

SCHOOL DISTRICT
OF
POINT PLEASANT BOROUGH
OF OCEAN COUNTY

Point Pleasant Borough Board of Education
Point Pleasant Borough, New Jersey

ANNUAL COMPREHENSIVE FINANCIAL REPORT
Fiscal Year Ended June 30, 2024

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

OF

Point Pleasant Borough Board of Education
of Ocean County

Point Pleasant Borough, New Jersey

For the Fiscal Year Ended June 30, 2024

Prepared by

Point Pleasant Borough Board of Education
Finance Department

OUTLINE FOR ANNUAL COMPREHENSIVE FINANCIAL REPORT

	Page
INTRODUCTORY SECTION	
Letter of Introduction	1-3
Organizational Chart	4
Roster of Officials	5
Consultants and Advisors	6
FINANCIAL SECTION	
Independent Auditor's Report	8-10
Required Supplementary Information - Part I	
Management's Discussion and Analysis	12-20
Basic Financial Statements	
A. District Wide Financial Statements	
A-1 Statement of Net Position	22
A-2 Statement of Activities	23
B. Fund Financial Statements	
Governmental Funds	
B-1 Balance Sheet	24
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	25
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances Of Governmental Funds to the Statement of Activities	26
Proprietary Funds	
B-4 Statement of Net Position	27
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	28
B-6 Statement of Cash Flows	29
Fiduciary Funds	
B-7 Statement of Fiduciary Net Position	N/A
B-8 Statement of Changes in Fiduciary Net Position	N/A
Notes to the Financial Statements	30-68

OUTLINE FOR ANNUAL COMPREHENSIVE FINANCIAL REPORT

Required Supplementary Information - Part II

C. Budgetary Comparison Schedules

C-1 Budgetary Comparison Schedule - General Fund	70-75
C-1a Combining Schedule of Revenues, Expenditures, and Changes In Fund Balance - Budget and Actual	N/A
C-1b Community Development Block Grant - Budget and Actual	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	76

Notes to the Required Supplementary Information

C-3 Budget-to-GAAP Reconciliation	77
-----------------------------------	----

Required Supplementary Information - Part III

L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

L-1 Schedule of the District's Proportionate Share of the Net Pension Liability - PERS	79
L-2 Schedule of District Contributions - PERS	80
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability - TPAF	81

M. Schedules Related to Accounting and Reporting for Postemployment Benefits Other Than Pensions

M-1 Schedule of Changes in the Total OPEB Liability and Related Ratios	82
--	----

Notes to the Required Supplementary Information - Part III 83

Other Supplementary Information

D. School Based Budget Schedules

D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures Budget and Actual	N/A

E. Special Revenue Fund

E-1 Combining Schedules of Program Revenues and Expenditures - Budgetary Basis	87-90
E-2 Preschool Education Aid Schedule of Expenditures - Budgetary Basis	N/A

OUTLINE FOR ANNUAL COMPREHENSIVE FINANCIAL REPORT

F.	Capital Projects Fund	
F-1	Summary Schedule of Project Expenditures	92
F-2	Summary Schedule of Revenue, Expenditures and Changes in Fund Balance - Budgetary Basis	93
F-2(a-b)	Schedule(s) of Project Revenue, Expenditures, Project Balance, and Project Status - Budgetary Basis	94-95
G.	Proprietary Funds	
	Enterprise Fund	
G-1	Combining Schedule of Net Position	N/A
G-2	Combining Schedule of Revenues, Expenses and Changes in Fund Net Position	N/A
G-3	Combining Schedule of Cash Flows	N/A
H.	Fiduciary Funds	
H-1	Combining Statement of Fiduciary Net Position	N/A
H-2	Combining Statement of Changes in Fiduciary Net Position	N/A
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	N/A
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	N/A
I.	Long-Term Debt	
I-1	Schedule of Serial Bonds	99
I-2	Schedule of Obligations Under Financed Purchases	N/A
I-3	Debt Service Fund Budgetary Comparison Schedule	100
I-4	Schedule of Obligations Subscription-Based Information Technology Arrangements	N/A

STATISTICAL SECTION (Unaudited)

Introduction to the Statistical Section

	Financial Trends	
J-1	Net Position by Component	103
J-2	Changes in Net Position	104-105
J-3	Fund Balances - Governmental Funds	106
J-4	Changes in Fund Balances - Governmental Funds	107
J-5	General Fund - Other Local Revenue by Source	108
	Revenue Capacity	
J-6	Assessed Value and Estimated Actual Value of Taxable Property	109
J-7	Direct and Overlapping Property Tax Rates	110
J-8	Principal Property Taxpayers	111
J-9	Property Tax Levies and Collections	112
	Debt Capacity	
J-10	Ratios of Outstanding Debt by Type	113
J-11	Ratios of General Bonded Debt Outstanding	114
J-12	Direct and Overlapping Governmental Activities Debt	115
J-13	Legal Debt Margin Information	116

OUTLINE FOR ANNUAL COMPREHENSIVE FINANCIAL REPORT

Demographic and Economic Information	
J-14 Demographic and Economic Statistics	117
J-15 Principal Employers	118
Operating Information	
J-16 Full-time Equivalent District Employees by Function/Program	119
J-17 Operating Statistics	120
J-18 School Building Information	121
J-19 Schedule of Required Maintenance Expenditures by School Facility	122
J-20 Insurance Schedule	123

SINGLE AUDIT SECTION

K-1 Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	125-126
K-2 Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance and New Jersey OMB Circular Letter 15-08	127-129
K-3 Schedule of Expenditures of Federal Awards, Schedule A	130
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	131
K-5 Notes to the Schedules of Awards and Financial Assistance	132-133
K-6 Schedule of Findings and Questioned Costs	134-136
- Section I - Summary of Auditor's Results	
- Section II - Financial Statements Findings	
- Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs	
K-7 Summary Schedule of Prior Year Audit Findings	137

INTRODUCTORY SECTION

POINT PLEASANT SCHOOLS

2100 Panther Path
Point Pleasant, NJ 08742
(732) 701-1900, Ext. 2410
Fax: (732) 612-1413

School Business Administrator/Board Secretary

November 22, 2024

Honorable President and Members of the Board of Education
Point Pleasant Borough Schools
Board of Education
County of Ocean, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report of the Point Pleasant Schools Board of Education (Board) 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. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the Board. All disclosures necessary to enable the reader to gain an understanding of the Board's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's Organizational chart and a list of officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit and in conformity with the provisions of the Single Audit Act of 1984 and the U. S. Office of Management and Budget Single Audit Act and Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), and New Jersey OMB's Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** The Point Pleasant Schools Board of Education is an independent reporting entity within the criteria adopted by GASB as established by GASB Statement No. 14. All funds and account groups of the Board are included in this report. The Point Pleasant Board of Education and all its schools constitute the Board's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular and special education for handicapped children. The District had on October 15, 2023 resident enrollment of 2,605 students, which is 62 students lower than the previous year's enrollment. The following details the changes in the enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percentage Change</u>
2023-24	2,605	(2.38%)
2022-23	2,667	(.67%)
2021-22	2,685	.64%
2020-21	2,668	(4.61%)

2019-20	2,797	1.12%
2018-19	2,766	1.50%
2017-18	2,725	0.03%
2016-17	2,717	(.83%)
2015-16	2,740	(4.00%)
2014-15	2,845	(1.00%)

2. ECONOMIC CONDITION AND OUTLOOK: The Point Pleasant area sees a slight increase in its school age population, as more families are moving into the area. Enrollment has fluctuated slightly over the last few years, with a slight declining enrollment from fiscal 2022-23 to fiscal 2023-24.

3. PROFESSIONAL DEVELOPMENT ACTIVITIES – 2023-2024

The Point Pleasant School District incorporates a four-year comprehensive Teacher Induction Program. The content of these monthly afterschool training sessions includes mastery teaching, lesson dynamics, technology applications, teaching strategies and peer observations. There are approximately 54 non-tenured teachers involved in the Induction program. Though the induction workshops are created for non-tenured staff members, tenured staff members are welcome to attend and are encouraged to present new learning techniques and resources at these workshops. These workshops occur each month after school.

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

As a recipient of federal and state financial assistance, the Board also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations to those programs. This internal control structure is also subject to periodic evaluation by the Board's management.

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

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the Board maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the general 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-by-line basis. Open encumbrances at year-end are either cancelled or are included as reservations of fund balance in the subsequent year.

6. ACCOUNTING SYSTEM AND REPORTS: The Board's accounting records reflect generally accepted principles, as promulgated by the governmental accounting standards board (GASB). The


accounting system of the Board is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.

7. FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the Board continues to meet its responsibility for sound financial management.

Readers should refer to the Management's Discussion and Analysis for a summary of the financial statements in relation to the prior year.

