TOWNSHIP SCHOOL DISTRICT  
Legal Debt Margin Information,  
Last Ten Fiscal Years

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2024

	Equalized valuation basis	
	2021	405,531,396
	2022	437,384,041
	2023	464,540,527
	[A]	\$ 1,307,455,964
Average equalized valuation of taxable property	[A/3]	\$ 435,818,655
Debt limit (3.0% of average equalization value)	[B]	13,074,560 <sup>a</sup>
Net bonded school debt	[C]	-
Legal debt margin	[B-C]	\$ 13,074,560

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt limit	\$8,335,111	\$8,366,780	\$8,667,852	\$9,038,262	\$11,007,207	\$11,163,062	\$11,405,647	\$11,774,226	\$12,309,188	\$13,074,560
Total net debt applicable to limit	79,000	-	-	-	-	-	-	-	-	-
Legal debt margin	\$8,256,111	\$8,366,780	\$8,667,852	\$9,038,262	\$11,007,207	\$11,163,062	\$11,405,647	\$11,774,226	\$12,309,188	\$13,074,560
Total net debt applicable to the limit as a percentage of debt limit	0.95%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

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

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

**Exhibit J-14**

Year	Population <sup>a</sup>	Personal Income (thousands of dollars) <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2015	3,769	\$210,016,218	\$55,722 R	5.8%
2016	3,729	\$213,772,383	\$57,327 R	4.8%
2017	3,700	\$218,832,800	\$59,144 R	5.0%
2018	3,681	\$226,495,611	\$61,531 R	4.1%
2019	3,669	\$235,857,996	\$64,284 R	3.9%
2020	3,654	\$247,792,356	\$67,814 R	8.9%
2021	3,630	\$257,944,170	\$71,059 R	7.3%
2022	3,803	\$270,237,377	\$71,671 R	4.8%
2023	3,826	\$271,871,734	\$71,671 *	4.4%
2024	3,850	\$275,933,350	\$71,671 *	*

**Source:**

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

<sup>b</sup> Personal Income provided by US Dept of Commerce

<sup>c</sup> Per Capita provided by NJ Dept of Labor

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

R =Revised

P =Projected

\* Current figure unavailable

**MONTAGUE TOWNSHIP SCHOOL DISTRICT**  
**Principal Employers,**  
**Current Year and Nine Years Ago**

**Exhibit J-15**

	2024			2015		
Employer	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
		N/A			N/A	
	-		0.00%	-		0.00%

**Source:**  
 Information not available at municipal or county level

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

**Exhibit J-16**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b><u>Function/Program</u></b>										
Instruction										
Regular	23.5	23.5	19.0	26.5	24.0	26.0	25.0	35.0	26.0	26.5
Special education	3.5	3.5	8.0	3.5	4.0	4.0	4.0	4.0	6.0	5.0
Other Special Education	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.0
Other Instruction	5.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	10.0	7.0
Support Services:										
Student & instruction related services	2.0	2.0	2.0	2.5	2.0	3.0	3.0	4.0	7.0	9.5
School administrative services	2.0	2.0	2.0	2.5	2.5	2.0	2.0	2.0	3.0	3.5
General administrative services	2.5	2.5	2.5	1.0	2.0	1.5	1.0	1.0	1.0	1.5
Plant operations and maintenance	2.5	2.5	2.5	4.0	4.0	2.0	3.0	4.0	5.0	5.0
Business and Other Support Services	3.0	3.0	3.0	2.0	3.0	2.0	2.0	2.0	2.0	2.0
Pupil Transportation	1.0	1.0	1.0	0.0	2.0	1.0	1.0	5.0	5.0	6.5
Food Service	1.5	1.5	1.5	2.0	2.0	2.0	1.5	1.5	1.5	1.5
Total	46.5	45.5	45.5	49.0	50.5	48.5	47.5	63.5	66.5	75.0

**Source:** District Personnel Records



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

**Exhibit J-17**

<b>Fiscal Year</b>	<b>Enrollment</b>	<b>Operating Expenditures <sup>a</sup></b>	<b>Cost Per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff <sup>b</sup></b>	<b>Pupil/Teacher Ratio</b>	<b>Average Daily Enrollment (ADE) <sup>c</sup></b>	<b>Average Daily Attendance (ADA) <sup>c</sup></b>	<b>% Change in Average Daily Enrollment</b>	<b>Student Attendance Percentage</b>
2015	219	\$ 10,018,497	\$ 45,747	32.17%	26.00	8.4:1	216.1	206.1	-16.63%	95.37%
2016	226	9,713,344	42,979	-6.05%	26.00	8.7:1	212.6	199.7	-1.62%	93.92%
2017	250	9,195,292	36,781	-14.42%	27.00	9.3:1	250.0	233.0	17.59%	93.20%
2018	252	9,530,395	37,819	2.82%	30.00	8.4:1	245.7	229.5	-1.72%	93.38%
2019	255	10,192,895	39,972	5.69%	28.00	9.1:1	249.9	234.0	1.70%	93.62%
2020	242	8,691,556	35,916	-10.15%	30.00	8.1:1	243.0	231.9	-2.75%	95.44%
2021	250	9,170,073	36,680	2.13%	30.00	8.3:1	242.5	232.1	-21.00%	95.71%
2022	282	10,586,161	37,764	2.96%	39.00	7.2:1	268.7	249.2	10.80%	92.74%
2023	309	11,564,179	37,425	-0.90%	26.00	11.9:1	296.0	275.5	10.16%	93.07%
2024	304	12,651,430	41,617	11.20%	38.00	8:1	309.0	293.6	4.39%	95.02%

**Sources:** District records, ASSA and Schedules J-4.

**Note:** Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-1
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**Exhibit J-18**

### Elementary

**Source:** District Facilities Office

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

MONTAGUE TOWNSHIP SCHOOL DISTRICT

**GENERAL FUND**

**SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES**

**Last Ten Fiscal Years Ending June 30, 2024**

**Exhibit J-19**

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

<u>School Facilities</u>	<u>Project #</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>Total</u>
Montague Elementary School	N/A	\$ 88,903	\$ 94,229	\$ 153,389	\$ 54,530	\$ 55,225	\$ 48,684	\$ 55,111	\$ 259,265	\$ 306,435	\$ 263,744	\$ 1,379,515
<b>Grand Total</b>		<b>\$ 26,433</b>	<b>\$ 138,304</b>	<b>\$ 104,255</b>	<b>\$ 107,401</b>	<b>\$ 115,325</b>	<b>\$ 97,861</b>	<b>\$ 117,663</b>	<b>\$ 66,331</b>	<b>\$ 306,435</b>	<b>\$ 263,744</b>	<b>\$ 1,343,752</b>

MONTAGUE TOWNSHIP SCHOOL DISTRICT

**INSURANCE SCHEDULE**

**June 30, 2024**

**UNAUDITED**

**Exhibit J-20**

<u>POLICY TYPE</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
<b>COMMERCIAL PACKAGE POLICY - NJSIG</b>		
Property-Blanket Building and Contents (fund limit)	\$ 500,000,000	\$ 1,000
<b>LIABILITY - NJSIG</b>		
Comprehensive General Liability	16,000,000	None
Automobile Liability	16,000,000	None
Worker's Compensation	NJ Statutory	
<b>SCHOOL BOARD LEGAL LIABILITY - NJSIG</b>		
Limit of Liability	16,000,000	10,000
Coverage A	16,000,000	10,000
Coverage B	100,000/300,000	10,000
<b>CRIME - NJSIG</b>		
Blanket Employee Dishonesty	500,000	1,000
Forgery	250,000	1,000
Computer Fraud	50,000	500
Money and Securities	50,000	500
<b>PUBLIC EMPLOYEES' FAITHFUL PERFORMANCE</b>		
<b>BLANKET POSITION BOND-Selective Insurance Company</b>		
School Board Administrator & Treasurer	200,000	None

SOURCE: District Records

## **Single Audit Section**



## **ARDITO & COMPANY LLC**

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Anthony Ardito, CPA, RMA, CMFO, PSA

### **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***

#### Independent Auditor's Report

Honorable President and  
 Members of the Board of Education  
 Montague Township School District  
 County of Sussex  
 Montague, New Jersey 07827

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 Montague Township School District Board of Education in the County of Sussex, 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 Montague Township School District Board of Education's basic financial statements, and have issued our report thereon dated December 10, 2024.