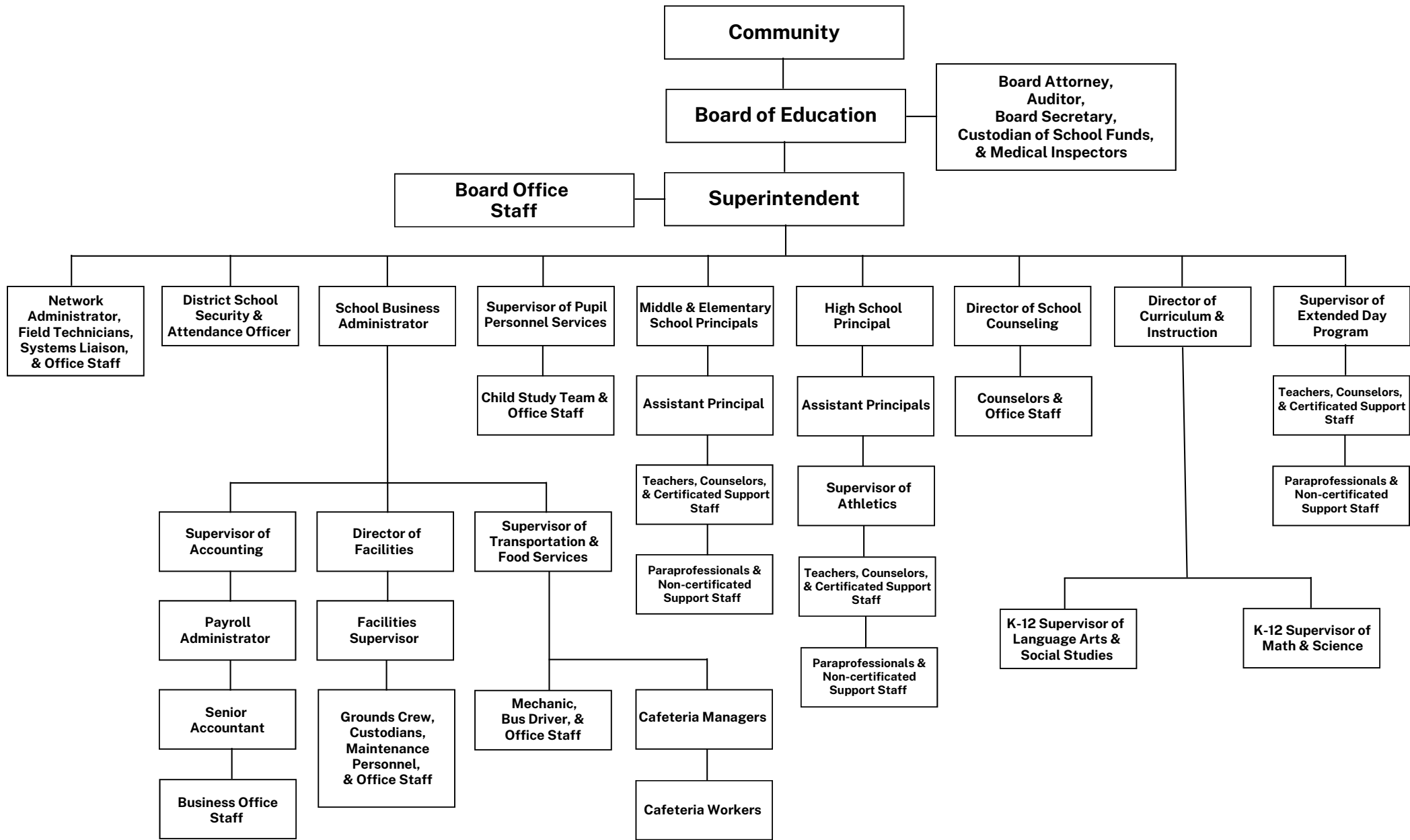
8. DEBT ADMINISTRATION: On January 29, 2014, the Board issued \$15,948,000 in additional school bonds. The purpose of this bond issuance was to make needed repairs to all four schools. As of June 30, 2024, the Board's outstanding debt issues included \$8,520,000 of general obligation bonds.
9. CASH MANAGEMENT: The investment policy of the Board is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The Board 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"). GUPDA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
10. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.
11. OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Jump, Perry and Company, LLP, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related Uniform Guidance and New Jersey OMB's Circular 15-08. The auditor's report on the general-purpose financial statement and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.
12. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Point Pleasant Schools 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.

Respectfully submitted,


Adam L. Angelozzi, Ed.D.
Superintendent of Schools


Christina Fessler, C.P.A.
School Business Administrator/Board Secretary

Point Pleasant School District Table of Organization



Point Pleasant Borough Board of Education
Point Pleasant Borough, New Jersey

Roster of Officials
June 30, 2024

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Dawn Coughlin, President	2024
Michael Sullivan, Vice President	2025
Larry Williams	2024
Natalie Levine	2026
John Florio	2024
Stephen Henry	2025
Cheryl Salway	2026

Other Officials

Adam L. Angelozzi, Ed.D., Superintendent of Schools

Christine McCoid, Director of Curriculum & Instruction

Christina Fessler, CPA, School Business Administrator/Board Secretary

Jody Hamilton, CPA, Supervisor of Accounting

Laurie Considine, Treasurer of School Monies

Point Pleasant Borough Board of Education
Consultants and Advisors

Architect

Netta Architects
1084 Route 22 West
Mountainside, New Jersey 07092

Audit Firm

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

Attorney

Mark G. Toscano, Esq.
Comegno Law Group, PC
521 Pleasant Valley Avenue
Moorsetown, NJ 08057

Official Depository

Citizens Bank
130 N. County Line Road
Jackson, New Jersey 08527

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Point Pleasant Borough Board of Education:
County of Ocean
Point Pleasant, New Jersey

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Point Pleasant Borough 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 Point Pleasant Borough Board of Education's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2024 on our consideration of Point Pleasant Borough Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Point Pleasant Borough Board of Education internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Point Pleasant Borough Board of Education's internal control over financial reporting and compliance.

Respectfully Submitted,

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



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

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Point Pleasant Borough Board of Education

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2024

Unaudited

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

Financial Highlights

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

Net position totaled \$27,555,089, which represents a 2.58 percent increase from June 30, 2023.

General revenues accounted for \$47,233,506 in revenue or 86 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$7,821,561 or 14 percent of total revenues of \$55,055,067.

Total assets decreased by \$969,429 as current assets decreased by \$834,139 and capital assets, net decreased by \$135,290.

The School Board had \$54,362,730 in expenses; only \$7,821,561 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$47,233,506 were adequate to provide for these programs.

Among major funds, the General Fund had \$49,887,907 in revenues and \$49,311,519 in expenditures and transfers. The General Fund's balance increased \$576,388 over June 30, 2023. The General Fund's fund balance is \$9,777,524 inclusive of all reserves of \$4,651,439 and includes \$401,102 designated for subsequent year's expenditures.

Using this Annual Comprehensive Financial Report (ACFR)

The annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Point Pleasant Borough Board of Education as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the School Board, presenting both an aggregate view of the School Board's finances and longer-term view of those finances. Fund financial statements provide the next level of detail. For government funds, these statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements also look at the School Board's most significant funds with all other non-major funds presented in total in one column. In the case of Point Pleasant Borough Board of Education, the General Fund is by far the most significant.

Reporting the School Board as a Whole

Statement of Net Position and the Statement of Activities

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

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

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

Governmental Activities - All of the School Board's programs and services are reported here including, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

Business-Type Activities - This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service and Child Care Funds are reported as business activities.

Reporting the School Board's Most Significant Funds

Fund Financial Statement

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

Governmental Funds

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

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities.

The School Board as a Whole

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

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

Table 1

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

	June 30, 2024			June 30, 2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current and other assets	\$ 12,894,891	\$ 575,292	\$ 13,470,183	\$ 13,555,339	\$ 748,983	\$ 14,304,322
Capital assets, net	<u>31,590,361</u>	<u>1,203,448</u>	<u>32,793,809</u>	<u>31,720,455</u>	<u>1,208,644</u>	<u>32,929,099</u>
Total assets	44,485,252	1,778,740	46,263,992	45,275,794	1,957,627	47,233,421
Deferred outflow of resources	<u>1,763,475</u>	<u>-</u>	<u>1,763,475</u>	<u>2,402,428</u>	<u>-</u>	<u>2,402,428</u>
Liabilities:						
Current liabilities	2,236,384	21,475	2,257,859	2,163,815	31,499	2,195,314
Long-term liabilities outstanding	<u>16,383,076</u>	<u>3,570</u>	<u>16,386,646</u>	<u>19,267,717</u>	<u>128</u>	<u>19,267,845</u>
Total liabilities	18,619,460	25,045	18,644,505	21,431,532	31,627	21,463,159
Deferred inflow of resources	<u>1,827,873</u>	<u>-</u>	<u>1,827,873</u>	<u>1,309,938</u>	<u>-</u>	<u>1,309,938</u>
Net position:						
Net investment in capital assets	22,082,361	1,203,448	23,285,809	21,452,455	1,208,644	22,661,099
Restricted	8,384,783	-	8,384,783	7,224,983	-	7,224,983
Unrestricted	<u>(4,665,750)</u>	<u>550,247</u>	<u>(4,115,503)</u>	<u>(3,740,686)</u>	<u>717,356</u>	<u>(3,023,330)</u>
Total Net Position	<u>\$ 25,801,394</u>	<u>\$ 1,753,695</u>	<u>\$ 27,555,089</u>	<u>\$ 24,936,752</u>	<u>\$ 1,926,000</u>	<u>\$ 26,862,752</u>

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

The School Board's combined net position was \$27,555,089 on June 30, 2024. This is a change of 2.58% from the previous year.

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

Table 2

Changes in Net Position

	June 30, 2024			June 30, 2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues						
Program revenues:						
Charges for services	\$ 535,365	\$ 859,853	\$ 1,395,218	\$ 474,844	\$ 933,376	\$ 1,408,220
Operating and capital grants and contributions	6,148,857	277,486	6,426,343	6,504,502	366,010	6,870,512
General revenues:						
Property taxes	40,925,126	-	40,925,126	40,434,496	-	40,434,496
Federal and state aid	4,837,776	-	4,837,776	8,785,194	-	8,785,194
Interest	182,422	-	182,422	117,051	-	117,051
Miscellaneous	<u>1,286,105</u>	<u>2,077</u>	<u>1,288,182</u>	<u>1,259,090</u>	<u>1,749</u>	<u>1,260,839</u>
Total revenues	53,915,651	1,139,416	55,055,067	57,575,177	1,301,135	58,876,312
Expenses						
Instructional services	23,215,029	-	23,215,029	22,790,931	-	22,790,931
Support services	29,469,965	1,311,721	30,781,686	28,554,000	1,213,883	29,767,883
Interest on long-term liabilities	<u>366,015</u>	<u>-</u>	<u>366,015</u>	<u>324,233</u>	<u>-</u>	<u>324,233</u>
Total expenses	<u>53,051,009</u>	<u>1,311,721</u>	<u>54,362,730</u>	<u>51,669,164</u>	<u>1,213,883</u>	<u>52,883,047</u>
Change in net position	864,642	(172,305)	692,337	5,906,013	87,252	5,993,265
Net position - beginning	24,936,752	1,926,000	26,862,752	19,030,739	1,838,748	20,869,487
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position - beginning, restated	<u>24,936,752</u>	<u>1,926,000</u>	<u>26,862,752</u>	<u>19,030,739</u>	<u>1,838,748</u>	<u>20,869,487</u>
Net position (deficit) - ending	<u>\$ 25,801,394</u>	<u>\$ 1,753,695</u>	<u>\$ 27,555,089</u>	<u>\$ 24,936,752</u>	<u>\$ 1,926,000</u>	<u>\$ 26,862,752</u>

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

Expenses for Fiscal Year June 30, 2024

Business-Type Activities

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

Total Enterprise Fund expenses exceeded revenues by \$172,305.

Charges for services represent \$859,853 of revenue. This represents the amount paid by patrons for daily food service and child care.

Federal and state reimbursements for meals, payments for free and reduced lunches and donated commodities was \$277,486.