#### **Report on Internal Control Over Financial Reporting**

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

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

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

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

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

We noted certain matters that we reported to management of the Montague Township School District, in a separate letter dated December 10, 2024 entitled "Auditor's Management Report on Administrative Findings".

### **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 for New Jersey Department of Education use, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with **Government Auditing Standards** in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Ardito & Company LLC*

**ARDITO & COMPANY LLC**

Frenchtown, New Jersey

December 10, 2024

*Anthony Ardito*

Anthony Ardito

Certified Public Accountant

Licensed Public School Accountant No. 2369

**ARDITO & COMPANY LLC**

Frenchtown, New Jersey

December 10, 2024



## **ARDITO & COMPANY LLC**

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Anthony Ardito, CPA, RMA, CMFO, PSA

### **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  
 Montague Township School District  
 County of Sussex  
 Montague, New Jersey 07827

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

##### ***Opinion on Each Major Federal and State Program***

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

In our opinion, the Montague Township School District Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2024.

##### ***Basis for Opinion on Each Major Federal and State Program***

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



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

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the 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 District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, ***Government Auditing Standards***, the Uniform Guidance, and New Jersey OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the 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 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the 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 Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of District's internal control over compliance. Accordingly, no such opinion is expressed.

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

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with Uniform Guidance, and New Jersey OMB Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs as items 2024-001. Our opinion on each major federal and state program is not modified with respect to these matters.

***Government Auditing Standards*** requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

-Continued-

### ***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 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 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 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 Uniform Guidance and New Jersey OMB circular 15-08, and for New Jersey Department of Education use. Accordingly, this report is not suitable for any other purpose.

*Ardito & Company LLC*

**ARDITO & COMPANY LLC**

Frenchtown, New Jersey

December 10, 2024

*Anthony Ardito*

Anthony Ardito

Certified Public Accountant

Licensed Public School Accountant No. 2369

**ARDITO & COMPANY LLC**

Frenchtown, New Jersey

December 10, 2024

## MONTAGUE TOWNSHIP SCHOOL DISTRICT

K-3

Schedule of Expenditures of Federal Awards  
for the Fiscal Year ended June 30, 2024