Governmental Activities

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

Table 3

Governmental Activities

	2024		2023	
	Total Cost of <u>Services</u>	Net Cost of <u>Services</u>	Total Cost of <u>Services</u>	Net Cost of <u>Services</u>
Instruction	\$ 23,215,029	\$ 21,870,707	\$ 22,790,931	\$ 21,188,571
Support Services:				
Pupils and Instructional Staff	12,425,177	7,774,316	11,549,624	7,172,766
General Administration, School Administration, Business Operation and Maintenance of Facilities	15,136,034	14,446,995	14,978,331	13,978,203
Pupil Transportation	1,908,754	1,908,754	2,026,045	2,026,045
Interest and Fiscal Charges	<u>366,015</u>	<u>366,015</u>	<u>324,233</u>	<u>324,233</u>
Total Expenses	<u>\$ 53,051,009</u>	<u>\$ 46,366,787</u>	<u>\$ 51,669,164</u>	<u>\$ 44,689,818</u>

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

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

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

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

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

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

The School Board's Funds

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

As the School Board completed the fiscal year ended June 30, 2024, it reported a combined fund balance of \$10,488,409, which is an decrease of \$640,790. The Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds, Exhibit B-2, presents the reader with a detailed explanation of the increase in fund balance for the fiscal year.

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

<u>Revenue</u>	<u>2024 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2023</u>	<u>Percent of Increase/ (Decrease)</u>
Local Sources	\$ 43,010,539	79.77 %	\$ 660,716	1.56 %
State Sources	8,592,323	15.94	(3,325,564)	(27.90)
Federal Sources	2,305,269	4.28	(993,179)	(30.11)
Other Financing Sources	<u>7,520</u>	<u>0.01</u>	<u>(1,499)</u>	<u>(16.62)</u>
	<u>\$ 53,915,651</u>	<u>100.00 %</u>	<u>\$ (3,659,526)</u>	<u>(6.36)%</u>
Total				

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

<u>Expenditures</u>	<u>2024 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2023</u>	<u>Percent of Increase/ (Decrease)</u>
Current Expenditures:				
Instruction	\$ 20,971,591	38.44 %	\$ 302,000	1.46 %
Undistributed Expenditures	29,970,646	54.94	819,562	2.81
Capital Outlay	2,488,189	4.56	(675,327)	(21.35)
Debt Service:				
Principal	760,000	1.39	(675,000)	(47.04)
Interest	<u>366,015</u>	<u>0.67</u>	<u>(57,050)</u>	<u>(13.48)</u>
Total	<u>\$ 54,556,441</u>	<u>100.00 %</u>	<u>\$ (285,815)</u>	<u>(0.52)%</u>

General Fund Budgeting Highlights

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

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

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

The General Fund finished the fiscal year approximately \$3,800,409 below what had been budgeted in terms of actual expenditures. General Fund revenues were approximately about \$528,072 more than projected. Both these amounts have been adjusted for the non-budgeted amounts reflected in the comparison schedule for reimbursed TPAF social security contributions and on-behalf TPAF post-retirement medical contributions.

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

Excess Surplus - Designated for Subsequent Year		
Expenditures		\$ 1,748,898
Capital Reserve	10-116	2,957,469
Maintenance Reserve	10-117	1,200,271
Emergency Reserve	10-118	493,699
Unemployment Claims	SUI	179,038
Excess Surplus - Current Year		1,094,523

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

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

Revenues were primarily affected by increases in the tax levy.

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

Capital Assets and Debt Administration

Capital Assets. At the end of the fiscal year June 30, 2024, the School Board had \$32,793,809 invested in land, buildings, and machinery and equipment.

Table 4

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

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 275,324	\$ 275,324	\$ -	\$ -	\$ 275,324	\$ 275,324
Construction in Progress	-	-	-	-	-	-
Building and Improvements	27,016,505	27,038,065	1,173,439	1,173,439	28,189,944	28,211,504
Machinery and Equipment	4,298,532	4,407,066	30,009	35,205	4,328,541	4,442,271
Total	<u>\$ 31,590,361</u>	<u>\$ 31,720,455</u>	<u>\$ 1,203,448</u>	<u>\$ 1,208,644</u>	<u>\$ 32,793,809</u>	<u>\$ 32,929,099</u>

During the current fiscal year, \$2,404,864 and \$- of capital assets were capitalized as additions to governmental activities and business-type activities, respectively. Increases in capital assets were offset by depreciation expense for the year.

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

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Bonds Payable (net)	\$ 8,520,000	\$ 10,268,000
Pension Liability-PERS	6,086,434	6,700,555
Compensated Absences payable	<u>1,780,212</u>	<u>2,299,290</u>
Total long-term liabilities	<u>\$ 16,386,646</u>	<u>\$ 19,267,845</u>

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

Economic Factors and Next Year's Budget

For the 2023-2024 school year, the School Board was able to sustain its budget through the local tax levy, state education aid and local revenue sources. Approximately 20% of the School Board's revenue is from federal, state and other aid (restricted and not restricted), while 80% of total revenue is from local sources.

The \$(4,665,750) in unrestricted net position for all governmental activities represents the accumulated results of all past years' operations. It means that if the School Board had to pay off all bills today, including all of the School Board's non-capital liabilities (compensated absences, etc.), the School Board would owe this value to debtors.

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

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

Contacting the School Board's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or need additional information, you may contact the School Business Administrator/Board Secretary at Point Pleasant Borough Board of Education, 2100 Panther Path, Point Pleasant, NJ, 08742.

BASIC FINANCIAL STATEMENTS

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 4,783,038	\$ 544,545	\$ 5,327,583
Reserve accounts-restricted	4,651,439	-	4,651,439
Receivables - other	45,381	9,788	55,169
Receivables - state	2,932,608	331	2,932,939
Receivables - federal	482,425	5,130	487,555
Inventory	-	15,498	15,498
Capital assets, non-depreciable	275,324	-	275,324
Capital assets, depreciable, net	31,315,037	1,203,448	32,518,485
Total assets	<u>44,485,252</u>	<u>1,778,740</u>	<u>46,263,992</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - PERS	1,763,475	-	1,763,475
Total deferred outflows of resources	<u>1,763,475</u>	<u>-</u>	<u>1,763,475</u>
LIABILITIES			
Accounts payable	135,234	-	135,234
Accrued payroll	224,060	-	224,060
Other liabilities	1,595,593	323	1,595,916
Unearned revenue	281,497	21,152	302,649
Noncurrent liabilities:			
Due within one year	870,098	-	870,098
Due beyond one year	15,512,978	3,570	15,516,548
Total liabilities	<u>18,619,460</u>	<u>25,045</u>	<u>18,644,505</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - PERS	839,873	-	839,873
Deferred premium on refunding	988,000	-	988,000
Total deferred inflows of resources	<u>1,827,873</u>	<u>-</u>	<u>1,827,873</u>
NET POSITION			
Net Investment in capital assets	22,082,361	1,203,448	23,285,809
Restricted for:			
Capital projects	3,297,051	-	3,297,051
Unemployment compensation	179,038	-	179,038
Scholarships	22,578	-	22,578
Student activities	348,725	-	348,725
Other purposes	4,537,391	-	4,537,391
Unrestricted	(4,665,750)	550,247	(4,115,503)
Total net position	<u>\$ 25,801,394</u>	<u>\$ 1,753,695</u>	<u>\$ 27,555,089</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Current:							
Regular instruction	\$ 17,393,685	\$ -	\$ 662,560	\$ -	\$ (16,731,125)	\$ -	\$ (16,731,125)
Special education instruction	4,486,564	-	681,762	-	(3,804,802)	-	(3,804,802)
Other special instruction	1,334,780	-	-	-	(1,334,780)	-	(1,334,780)
Support services and undistributed costs:							
Instruction	2,188,642	-	60,844	-	(2,127,798)	-	(2,127,798)
Attendance and social work	150,739	-	-	-	(150,739)	-	(150,739)
Health services	438,337	-	5,118	-	(433,219)	-	(433,219)
Other support services	5,216,784	535,365	240,805	-	(4,440,614)	-	(4,440,614)
Improvement of instruction	145,993	-	25,710	-	(120,283)	-	(120,283)
Educational media services	278,128	-	-	-	(278,128)	-	(278,128)
Instruction staff training	223,535	-	-	-	(223,535)	-	(223,535)
General administrative services	764,193	-	-	-	(764,193)	-	(764,193)
School administrative services	1,738,958	-	-	-	(1,738,958)	-	(1,738,958)
School central services	586,384	-	-	-	(586,384)	-	(586,384)
School admin info technology	63,000	-	-	-	(63,000)	-	(63,000)
Allowed maintenance for school facilities	735,418	-	-	-	(735,418)	-	(735,418)
Other operation & maintenance of plant	3,094,807	-	689,039	-	(2,405,768)	-	(2,405,768)
Care & upkeep of grounds	315,595	-	-	-	(315,595)	-	(315,595)
Security	320,827	-	-	-	(320,827)	-	(320,827)
Student transportation services	1,908,754	-	-	-	(1,908,754)	-	(1,908,754)
Unallocated employee benefits	7,516,852	-	-	-	(7,516,852)	-	(7,516,852)
Non-budgeted expenses	3,783,019	-	3,783,019	-	-	-	-
Interest expense	366,015	-	-	-	(366,015)	-	(366,015)
Total governmental activities	53,051,009	535,365	6,148,857	-	(46,366,787)	-	(46,366,787)
Business-type activities:							
Food Service	834,665	498,970	277,486	-	-	(58,209)	(58,209)
Child Care	477,056	360,883	-	-	-	(116,173)	(116,173)
Total business-type activities	1,311,721	859,853	277,486	-	-	(174,382)	(174,382)
Total primary government	\$ 54,362,730	\$ 1,395,218	\$ 6,426,343	\$ -	\$ (46,366,787)	\$ (174,382)	\$ (46,541,169)

General revenues:

Property taxes:			
Levied for general purposes	\$ 40,181,957	\$ -	\$ 40,181,957
Levied for debt service	743,169	-	743,169
Federal and state aid not restricted	4,837,776	-	4,837,776
Interest - restricted	182,422	-	182,422
Miscellaneous income	1,278,585	2,077	1,280,662
Gain on disposal of fixed assets	7,520	-	7,520

Total general revenues	<u>47,231,429</u>	<u>2,077</u>	<u>47,233,506</u>
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Change in net position	<u>864,642</u>	<u>(172,305)</u>	<u>692,337</u>
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Net position, July 1	<u>24,936,752</u>	<u>1,926,000</u>	<u>26,862,752</u>
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Net position, June 30	<u>\$ 25,801,394</u>	<u>\$ 1,753,695</u>	<u>\$ 27,555,089</u>
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POINT PLEASANT BOROUGH SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 6,187,554	\$ 378,327	\$ (1,782,843)	\$ -	\$ 4,783,038
Reserve accounts	4,651,439	-	-	-	4,651,439
Receivables from state	810,183	-	2,122,425	-	2,932,608
Receivables from federal	-	482,425	-	-	482,425
Other receivables	43,796	1,585	-	-	45,381
Total assets	<u>\$ 11,692,972</u>	<u>\$ 862,337</u>	<u>\$ 339,582</u>	<u>\$ -</u>	<u>\$ 12,894,891</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 130,936	\$ 4,298	\$ -	\$ -	\$ 135,234
Accrued salaries and benefits	18,821	205,239	-	-	224,060
Interfund payable	-	-	-	-	-
Payroll deductions and withholdings payable	1,475,763	-	-	-	1,475,763
Other current liabilities	289,928	-	-	-	289,928
Unearned revenue	-	281,497	-	-	281,497
Total liabilities	<u>1,915,448</u>	<u>491,034</u>	<u>-</u>	<u>-</u>	<u>2,406,482</u>
Fund Balances:					
Restricted for:					
Capital reserve account	2,957,469	-	-	-	2,957,469
Maintenance reserve account	1,200,271	-	-	-	1,200,271
Emergency reserve account	493,699	-	-	-	493,699
Unemployment compensation	179,038	-	-	-	179,038
Scholarships	-	22,578	-	-	22,578
Student activities	-	348,725	-	-	348,725
Excess surplus - current year	1,094,523	-	-	-	1,094,523
Excess surplus -- designated for subsequent year's expenditures	1,748,898	-	-	-	1,748,898
Capital projects fund	-	-	339,582	-	339,582
Committed to:					
Assigned to:					
Other purposes	1,066,777	-	-	-	1,066,777
Designated by the BOE for subsequent year's expenditures	401,102	-	-	-	401,102
Unassigned to:					
General fund	635,747	-	-	-	635,747
Total fund balances	<u>9,777,524</u>	<u>371,303</u>	<u>339,582</u>	<u>-</u>	<u>10,488,409</u>
Total liabilities and fund balances	<u>\$ 11,692,972</u>	<u>\$ 862,337</u>	<u>\$ 339,582</u>	<u>\$ -</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	31,590,361
Deferred outflows related to PERS pension plan	1,763,475
Deferred inflows related to the PERS plan	(839,873)
Bond premium is being amortized over the life of the related bonds. The amortization is not recorded in the funds. The original costs were \$988,000.	(988,000)
Long-term liabilities, including bonds payable but not including current portion of compensated absences of \$139,300 are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 13).	<u>(16,212,978)</u>
Net position of governmental activities	<u>\$ 25,801,394</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local sources:					
Local tax levy	\$ 40,181,957	\$ -	\$ -	\$ 743,169	\$ 40,925,126
Tuition charges	325,665	-	-	-	325,665
Interest earned on reserve funds	173,718	-	-	-	173,718
Interest earned on unemployment-restricted	8,704	-	-	-	8,704
Transportation fees	162,053	-	-	-	162,053
Miscellaneous	790,867	624,406	-	-	1,415,273
Total - Local sources	41,642,964	624,406	-	743,169	43,010,539
State sources	8,208,951	526	-	382,846	8,592,323
Federal sources	28,472	2,276,797	-	-	2,305,269
Other financing sources	7,520	-	-	-	7,520
Total revenues	49,887,907	2,901,729	-	1,126,015	53,915,651
EXPENDITURES					
Current:					
Regular instruction	14,576,411	662,560	-	-	15,238,971
Special education instruction	3,728,753	681,762	-	-	4,410,515
Other special instruction	1,322,105	-	-	-	1,322,105
Undistributed - current:					
Instruction	1,912,327	60,844	-	-	1,973,171
Attendance and social work	150,739	-	-	-	150,739
Health services	433,219	5,118	-	-	438,337
Other support services	4,486,364	730,420	-	-	5,216,784
Improvement of instruction	120,283	25,710	-	-	145,993
Educational media services	278,128	-	-	-	278,128
Instruction staff training	223,535	-	-	-	223,535
General administrative services	764,193	-	-	-	764,193
School administrative services	2,093,202	-	-	-	2,093,202
School central services	586,384	-	-	-	586,384
School admin info technology	63,000	-	-	-	63,000
Required maintenance for school facilities	735,418	-	-	-	735,418
Other operation & maintenance of plant	3,011,482	-	-	-	3,011,482
Care & upkeep of grounds	315,595	-	-	-	315,595
Security	320,827	-	-	-	320,827
Student transportation services	1,908,754	-	-	-	1,908,754
Unallocated employee benefits	7,962,085	-	-	-	7,962,085
Non-budgeted expenditures	3,783,019	-	-	-	3,783,019
Debt service:					
Principal	-	-	-	760,000	760,000
Interest and other charges	-	-	-	366,015	366,015
Capital outlay	535,696	689,565	1,262,928	-	2,488,189
Total expenditures	49,311,519	2,855,979	1,262,928	1,126,015	54,556,441
Excess (Deficiency) of revenues over expenditures	576,388	45,750	(1,262,928)	-	(640,790)
OTHER FINANCING SOURCES (USES)					
Sale of Bonds	-	-	-	8,520,000	8,520,000
Refunding of bonds	-	-	-	(9,508,000)	(9,508,000)
Premium and costs for bond issuance	-	-	-	988,000	988,000
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-
Net change in fund balances	576,388	45,750	(1,262,928)	-	(640,790)
Fund balance—July 1	9,201,136	325,553	1,602,510	-	11,129,199
Fund balance—June 30	\$ 9,777,524	\$ 371,303	\$ 339,582	\$ -	\$ 10,488,409

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

Total net change in fund balances - governmental funds (from B-2) **\$ (640,790)**

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

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

Depreciation expense	\$ (2,534,958)	
Capital outlays	<u>2,404,864</u>	(130,094)

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

Accumulated depreciation on capital assets sold or retired during the fiscal year ended June 30, 2024	31,961	
Cost basis of capital assets sold or retired during the fiscal year ended June 30, 2024	<u>(31,961)</u>	-

In the Statement of Activities, the PERS pension expense is the amount paid plus net change in the Deferred Outflows, Deferred Inflows and pension liability as reported by the State of New Jersey 445,233

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 760,000

In the Statement of Activities, the bond issuance costs are reclassified as an asset. In the governmental funds, the premium is recorded as a use of funds. (988,000)

The receipt of bond principal is an other financing sources in the governmental funds, but it increases long-term liabilities in the statement of net position and should not be reported in the statement of activities. (8,520,000)

The payment of bond principal is an other financing use in the governmental funds, but it decreases long-term liabilities in the statement of net position and should not be reported in the statement of activities. 9,508,000

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

In the Statement of Activities, the amortization of bond issuance costs is recorded as interest expense. In the governmental funds, the amortization is not recorded. -

In the statement of activities, certain operating expenses, e.g., compensated absences (sick leave) and special termination benefits (early retirement incentive) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used, essentially, the amounts actually paid. 430,293

Change in net position of governmental activities **\$ 864,642**

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-type Activities - Enterprise Funds		
	Food Service	Child Care	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 507,350	\$ 37,195	\$ 544,545
Receivables from state	331	-	331
Receivables from federal	5,130	-	5,130
Other receivables	9,788	-	9,788
Inventories	15,498	-	15,498
Total current assets	<u>538,097</u>	<u>37,195</u>	<u>575,292</u>
Noncurrent assets:			
Building and Improvements	1,173,439	-	1,173,439
Furniture, machinery & equipment	371,699	3,737	375,436
Less accumulated depreciation	<u>(343,654)</u>	<u>(1,773)</u>	<u>(345,427)</u>
Total noncurrent assets	<u>1,201,484</u>	<u>1,964</u>	<u>1,203,448</u>
Total assets	<u>\$ 1,739,581</u>	<u>\$ 39,159</u>	<u>\$ 1,778,740</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Unearned revenue	21,152	-	21,152
Other current liabilities	323	-	323
Total current liabilities	<u>21,475</u>	<u>-</u>	<u>21,475</u>
Noncurrent Liabilities:			
Compensated absences	3,570	-	3,570
Total noncurrent liabilities	<u>3,570</u>	<u>-</u>	<u>3,570</u>
Total liabilities	<u>25,045</u>	<u>-</u>	<u>25,045</u>
NET POSITION			
Net investment in capital assets	1,201,484	1,964	1,203,448
Restricted for:			
Other	-	-	-
Unrestricted	513,052	37,195	550,247
Total net position	<u>1,714,536</u>	<u>39,159</u>	<u>1,753,695</u>
Total liabilities and net position	<u>\$ 1,739,581</u>	<u>\$ 39,159</u>	<u>\$ 1,778,740</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Business-type Activities - Enterprise Fund		
	Food Service	Child Care	Total Enterprise
Operating revenues:			
Local sources:			
Daily sales reimbursable programs			
School breakfast	\$ 5,403	\$ -	\$ 5,403
School lunch	285,827	-	285,827
Total daily sales reimbursable programs	291,230	-	291,230
Daily sales non-reimbursable programs	108,844	-	108,844
Special functions	4,784	-	4,784
Child care fees	-	20,880	20,880
Daycare revenue	-	340,003	340,003
Miscellaneous	94,112	-	94,112
Total operating revenues	498,970	360,883	859,853
Operating expenses:			
Salaries	279,669	371,357	651,026
Employee benefits	121,213	72,427	193,640
Other purchased services	31,955	12,000	43,955
Supplies and materials	39,528	-	39,528
Utilities	27,839	11,800	39,639
Other objects	-	9,354	9,354
Depreciation	5,078	118	5,196
Cost of sales - reimbursable programs	329,383	-	329,383
Cost of sales - non-reimbursable programs	-	-	-
Total operating expenses	834,665	477,056	1,311,721
Operating income (loss)	(335,695)	(116,173)	(451,868)
Nonoperating revenues (expenses):			
Interest income	2,077	-	2,077
State sources:			
State school breakfast program	169	-	169
State school lunch program	8,572	-	8,572
Federal sources:			
School breakfast program	12,027	-	12,027
National school lunch program	202,052	-	202,052
P-EBT Admin Cost Reimbursement	653	-	653
Food distribution program	54,013	-	54,013
Total nonoperating revenues (expenses)	279,563	-	279,563
Income (loss) before contributions & transfers	(56,132)	(116,173)	(172,305)
Transfers in (out)	-	-	-
Change in net position	(56,132)	(116,173)	(172,305)
Total net position—beginning	1,770,668	155,332	1,926,000
Total net position—ending	\$ 1,714,536	\$ 39,159	\$ 1,753,695