Schedule A

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance At June 30, 2023	Carryover/ Walkover Amount	Cash Received	Budgetary Expenditures	Adjust.	Repayment of Prior Years' Balances	Balance at June 30, 2024			Cumulative Total Expenditures
					From	To							Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Department of Education																
General Fund:																
Impact Aid	84.041	N/A	N/A	\$ 189,645	7/1/23	6/30/24			\$ 189,645	\$ (189,645)						\$ 189,645
Total General Fund							-	-	189,645	(189,645)	-	-	-	-	-	189,645
U.S. Department of Education																
Passed-through																
State Department of Education:																
Special Revenue Fund:																
Title I	84.010	S010A230030	N/A	127,861	7/1/23	6/30/24			106,797	(127,861)			\$ (21,064)			127,861
Title I	84.010	S010A220030	N/A	95,537	7/1/22	6/30/23	\$ (95,537)		95,537							95,537
Title I	84.010	S010A210030	N/A	119,750	7/1/21	6/30/22	290					\$ (290)				119,750
Total Title I Cluster							(95,247)	-	202,334	(127,861)	-	(290)	(21,064)	-	-	343,148
Title II (A)	84.367	S367B230027	N/A	16,842	7/1/23	6/30/24			16,842	(16,842)						16,842
Title II (A)	84.367	S367B220027	N/A	11,780	7/1/22	6/30/23	(180)		11,780	(11,600)						11,780
Title IV	84.424A	S424B230027	N/A	10,000	7/1/23	6/30/24			9,489	(10,000)			(511)			10,000
Title IV	84.424A	S424B220027	N/A	10,000	7/1/22	6/30/23	(10,000)		10,000							10,000
Title IV	84.424A	S424B210027	N/A	10,000	7/1/21	6/30/22	1,353					(1,353)				8,647
Total Non-Cluster ESEA							(8,827)	-	48,111	(38,442)	-	(1,353)	(511)	-	-	57,269
I.D.E.A. Part B, Basic Regular	84.027	H027A230100	N/A	115,476	7/1/23	6/30/24			112,755	(115,476)				(2,721)		115,476
I.D.E.A. Part B, Preschool	84.173	H173A230114	N/A	4,860	7/1/23	6/30/24			1,686	(4,860)				(3,174)		4,860
Total Special Education Cluster							-	-	114,441	(120,336)	-	-	(5,895)	-	-	120,336
Small Rural School Achievement	84.358A	S358B230030	S358A232607	30,075	7/1/23	9/30/24				(30,075)				(30,075)		30,075
Small Rural School Achievement	84.358A	S358B220030	S358A222730	22,742	7/1/22	9/30/23	17,948			(17,949)	\$ 1					22,742
Total Small Rural School Achievement (REAP)							17,948	-	-	(48,024)	1	-	(30,075)	-	-	52,817
American Rescue Plan-ESSER III	84.425U	S425U230027	ARP	986,882	3/13/20	9/30/24	(280,463)		821,549	(662,750)				(121,664)		943,213
American Rescue Plan-Accel. Learn. Coaching & Ed. Support	84.425U	S425U230027	ARP	50,000	3/13/20	9/30/24	(5,712)		20,690	(40,538)				(25,560)		46,250
American Rescue Plan-Evidence Based Summer Learning	84.425U	S425U230027	ARP	40,000	3/13/20	9/30/24	(19,411)		30,156	(12,744)				(1,999)		32,155
American Rescue Plan-Evidence Based Beyond the Sch. Day	84.425U	S425U230027	ARP	40,000	3/13/20	9/30/24	(19,165)		34,093	(20,835)				(5,907)		40,000
American Rescue Plan-NJTSS Mental Health Support Staffing	84.425U	S425U230027	ARP	45,000	3/13/20	9/30/24	(6,444)		19,283	(37,502)				(24,663)		43,946
CARES Emergency Relief Grant	84.425D	S425D230027	CARES	112,977	3/13/20	9/30/22	3,794					(3,794)				112,977
CRRSA ESSER II	84.425D	S425D230027	CRRSA	439,115	3/13/20	9/30/23	(60,197)		97,832	(374,088)				(336,453)		434,285
CRRSA II Mental Health	84.425D	S425D230027	CRRSA	45,000	3/13/20	9/30/23	195							\$ 195		44,805
Total Education Stabilization Fund							(387,403)	-	1,023,603	(1,148,457)	-	(3,794)	(516,246)	-	195	1,697,631
Total Special Revenue Fund							(473,529)	-	1,388,489	(1,483,120)	1	(5,437)	(573,791)	-	195	2,271,201
U.S.Dept.of Agriculture																
Passed Through State Dept. of Agriculture																
Enterprise Fund:																
Child Nutrition Cluster:																
National School Lunch Program	10.555	231NJ304N1199	N/A		7/1/22	6/30/23	(11,556)		11,556							
National School Lunch Program	10.555	241NJ304N1199	N/A	36,588	7/1/23	6/30/24			34,388	(36,588)			(2,200)			36,588
Supply Chain Assistance Funding	10.555	241NJ344N8903	N/A	11,889	7/1/23	6/30/24			11,889	(11,889)			-			11,889
School Breakfast Program	10.553	231NJ304N1199	N/A	11,335	7/1/22	6/30/23	(3,244)		3,244				-			11,335
School Breakfast Program	10.553	241NJ304N1199	N/A	11,169	7/1/23	6/30/24			10,518	(11,169)			(651)			11,169
Total Enterprise Fund							(14,800)	-	71,595	(59,646)	-	-	(2,851)	-	-	70,981
TOTAL FEDERAL ASSISTANCE							\$ (488,329)	-	\$1,649,729	\$ (1,732,411)	1	\$ (5,437)	\$ (576,642)	\$ -	\$ 195	\$ 2,531,827

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

## MONTAGUE TOWNSHIP SCHOOL DISTRICT

K-4

Schedule of Expenditures of State Financial Assistance  
for the Fiscal Year Ended June 30, 2024