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-type Activities - Enterprise Funds		
	Food Service	Child Care	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and other funds	\$ 534,971	\$ 360,883	\$ 895,854
Payments to employees & benefits	(397,440)	(443,784)	(841,224)
Payments to suppliers	(416,458)	(33,154)	(449,612)
Net cash provided by (used in) operating activities	<u>(278,927)</u>	<u>(116,055)</u>	<u>(394,982)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			-
State sources	9,399	-	9,399
Federal sources	215,785	-	215,785
Net cash provided by (used in) non-capital financing activities	<u>225,184</u>	<u>-</u>	<u>225,184</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Change in capital contributions	-	-	-
Purchases of capital assets	-	-	-
Gain/Loss on sale of capital assets (proceeds)	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	2,077	-	2,077
Net cash provided by (used in) investing activities	<u>2,077</u>	<u>-</u>	<u>2,077</u>
Net increase (decrease) in cash and cash equivalents	<u>(51,666)</u>	<u>(116,055)</u>	<u>(167,721)</u>
Balances—beginning of year	559,016	153,250	712,266
Balances—end of year	<u>\$ 507,350</u>	<u>\$ 37,195</u>	<u>\$ 544,545</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ (335,695)	\$ (116,173)	\$ (451,868)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and net amortization	5,078	118	5,196
Federal commodities	54,013	-	54,013
(Increase) decrease in accounts receivable, net	(7,665)	-	(7,665)
(Increase) decrease in inventories	11,924	-	11,924
Increase (decrease) in accounts payable	-	-	-
Increase (decrease) in unearned revenue	(10,347)	-	(10,347)
Increase (decrease) in compensated absences	3,442	-	3,442
Increase (decrease) in accrued payroll	-	-	-
Increase (decrease) in other current liabilities	323	-	323
Total adjustments	<u>56,768</u>	<u>118</u>	<u>56,886</u>
Net cash provided by (used in) operating activities	<u>\$ (278,927)</u>	<u>\$ (116,055)</u>	<u>\$ (394,982)</u>

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of Significant Accounting Policies

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

A. Reporting Entity

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

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

B. Basis of Presentation

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

The School District has Bond Costs which have been classified as a Deferred Outflow and the Bond Premium has been classified as a Deferred Inflow. The School District has employees that are enrolled in a defined benefit plan operated by the State of New Jersey which creates deferred outflows and inflows as described in Note 12.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

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

B. Basis of Presentation (Cont'd)

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

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

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

The District reports the following governmental funds:

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

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

B. Basis of Presentation (Cont'd)

General Fund (cont'd)

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

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

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

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

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

The District reports the following proprietary fund:

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

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

B. Basis of Presentation (Cont'd)

Enterprise Fund (cont'd)

The District's Enterprise Fund is comprised of the Food Service Fund and School Age Child Care.

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

Equipment	5-20 Years
-----------	------------

Additionally, the District reports the following fund type:

Fiduciary Funds - The Fiduciary Funds are used to account for assets held by the District on behalf of others if applicable.

C. Basis of Accounting

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

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

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

C. Basis of Accounting (cont'd)

Governmental Fund Financial Statements: Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Available means collectible within the current period or soon thereafter to pay current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

D. Property Taxes

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

E. Budgets/Budgetary Control

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

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

E. Budgets/Budgetary Control (cont'd)

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

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

F. Encumbrances

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

Open encumbrances in the Special Revenue Fund, for which the District has received advances are reflected in the Balance Sheet as deferred revenues at fiscal year-end.

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

G. Cash, Cash Equivalents and Investments

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

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

G. Cash, Cash Equivalents and Investments (cont'd)

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. Statute 18A:2037 provides a list of permissible investments that may be purchased by school districts.

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

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

H. Tuition Receivable

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

I. Tuition Payable

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

J. Inventories and Prepaid Expenses

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

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

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

K. Short-Term Interfund Receivables/Payables

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

L. Capital Assets

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

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

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

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

M. Accrued Salaries and Wages

Certain District employees, who provide services to the District over the ten-month academic year, have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2024, the amount earned by these employees but not disbursed was \$1,475,763.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

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

N. Compensated Absences

District employees are granted varying amounts of vacation and sick leave in accordance with the District's employment contracts. Up to six vacation days per year can be accumulated into the next fiscal year. Sick leave benefits provide for ordinary sick pay and are reimbursable in accordance with the individual's employment contract. The liability for vested compensated absences of the governmental fund types is recorded as a non-current liability in the governmental fund. The balance at June 30, 2024 is \$1,776,642.

O. Unearned Revenue

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

P. Accrued Liabilities and Long-Term Obligations

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

Q. Net Position

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

R. Fund Balance Reserves

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

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

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

R. Fund Balance Reserves (Cont'd)

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

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

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

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

S. Revenues - Exchange and Nonexchange Transactions

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

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

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

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

T. Operating Revenues and Expenses

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

U. Deferred Outflows/Inflows of Resources

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

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

V. Allocation of Indirect Expenses

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

W. 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.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

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

X. GASB Pronouncements

Recently Issued Accounting Pronouncements to be implemented in future years

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

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

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

2. Cash, Cash Equivalents and Investments

Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-414 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the ACT, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA., However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2024, the School District's bank balance of \$11,029,911 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 8,825,033
Uninsured and Uncollateralized	<u>2,204,878</u>
	<u>\$ 11,029,911</u>

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

3. Investments

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

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

4. Capital Reserve Account

A Capital Reserve Account was established by the Point Pleasant Borough Board of Education by inclusion of \$165,641 in the original 1999 budget, which was certified for taxes, 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 deposit funds at any time upon board resolution through the transfer of undesignated, unreserved general fund balance or of excess undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Post-April 2004 transfers must be in compliance with P.L. 2004, C.73 (S1701). Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the Account cannot at any time exceed the local support costs of uncompleted Capital Projects in its approved LRFP.

During the fiscal year ended June 30, 2024, the District had actual interest earnings of \$77,603 .

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

Beginning Balance July 1, 2023	\$ 1,279,866
Add:	
Increase per Resolution	2,600,000
Interest Earnings	77,603
Deposits	-
Less:	
Withdrawals per Budget	(1,000,000)
Ending Balance, June 30, 2024	<u>\$ 2,957,469</u>

The June 30, 2024 LRFP balance of local support costs of uncompleted Capital Projects is \$34,441,500.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

5. Maintenance Reserve Account

A Maintenance Reserve Account was established by the Point Pleasant Borough Board of Education for the accumulation of funds for use as maintenance of Capital Projects in subsequent fiscal years. The Maintenance Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget.

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

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

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

Balance, July 1, 2023	\$ 1,617,487
Add:	
Increase per resolution	-
Interest earnings	82,784
Withdrawals per budget	<u>(500,000)</u>
Balance, June 30, 2024	\$ <u><u>1,200,271</u></u>

6. Emergency Reserve Account

An Emergency Reserve Account was established by the Point Pleasant Borough Board of Education for the accumulation of funds in accordance with N.J.S.A. 18A:7F-41c(1). The Emergency Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget. Funds placed in the Emergency Reserve Account are to finance unanticipated general fund expenditures required for a thorough and efficient education.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

6. Emergency Reserve Account (Cont'd)

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

Balance, July 1, 2023	\$ 480,368
Add:	
Interest earnings	<u>13,331</u>
Balance, June 30, 2024	<u>\$ 493,699</u>

The balance in the Emergency Reserve can not exceed 1% of the district's general fund budget.

7. Receivables

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

	Governmental Fund Financial Statements	District-Wide Financial Statements
State Aid	\$ 2,932,608	\$ 2,932,939
Federal Aid	482,425	487,555
Other	<u>45,381</u>	<u>55,169</u>
Gross Receivables	3,460,414	3,475,663
Less: Allowance for Credit Losses	<u>-</u>	<u>-</u>
Total Receivables, Net	<u>\$ 3,460,414</u>	<u>\$ 3,475,663</u>

8. Inventory

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

Food	\$ 4,003
Commodities	7,095
Supplies	<u>4,400</u>
	<u>\$ 15,498</u>

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

9. **Contingent liabilities**

Grant Programs

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

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

10. **Capital Assets**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Not Being Depreciated				
Site and Site improvements	\$ <u>275,324</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>275,324</u>
Total Capital Assets Not Being Depreciated	<u>275,324</u>	<u>-</u>	<u>-</u>	<u>275,324</u>
Capital Assets Being Depreciated				
Building and Building Improvements	63,884,025	1,916,676	-	65,800,701
Machinery and Equipment	<u>12,398,754</u>	<u>488,188</u>	<u>(31,961)</u>	<u>12,854,981</u>
Totals at Historical Cost	<u>76,282,779</u>	<u>2,404,864</u>	<u>(31,961)</u>	<u>78,655,682</u>
Less Accumulated Depreciation for:				
Building and Building Improvements	(36,845,960)	(1,938,236)	-	(38,784,196)
Machinery and Equipment	<u>(7,991,688)</u>	<u>(596,722)</u>	<u>31,961</u>	<u>(8,556,449)</u>
Total Accumulated Depreciation	<u>(44,837,648)</u>	<u>(2,534,958)</u>	<u>31,961</u>	<u>(47,340,645)</u>
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>31,445,131</u>	<u>(130,094)</u>	<u>-</u>	<u>31,315,037</u>
Government Activity Capital Assets, Net	\$ <u><u>31,720,455</u></u>	\$ <u><u>(130,094)</u></u>	\$ <u><u>-</u></u>	\$ <u><u>31,590,361</u></u>
Business-Type Activities:				
Capital Assets Being Depreciated:				
Building Improvements	\$ 1,173,439	\$ -	\$ -	\$ 1,173,439
Equipment	382,882	-	(7,446)	375,436
Less Accumulated Depreciation	<u>(347,677)</u>	<u>(5,196)</u>	<u>7,446</u>	<u>(345,427)</u>
Business-Type Activities Capital Assets, Net	\$ <u><u>1,208,644</u></u>	\$ <u><u>(5,196)</u></u>	\$ <u><u>-</u></u>	\$ <u><u>1,203,448</u></u>

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

10. Capital Assets (Cont'd)

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

Regular Instruction	\$ 2,154,714
Student and Instruction Related Services	215,471
School Administration Services	76,049
Other Special Instruction	12,675
Special Education Instruction	<u>76,049</u>
Total depreciation expense	\$ <u>2,534,958</u>

11. Non-current Liabilities

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

	<u>Balance</u> <u>July 1, 2023</u>	<u>Increases/</u> <u>(Decreases)</u>	<u>Balance</u> <u>June 30, 2024</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
<u>Governmental Activities:</u>				
Compensated				
Absences Payable	\$ 2,299,162	\$ (522,520)	\$ 1,776,642	\$ 170,098
Bonds Payable	10,268,000	(1,748,000)	8,520,000	700,000
Pension Liability-PERS	<u>6,700,555</u>	<u>(614,121)</u>	<u>6,086,434</u>	<u>-</u>
Total	\$ <u>19,267,717</u>	\$ <u>(2,884,641)</u>	\$ <u>16,383,076</u>	\$ <u>870,098</u>