Schedule B

										BALANCE AT JUNE 30, 2024			MEMO		
STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE 6/30/2023	WALKOVER/ CARRY- OVER	CASH RECEIVED	BUDGETARY EXPEND.	ADJUST.	REPAY. OF PRIOR YEARS'	(ACCTS. RECEIV.)	DEFER. REVENUE	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE	
					AMOUNT				BALANCES					TOTAL EXPEND.	
STATE DEPARTMENT OF EDUCATION															
General Fund:															
Equalization Aid	24-495-034-5124-078	7/1/23-6/30/24	\$ 1,376,309			\$ 1,376,309	\$ (1,376,309)						* \$	132,861	\$ 1,376,309
Transportation Aid	24-495-034-5124-014	7/1/23-6/30/24	326,614			326,614	(326,614)						*	31,529	326,614
Special Education Aid	24-495-034-5124-089	7/1/23-6/30/24	331,434			331,434	(331,434)						*	31,995	331,434
Security Aid	24-495-034-5124-084	7/1/23-6/30/24	100,706			100,706	(100,706)						*	9,722	100,706
Maintenance of Equity Aid	23-495-034-5120-128	7/1/22-6/30/23	590,562	\$ (590,562)		590,562	-						*		
Extra-ordinary Aid	23-495-034-5124-044	7/1/22-6/30/23	87,404	(87,404)		87,404	-						*		87,404
Extra-ordinary Aid	24-495-034-5124-044	7/1/23-6/30/24	203,133			-	(203,133)			\$ (203,133)			*		203,133
Non-Public Transportation Aid	24-100-034-5124-068	7/1/23-6/30/24	4,805			-	(4,805)			(4,805)			*		4,805
On Behalf TPAF Pension	24-495-034-5094-002	7/1/23-6/30/24	967,177			967,177	(967,177)						*		967,177
On Behalf TPAF Pension PRM	24-495-034-5094-001	7/1/23-6/30/24	263,230			263,230	(263,230)						*		263,230
On Behalf TPAF Pension LTD Ins	24-495-034-5094-004	7/1/23-6/30/24	700			700	(700)						*		700
Reimbursed TPAF Soc. Secur. Contrib.	24-495-034-5094-003	7/1/23-6/30/24	234,619	(11,780)		235,074	(234,619)			(11,325)			*		234,619
Total General Fund				(689,746)		4,279,210	(3,808,727)			(219,263)			*	206,107	3,896,131
Special Revenue Fund															
SDA Grant - Emergency and Capital Aid	24-100-034-5120-519	7/1/23-6/30/24	6,825			6,825	(6,825)			-			*		6,825
Preschool Education Aid	24-495-034-5124-086	7/1/23-6/30/24	814,856	307,903		814,856	(938,222)	\$ 66,315			\$ 250,852		*	81,486	938,222
Total Special Revenue Fund				307,903	-	821,681	(945,047)	66,315	-	-	250,852	-	*	81,486	945,047
Enterprise Fund:															
Nat. School Lunch Prog. (State Share)	23-100-010-3350-023	7/1/22-6/30/23		(536)		536							*		
Nat. School Lunch Prog. (State Share)	24-100-010-3350-023	7/1/23-6/30/24	3,392			3,192	(3,392)			(200)			*		3,392
Total Enterprise Fund				(536)		3,728	(3,392)			(200)			*		3,392
TOTAL STATE FINANCIAL ASSISTANCE				\$ (382,379)	-	\$ 5,104,619	\$ (4,757,166)	\$ 66,315	-	\$ (219,463)	\$ 250,852	-	*	\$ 287,593	\$ 4,844,570
Less On-behalf TPAF Pension Amounts:															
On Behalf TPAF Pension	24-495-034-5094-002	7/1/23-6/30/24	967,177				967,177								
On Behalf TPAF Pension PRM	24-495-034-5094-001	7/1/23-6/30/24	263,230				263,230								
On Behalf TPAF Pension LTD Ins	24-495-034-5094-004	7/1/23-6/30/24	700				700								
Total State Expenditures Subject to Major Program Determination							\$ (3,526,059)								

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

NOTES TO THE SCHEDULES OF STATE FINANCIAL ASSISTANCE  
JUNE 30, 2024

**NOTE 1. GENERAL**

The accompanying schedule of expenditures of state financial assistance includes federal and state award activity of the Montague Township School District Board of Education. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as state financial assistance passed through other government agencies is included on the schedule of expenditure of federal and state financial assistance.