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

11. Non-current Liabilities (Cont'd)

A. Bonds Payable

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

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 700,000	\$ 375,117	\$ 1,075,117
2026	690,000	391,000	1,081,000
2027	735,000	356,500	1,091,500
2028	775,000	319,750	1,094,750
2029	820,000	281,000	1,101,000
2030-2034	<u>4,800,000</u>	<u>742,000</u>	<u>5,542,000</u>
	<u>\$ 8,520,000</u>	<u>\$ 2,465,367</u>	<u>\$ 10,985,367</u>

B. Bonds Authorized But Not Issued

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (cont'd)

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

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2024, the School District reported a liability of \$6,086,434 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedure to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, to the measurement date of June 30, 2023. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The School District's proportion measured as of June 30, 2023, was .0420206918%, which was a decrease of .0023792034% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the School District recognized full accrual pension expense of \$686,270 in the government-wide financial statements consisting of employer contributions of \$561,618 and non-employer contributions of \$124,652. This pension expense was based on the pension plans June 30, 2023 measurement date. At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 58,194	\$ 24,879
Changes of assumptions	13,371	368,864
Net difference between projected and actual earnings on pension plan investments	28,029	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,086,548	446,130
District contributions subsequent to the measurement date	577,333	-
Total	<u>\$ 1,763,475</u>	<u>\$ 839,873</u>

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (cont'd)

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

\$577,333 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2023-2024 total salaries for PERS employees multiplied by an employer contribution rate. The payable is due on April 1, 2025 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2024	\$	378,277
2025		211,140
2026		(295,054)
2027		52,803
2028		(898)
Total	\$	<u>346,268</u>

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

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

However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the District as of June 30, 2024. At June 30, 2024, the State's proportionate share of the employer pension expense and related revenue, associated with the District, calculated by the plan as of the June 30, 2023 measurement date was \$18,981.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (cont'd)

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

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

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

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (cont'd)

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

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

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

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

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

12 Pension Plans (cont'd)

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

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

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (cont'd)

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

Discount Rate

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

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	7,990,042	6,086,434	4,561,201

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

	<u>6/30/24</u>	<u>6/30/23</u>
Collective Deferred Outflows of Resources	1,080,204,730	1,660,772,008
Collective Deferred Inflows of Resources	1,780,216,457	3,236,303,935
Collective Net Pension Liability	14,606,489,066	15,219,184,920
School District's Portion	.0420206918%	.0443998952%

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (cont'd)

B. Teachers' Pension and Annuity (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (cont'd)

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

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

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A. 18A:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the School District.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2023 was \$92,708,794. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2023, the State proportionate share of the TPAF net pension liability attributable to the School District was .1816655778%, which was an increase of .0004118585% from its proportion measured as of June 30, 2022.

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (cont'd)

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

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

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

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

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

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (cont'd)

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

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

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

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

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (Cont'd)

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's proportionate share of the net pension liability	109,486,064	92,708,794	78,837,020

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

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

	<u>6/30/24</u>	<u>6/30/23</u>
Collective Deferred Outflows of Resources	2,502,380,838	5,004,259,312
Collective Deferred Inflows of Resources	14,830,205,473	19,682,774,794
Collective Net Pension Liability	51,109,961,824	51,676,587,303
School District's Portion	.1816655778%	.18125371930%

C. Defined Contribution Retirement Plan (DCRP)

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

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

The District's contributions to the DCRP for June 30, 2024 were \$34,099. There was no liability for unpaid contributions at June 30, 2024.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Post-Retirement Benefits

General Information about the OPEB Plan

Plan description and benefits provided

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

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

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

Basis of Presentation

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Post-Retirement Benefits (cont'd)

State Health Benefit State Retired Employees Plan

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Post-Retirement Benefits (cont'd)

Employees covered by benefit terms

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

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

Total Nonemployer OPEB Liability

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

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Post-Retirement Benefits (cont'd)

Total Nonemployer OPEB Liability (cont'd)

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

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

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

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

Discount rate

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

13 Post-Retirement Benefits (cont'd)

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

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

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability of the State for School Retirees	\$61,385,066,712	\$52,361,668,239	\$45,116,926,835
Total OPEB Liability of the State Associated with the School District for School Retirees	\$122,093,739	\$104,146,372	\$89,736,722

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 9.50% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

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

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

	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
Total OPEB Liability of the State for School Retirees	\$43,468,257,358	\$52,361,668,239	\$63,998,719,320
Total OPEB Liability of the State Associated with the School District for School Retirees	\$86,457,548	\$104,146,372	\$127,292,247

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Post-Retirement Benefits (cont'd)

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

For the year ended June 30, 2024, the board of education recognized OPEB expense of \$2,176,116 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

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

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

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

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

14. Deferred Compensation

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

Ameriprise Financial Services, Inc / Riversource	MetLife Investors
Aspire Financial Services	ROTH - Metlife
Brighthouse (Metlife CT/Travelers)	Security Benefit
Fidelity Management Trust	Corebridge Financial (formerly AIG Retirement Services, formerly VALIC)
Lincoln Investment Planning	National Life Group (LSW)
MetLife	Equitable (formerly AXA)
Metlife 457 Plan	National Life Group (LSW) 457 Plan

15. Risk Management

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

Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. See J-20.

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

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Interest</u> <u>Income</u>	<u>Ending</u> <u>Balance</u>
2024	\$ -	\$ -	\$ 8,737	\$ 179,038
2023	-	-	5,901	170,301
2022	-	-	1,653	164,400

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

16. Interfund Receivables and Payables

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

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

17. Compensated Absences

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

District employees are granted varying amounts of sick leave in accordance with the District's personnel policy. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions. The liability for vested compensated absences of the governmental fund types is recorded as a non-current liability in the governmental activities fund (see footnote 11).

18. Fund Balances

General Fund - of the \$9,777,524 General Fund balance at June 30, 2024, \$1,066,777 of encumbrances is assigned to other purposes, \$2,957,469 is restricted for capital reserve, \$1,200,271 is restricted for maintenance reserve, \$493,699 is restricted for emergency reserve, \$179,038 is restricted for unemployment compensation \$1,094,523 is restricted for excess surplus, \$1,748,898 is restricted for excess surplus for subsequent year expenditures, \$401,102 has been classified as assigned fund balance designated for subsequent year expenditures, and \$635,747 is unassigned.

Special Revenue Fund - of the \$371,303 Special Revenue Fund balance at June 30, 2024, \$22,578 is restricted for scholarships and \$348,725 is restricted for student activities.

19. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L.2004, C.73 (S1701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. There was \$1,094,523 calculated as excess surplus at June 30, 2024.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2024

20. Uncertain Tax Positions

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

21. Subsequent Events

Management has evaluated subsequent events through November 22, 2024, the date the financial statements were available to be issued.

22. Tax Abatement

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

23. Economic Dependency

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

REQUIRED SUPPLEMENTARY INFORMATION - PART II

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Transfers/ Encumbrances</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local sources:					
Local tax levy	\$ 40,181,957	\$ -	\$ 40,181,957	\$ 40,181,957	\$ -
Interest earned on emergency reserve	10,000	(10,000)	-	13,331	13,331
Interest earned on maintenance reserve	15,000	(15,000)	-	82,784	82,784
Interest earned on capital reserve funds	16,000	(16,000)	-	77,603	77,603
Interest earned on unemployment-restricted	-	-	-	8,704	8,704
Transportation fees from other LEA's	130,000	-	130,000	162,053	32,053
Tuition - from individuals	140,000	-	140,000	202,956	62,956
Tuition - from other LEA's within the state	-	100,000	100,000	122,709	22,709
Tuition - from other Govt Sources within the state	100,000	(100,000)	-	-	-
Rents and Royalties	10,000	-	10,000	50,003	40,003
Miscellaneous	601,000	41,000	642,000	740,864	98,864
Total - local sources	<u>41,203,957</u>	<u>-</u>	<u>41,203,957</u>	<u>41,642,964</u>	<u>439,007</u>
State sources:					
Categorical Transportation aid	41,071	-	41,071	41,071	-
Special Education Categorical aid	1,663,733	-	1,663,733	1,663,733	-
Security aid	184,043	-	184,043	184,043	-
Equalization aid	1,678,516	-	1,678,516	1,678,516	-
Stabilization Aid	-	-	-	31,324	31,324
Extraordinary aid	730,000	-	730,000	779,468	49,468
Non-public transportation	-	-	-	22,668	22,668
TPAF - LTDI (on-behalf - Non-budgeted)	-	-	-	2,760	2,760
TPAF - post retirement medical (on-behalf - Non-budgeted)	-	-	-	2,176,116	2,176,116
Teacher's pension and annuity fund (on-behalf - Non-budgeted)	-	-	-	7,995,623	7,995,623
TPAF social security (reimbursed - Non-budgeted)	-	-	-	1,604,143	1,604,143
Total state sources	<u>4,297,363</u>	<u>-</u>	<u>4,297,363</u>	<u>16,179,465</u>	<u>11,882,102</u>
Federal sources:					
Medicaid reimbursement	50,387	-	50,387	28,472	(21,915)
Total federal sources	<u>50,387</u>	<u>-</u>	<u>50,387</u>	<u>28,472</u>	<u>(21,915)</u>
Other financing sources					
Compensation for sale of fixed assets	-	-	-	7,520	7,520
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,520</u>	<u>7,520</u>
Total revenues	<u>45,551,707</u>	<u>-</u>	<u>45,551,707</u>	<u>57,858,421</u>	<u>12,306,714</u>
EXPENDITURES:					
Current Expenditures:					
Regular Programs - Instruction					
Preschool/Kindergarten - Salaries of teachers	779,066	(62,290)	716,776	715,055	1,721
Grades 1-5 - Salaries of teachers	4,797,632	(12,083)	4,785,549	4,784,591	958
Grades 6-8 - Salaries of teachers	3,495,513	27,191	3,522,704	3,522,701	3
Grades 9-12 - Salaries of teachers	4,863,403	(329)	4,863,074	4,863,005	69
Regular Programs - Home Instruction:					
Salaries of teachers	50,500	(503)	49,997	19,419	30,578
Purchased professional-educational services	18,000	10,800	28,800	17,197	11,603
Regular Programs - Undistributed Instruction					
Purchased professional-educational services	38,445	9,340	47,785	37,164	10,621
Purchased technical services	61,669	3,248	64,917	58,407	6,510
Other purchased services (400-500 series)	177,014	6,303	183,317	164,901	18,416
General supplies	447,322	4,844	452,166	367,606	84,560
Textbooks	42,852	(2,708)	40,144	24,661	15,483
Other objects	12,820	-	12,820	1,704	11,116
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>14,784,236</u>	<u>(16,187)</u>	<u>14,768,049</u>	<u>14,576,411</u>	<u>191,638</u>
SPECIAL EDUCATION - INSTRUCTION					
Behavioral Disabilities:					
Salaries of Teachers	83,913	5,318	89,231	88,961	270
Other salaries for instruction	19,437	369	19,806	19,806	-
General supplies	1,250	-	1,250	165	1,085
Textbooks	150	-	150	-	150
Total Behavioral Disabilities	<u>104,750</u>	<u>5,687</u>	<u>110,437</u>	<u>108,932</u>	<u>1,505</u>
Multiple Disabilities:					
Salaries of Teachers	477,103	10,508	487,611	483,983	3,628
Other salaries for instruction	36,792	(16,723)	20,069	19,842	227
General supplies	600	-	600	240	360
Total Multiple Disabilities	<u>514,495</u>	<u>(6,215)</u>	<u>508,280</u>	<u>504,065</u>	<u>4,215</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2024

	Original Budget	Transfers/ Encumbrances	Final Budget	Actual	Variance Final to Actual
Resource Room/Resource Center:					
Salaries of Teachers	\$ 2,640,949	\$ 13,975	\$ 2,654,924	\$ 2,604,013	\$ 50,911
Other Salaries for Instruction	210,012	43,111	253,123	252,233	890
General supplies	3,500	-	3,500	2,256	1,244
Textbooks	1,100	-	1,100	-	1,100
Total Resource Room/Resource Center	2,855,561	57,086	2,912,647	2,858,502	54,145
Autism:					
Salaries of Teachers	89,706	700	90,406	90,145	261
General Supplies	2,800	-	2,800	78	2,722
Total Autism	92,506	700	93,206	90,223	2,983
Preschool Disabilities - Full-Time:					
Salaries of Teachers	117,886	615	118,501	117,896	605
Other Salaries for Instruction	37,047	12,971	50,018	48,417	1,601
General Supplies	1,700	(544)	1,156	718	438
Total Preschool Disabilities - Full-Time	156,633	13,042	169,675	167,031	2,644
Home Instruction:					
Salaries of Teachers	5,000	(2,500)	2,500	-	2,500
Purchased Professional-Educational Services	-	-	-	-	-
Total Home Instruction	5,000	(2,500)	2,500	-	2,500
TOTAL SPECIAL EDUCATION- INSTRUCTION	3,728,945	67,800	3,796,745	3,728,753	67,992
Basic Skills/Remedial - Instruction					
Salaries of Teachers	122,003	32,785	154,788	153,924	864
Other Purchased Services (400-500 series)	-	40,000	40,000	39,885	115
General Supplies	5,200	-	5,200	3,314	1,886
Total Basic Skills/Remedial - Instruction	127,203	72,785	199,988	197,123	2,865
Bilingual Education - Instruction					
Salaries of Teachers	125,553	(2,420)	123,133	122,614	519
Other Purchased Services (400-500 series)	400	-	400	-	400
General Supplies	800	-	800	279	521
Total Bilingual Education - Instruction	126,753	(2,420)	124,333	122,893	1,440
School-Spon. Cocurricular Actvts. - Instruction					
Salaries	202,180	14,394	216,574	216,567	7
Purchased Services (300-500 series)	11,500	(400)	11,100	9,786	1,314
Supplies and Materials	23,090	5,236	28,326	20,927	7,399
Other Objects	3,850	-	3,850	2,963	887
Total School-Spon. Cocurricular Actvts. - Instruction	240,620	19,230	259,850	250,243	9,607
School-Spon. Athletics - Instruction					
Salaries	512,326	13,448	525,774	525,773	1
Purchased Services (300-500 series)	143,850	(3,283)	140,567	138,573	1,994
Supplies and Materials	77,850	8,680	86,530	85,930	600
Other Objects	500	1,070	1,570	1,570	-
Total School-Spon. Cocurricular Actvts. - Instruction	734,526	19,915	754,441	751,846	2,595
Other Instructional Programs - Instruction					
Salaries of Teacher Tutors	-	-	-	-	-
Purchased prof & tech services	10,300	-	10,300	-	10,300
Total Other Instructional Programs - Instruction	10,300	-	10,300	-	10,300
Total Instruction	19,752,583	161,123	19,913,706	19,627,269	286,437
Undistributed Expenditures - Instruction:					
Tuition to other LEAs within the state - Special	383,991	16,577	400,568	383,810	16,758
Tuition to other LEAs within the state - Regular	14,754	36,053	50,807	37,394	13,413
Tuition to Co. Voc. School Dist. - reg.	100,368	-	100,368	75,154	25,214
Tuition to Co.Spec. Serv. & Reg. Day schools	137,917	-	137,917	135,450	2,467
Tuition to Private Sch for Disbl w/i State	1,840,046	(329,153)	1,510,893	1,239,005	271,888
Tuition - State Facilities	-	-	-	-	-
Tuition - Other	48,027	28,790	76,817	41,514	35,303
Total Undistributed Expenditures - Instruction:	2,525,103	(247,733)	2,277,370	1,912,327	365,043
Undistributed Expend. - Attend. & Social Work					
Salaries	157,398	(7,221)	150,177	150,176	1
Other Purchased Services (400-500 series)	250	-	250	-	250
Supplies and Materials	1,250	-	1,250	563	687
Total Undistributed Expend. - Attend. & Social Work	158,898	(7,221)	151,677	150,739	938
Undist. Expend. - Health Services					
Salaries	415,651	(21,998)	393,653	393,285	368
Purchased professional and technical services	33,400	35,438	68,838	32,340	36,498
Other purchased services (400-500 series)	1,470	-	1,470	320	1,150
Supplies and materials	9,100	83	9,183	7,274	1,909
Total Undistributed Expenditures - Health Services	459,621	13,523	473,144	433,219	39,925
Undist. Expend. - Other Support Services - Students - Related Service					
Salaries	345,510	25,906	371,416	371,166	250
Purchased Prof. Ed. Services	505,500	32,068	537,568	485,295	52,273
Supplies and Materials	2,000	-	2,000	818	1,182
Other objects	1,200	-	1,200	849	351
Total Undist. Expend. - Other Support Services - Students - Related Service	854,210	57,974	912,184	858,128	54,056

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2024

	Original Budget	Transfers/ Encumbrances	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Other Support Services - Students - Extraordinary Services					
Salaries	\$ 978,092	\$ 137,811	\$ 1,115,903	\$ 1,115,903	\$ -
Purchased Prof. Ed. Services	310,113	39,627	349,740	298,070	51,670
Total Undist. Expend. - Other Support Services Students - Extraordinary Services	1,288,205	177,438	1,465,643	1,413,973	51,670
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	777,337	10,173	787,510	787,509	1
Salaries of Secretarial and Clerical Assistants	156,765	(555)	156,210	156,008	202
Other Salaries	5,000	(1,627)	3,373	3,373	-
Unused Vac Payment to Term/Ret Staff	-	-	-	-	-
Other Purch. Prof. & Tech. Svc.	3,000	10,762	13,762	8,655	5,107
Other Purchased Services (400-500 series)	3,400	(715)	2,685	1,762	923
Supplies and Materials	10,600	2,891	13,491	11,813	1,678
Other Objects	580	-	580	-	580
Total Undist. Expend. - Guidance	956,682	20,929	977,611	969,120	8,491
Undist. Expend. - Child Study					
Salaries of Other Professional Staff	955,743	(54,904)	900,839	900,839	-
Salaries of Secretarial and Clerical assistants	151,171	(1,035)	150,136	150,135	1
Purchased Professional - Educational Services	87,000	69,242	156,242	126,163	30,079
Other Purchased Prof. & Tech. Services	9,500	6,470	15,970	9,344	6,626
Other Purchased Services (400-500 series)	9,600	2,300	11,900	8,916	2,984
Supplies and Materials	10,000	38,082	48,082	47,312	770
Other Objects	2,250	194	2,444	2,434	10
Total Undist. Expend. - Child Study	1,225,264	60,349	1,285,613	1,245,143	40,470
Undist. Expend.-Imprvmt of Instr. Svcs-Other Support Services-Instr.					
Salaries Superv. Of Instr.	87,975	(850)	87,125	87,125	-
Salaries Other Prof. Staff	-	-	-	-	-
Salaries Secr. & Clerical Asst.	11,903	4,560	16,463	11,937	4,526
Other Salaries	21,000	-	21,000	19,404	1,596
Supplies and Materials	2,600	-	2,600	1,817	783
Total Undist. Expend.-Imprvmt of Instr. Svcs-Other Support Services-Instr.	123,478	3,710	127,188	120,283	6,905
Undist. Expend. - Educational Media Services/School Library					
Salaries	235,426	11,722	247,148	244,637	2,511
Salaries of Technology Coordinators	85,524	(85,524)	-	-	-
Purchased Prof & Tech Svc.	6,300	-	6,300	5,748	552
Other Purchased Services (400-500)	800	-	800	120	680
Supplies and Materials	31,550	1,889	33,439	27,623	5,816
Total Undist. Expend. - Educational Media Services/School Library	359,600	(71,913)	287,687	278,128	9,559
Undist. Expend. - Instruction Staff Training Services					
Salaries of Supervisors of Instruction	87,975	(850)	87,125	87,125	-
Salaries of Other Professional Staff	42,800	(2,125)	40,675	26,796	13,879
Salaries of Secretarial & Clerical Assistants	35,708	111	35,819	35,811	8
Unused Vac Payment to Term/Ret Staff	-	-	-	-	-
Purchased Professional - Educational Services	66,000	(39,745)	26,255	21,136	5,119
Other Purchased Services (400-500 series)	22,750	1,822	24,572	15,871	8,701
Supplies and Materials	36,000	-	36,000	35,388	612
Other objects	1,496	-	1,496	1,408	88
Total Undist. Expend. - Instruction Staff Training Services	292,729	(40,787)	251,942	223,535	28,407
Undist. Expend. - Support Service - General Administration					
Salaries	338,850	6,285	345,135	344,432	703
Unused Vac Payment to Term/Ret Staff	-	-	-	-	-
Legal Services	115,000	(6,569)	108,431	108,431	-
Audit Fees	23,000	(1,000)	22,000	22,000	-
Architectural/Engineering Services	10,000	55,628	65,628	9,050	56,578
Other Purchased Professional Services	750	(750)	-	-	-
Communications/Telephone	39,900	(12,629)	27,271	27,271	-
Travel -All Other	-	-	-	-	-
BOE Other Purchased Services	3,400	6,835	10,235	7,114	3,121
Misc. Purch. Serv.(400-500)	243,840	(42,750)	201,090	200,514	576
General Supplies	6,498	215	6,713	6,531	182
BOE In-house Training/Meeting Supplies	-	-	-	-	-
Judgments Against the School District	25,000	(16,655)	8,345	7,500	845
Miscellaneous Expenditures	29,400	1,955	31,355	31,350	5
Total Undist. Expend. - Support Service - General Administration	835,638	(9,435)	826,203	764,193	62,010
Undist. Expend. - Support Service - School Administration					
Salaries of Principals/Assistant principals	1,489,950	167,556	1,657,506	1,656,688	818
Salaries of Secretarial and Clerical Assistants	417,611	(5,427)	412,184	408,742	3,442
Unused Vac Payment to Term/Ret Staff	-	-	-	-	-
Other Purchased Services (400-500 series)	12,500	4,982	17,482	13,702	3,780
Supplies and Materials	7,850	(2,514)	5,336	2,800	2,536
Other Objects	14,200	(1,157)	13,043	11,270	1,773
Total Undist. Expend. - Support Service - School Administration	1,942,111	163,440	2,105,551	2,093,202	12,349