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and NJ OMB 15-08*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

**NOTE 3. RELATIONSHIP TO GENERAL PURPOSE 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 last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$30,096) for the general fund and (\$162,121) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

NOTES TO THE SCHEDULES OF STATE FINANCIAL ASSISTANCE  
JUNE 30, 2024

**NOTE 3. (Continued)**

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 189,645	\$ 3,778,631	\$ 3,968,276
Special Revenue Fund	1,327,995	867,222	2,195,217
Food Service Fund	<u>59,646</u>	<u>3,392</u>	<u>63,038</u>
Total Financial Assistance	<u>\$1,577,286</u>	<u>\$ 4,649,245</u>	<u>\$ 6,226,531</u>

**NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5. OTHER**

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section I - Summary of Auditor's Results

**Financial Statement Section**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? \_\_\_ Yes x No

2) Were significant deficiencies identified  
that were not considered to be material  
weaknesses? \_\_\_ 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) Were significant deficiencies identified  
that were not considered to be material  
weaknesses? \_\_\_ Yes  
x None

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 ? \_\_\_ Yes x No

Identification of major programs:

<u>Assistance Listing</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>Education Stabilization Fund:</u>		
<u>84.425D</u>	<u>S425D230027</u>	<u>CRRSA ESSER II</u>
<u>84.425U</u>	<u>S425U230027</u>	<u>American Rescue Plan (ARP) ESSER III</u>

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

Auditee qualified as low-risk auditee? \_\_\_ Yes x No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**State Financial Assistance Section**

Dollar threshold used to distinguish between Type A and  
Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

   Yes   x   No

Internal Control over major programs:

1) Material weakness(es) identified?

   Yes   x   No

2) Were significant deficiencies identified  
that were not considered to be material  
weaknesses?

   Yes   x   No

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

Unmodified

Any audit findings disclosed that are  
required to be reported in accordance with  
NJ OMB Circular letter 15-08 as applicable?

  x   Yes    No

Identification of major programs:

**State Grant/Project Number(s)****Name of State Program**

24-495-034-5094-003

Reimbursed TPAF Social Security Contrib.

**State Aid Cluster:**

24-495-034-5122-078

Equalization Aid

24-495-034-5122-089

Special Education Aid

24-495-034-5122-084

Security Aid



SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Section II-Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting.

**Financial Statement:** N/A

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs**

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and NJOMB Circular Letter 15-08, as applicable.

**Federal Awards:** N/A

**State Awards:**

**Finding 2024-001**

**Information on the State Program:**

State Aid Cluster 23-495-034-5120-078, et.al.

**Criteria or Specific Requirement:**

Line-item budget transfers must be approved by the Board of Education and should not exceed 10%, on a cumulative basis, of the original budget advertised appropriation accounts identified as general administration, school administration, central services and administrative information technology or other support services, unless approved by the county superintendent. N.J.A.C. 6A:23A-13.3(g)

**Condition:**

Line-item budget transfers were not board approved for the fiscal year and exceeded 10% of the original advertised budget appropriation. Transfers of \$130,138 to General Administration were 83.1% of the amount included in the original budget, transfers of \$64,790 to School Administration were 92.2% of the amount included in the original budget, and transfers of \$57,803 to Central Service were 36.4% of the amount included in the original budget.

**Questioned Costs:**

N/A

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs -  
(Continued)**

**State Awards - (Continued)**

**Context:**

The transfers exceeding the administrative limit comprise 2.35% percent of total district original budget appropriations.

**Effect:**

The statutory transfer limit was exceeded without obtaining board of education or state department of education approval.

**Cause:**

Lack of controls over the monitoring and approval levels of line-item budget transfers.

**Recommendation:**

Line-item budget transfers must be approved monthly by the Board of Education and Executive County Superintendent approval should be requested for any transfer to an advertised administrative account [general administration (230), school administration (240), central services (251), or administrative information technology (252)] that is cumulatively more than 10 percent of that amount.

**Views of management and planned corrective actions:**

The district understands the statutory approval levels for line-item budget transfers and administrative expenditure statutory limitations and will comply on an on going basis.

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

In accordance with government auditing standards, our procedures included a review of all prior year recommendations. All prior year findings have been corrected except for 2023-004, which is repeated in the current year as 2024-001.