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2024

	Original Budget	Transfers/ Encumbrances	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures- Central Services					
Salaries	\$ 582,925	\$ (39,306)	\$ 543,619	\$ 504,878	\$ 38,741
Purchased Professional Services	4,600	26,380	30,980	13,825	17,155
Unused Vac Payment to Term/Ret Staff	-	-	-	-	-
Purchased Technical Services	48,800	21,414	70,214	55,181	15,033
Misc. Purchased Services	4,100	-	4,100	2,476	1,624
Supplies and Materials	7,000	422	7,422	6,951	471
Miscellaneous Expenditures	10,001	(4,441)	5,560	3,073	2,487
Total Central Services	657,426	4,469	661,895	586,384	75,511
Administration Information Technology					
Salaries	146,794	(83,794)	63,000	63,000	-
Total Admin Info tech	146,794	(83,794)	63,000	63,000	-
Required Maint for School Facilities					
Salaries	461,856	8,677	470,533	444,308	26,225
Cleaning, Repair and Maintenance Services	279,240	(39,971)	239,269	157,494	83,775
General Supplies	120,500	11,426	131,926	129,372	2,554
Other Objects	4,500	(256)	4,244	4,244	-
Total Required Maintenance for School Facilities	866,096	(20,124)	845,972	735,418	110,554
Custodial Services					
Salaries	237,301	7,365	244,666	244,659	7
Purchased Professional and Technical Services	1,703,435	(43,497)	1,659,938	1,646,270	13,668
Cleaning, Repair and Maintenance Services	69,200	28,354	97,554	83,007	14,547
Rental of Land and Building Other than Lease	12,000	-	12,000	12,000	-
Other Purchased Property Services	36,000	4,000	40,000	33,818	6,182
Insurance	229,000	6,237	235,237	221,206	14,031
Miscellaneous Purchased Services	25,000	(700)	24,300	6,282	18,018
General Supplies	9,000	(440)	8,560	-	8,560
Energy (Natural Gas)	532,000	(26,954)	505,046	297,617	207,429
Energy (Electricity)	535,000	38,248	573,248	466,623	106,625
Total Custodial services	3,387,936	12,613	3,400,549	3,011,482	389,067
Care and Upkeep of Grounds					
Purchased Professional and Technical Services	168,076	37,350	205,426	205,426	-
Cleaning, Repair and Maintenance Services	68,500	2,346	70,846	70,845	1
General Supplies	16,500	25,374	41,874	39,324	2,550
Total Care and Upkeep of Grounds	253,076	65,070	318,146	315,595	2,551
Security					
Salaries	143,421	648	144,069	143,794	275
Purchased Professional and Technical Services	198,000	37,325	235,325	173,908	61,417
Cleaning, Repair and Maintenance Services	14,100	(5,975)	8,125	3,125	5,000
General Supplies	7,500	-	7,500	-	7,500
Total Security	363,021	31,998	395,019	320,827	74,192
Total Oper. And Maintenance of Plant Services	4,870,129	89,557	4,959,686	4,383,322	576,364
Student Transportation Services					
Salaries for Pupil Transportation (Between Home and School) - Regular	552,287	(22,978)	529,309	529,247	62
Salaries for Pupil Transportation (Between Home and School) - Sp Ed	318,681	35,964	354,645	354,612	33
Salaries for Pupil Transportation (Other than Between Home and School)	94,861	2,477	97,338	85,977	11,361
Salaries for Pupil Transportation (Between Home and School) - Non Public Schools	33,059	(1,019)	32,040	30,371	1,669
Management Fee - ESC Trans. Program	40,000	4,628	44,628	42,147	2,481
Other Purchased Professional & Technical Services	13,500	16,340	29,840	26,670	3,170
Cleaning, Repair and Maint. Services	12,500	750	13,250	7,597	5,653
Contract Svc (btw Home & Sch.)-vendors	5,000	-	5,000	-	5,000
Contr Serv (Oth.than Bet Home & Sch) - Vend	72,500	5,793	78,293	11,028	67,265
Contract Svc (btw home & sch.)-joint agree	50,000	(16,213)	33,787	-	33,787
Contract Serv. (Sp Ed Stds) - Vendors	20,000	(2,553)	17,447	10,491	6,956
Contract Serv. (Reg Students) - ESCs & CSTAs	10,000	(6,902)	3,098	1,458	1,640
Contract Serv.(Spl. Ed. Students) - ESCs & CTASAs	640,000	23,648	663,648	616,684	46,964
Contr Serv. - Aid in Lieu Pymts-NonPub Sch	20,000	8,516	28,516	25,934	2,582
Misc. Purchased Services - Transportation	23,000	52	23,052	15,199	7,853
General Supplies	2,000	100	2,100	1,902	198
Transportation Supplies	153,000	(1,024)	151,976	149,437	2,539
Other Objects	500	-	500	-	500
Total Student Transportation Services	2,060,888	47,579	2,108,467	1,908,754	199,713

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Transfers/ Encumbrances</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Personal Services- Employee Benefits					
Group insurance	\$ 13,000	\$ -	\$ 13,000	\$ 11,936	\$ 1,064
Social Security Contributions	465,000	30,500	495,500	495,195	305
Other Retirement Contributions-PERS	604,000	(23,382)	580,618	577,333	3,285
Unemployment Compensation	98,500	16,500	115,000	101,164	13,836
Workmen's Compensation	250,000	(23,060)	226,940	220,134	6,806
Health Benefits	7,189,550	(328,282)	6,861,268	6,337,448	523,820
Tuition Reimbursement	7,500	9,880	17,380	13,640	3,740
Other Employee Benefits	130,000	90,945	220,945	205,235	15,710
Total Personal Services-Employee Benefits	<u>8,757,550</u>	<u>(226,899)</u>	<u>8,530,651</u>	<u>7,962,085</u>	<u>568,566</u>
ON-BEHALF CONTRIBUTIONS					
On-behalf TPAF LTDI (non-budgeted)	-	-	-	2,760	(2,760)
On-behalf TPAF OPEB (post retirement med) (non-budgeted)	-	-	-	2,176,116	(2,176,116)
On-behalf TPAF Pension Contributions (non-budgeted)	-	-	-	7,995,623	(7,995,623)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	1,604,143	(1,604,143)
TOTAL ON-BEHALF CONTRIBUTIONS	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,778,642</u>	<u>(11,778,642)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	<u>8,757,550</u>	<u>(226,899)</u>	<u>8,530,651</u>	<u>19,740,727</u>	<u>(11,210,076)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>27,514,326</u>	<u>(48,814)</u>	<u>27,465,512</u>	<u>37,144,177</u>	<u>(9,678,665)</u>
TOTAL GENERAL CURRENT EXPENDITURES	<u>47,266,909</u>	<u>112,309</u>	<u>47,379,218</u>	<u>56,771,446</u>	<u>(9,392,228)</u>
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction:					
Grades 1-5	-	9,485	9,485	9,485	-
Undist.Exp.-Req. Maint. Schl Facilities					
Support Services-students- Special Education	-	3,000	3,000	-	3,000
General Administration	-	9,603	9,603	9,603	-
Undist. Exp.-Req. Maint. Schl Facilities	-	81,627	81,627	40,181	41,446
Undist. Exp.-Care and Upkeep of Grounds	-	39,125	39,125	39,125	-
Undist. Exp.-Student Trans. - Security	-	11,415	11,415	11,415	-
Undistributed exp.-Non-Instructional services					
Non-instructional Equip.	124,466	(120,799)	3,667	3,492	175
School Buses -Regular	-	298,877	298,877	-	298,877
Total Equipment	<u>124,466</u>	<u>332,333</u>	<u>456,799</u>	<u>113,301</u>	<u>343,498</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Transfers/ Encumbrances</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	75,000	181,981	256,981	130,727	126,254
Construction Services	880,000	(8,249)	871,751	-	871,751
Assessment for Debt Service on SDA Funding	68,534	-	68,534	68,534	-
Supplies & Materials	914,000	-	914,000	-	914,000
Infrastructure	-	238,133	238,133	223,134	14,999
Total	<u>1,937,534</u>	<u>411,865</u>	<u>2,349,399</u>	<u>422,395</u>	<u>1,927,004</u>
TOTAL CAPITAL OUTLAY	<u>2,062,000</u>	<u>744,198</u>	<u>2,806,198</u>	<u>535,696</u>	<u>2,270,502</u>
 TOTAL EXPENDITURES	 <u>49,328,909</u>	 <u>856,507</u>	 <u>50,185,416</u>	 <u>57,307,142</u>	 <u>(7,121,726)</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>(3,777,202)</u>	 <u>(856,507)</u>	 <u>(4,633,709)</u>	 <u>551,279</u>	 <u>5,184,988</u>
 Fund Balance, July 1	 9,573,204	 -	 9,573,204	 9,573,204	 -
 Fund Balance, June 30	 <u>\$ 5,796,002</u>	 <u>\$ (856,507)</u>	 <u>\$ 4,939,495</u>	 <u>\$ 10,124,483</u>	 <u>\$ 5,184,988</u>
 Recapitulation:					
Restricted Fund Balance:					
Maintenance reserve				\$ 1,200,271	
Emergency Reserve				493,699	
Tuition Reserve				-	
Excess surplus - current year				1,094,523	
Excess surplus-designated for subsequent year's expenditures				1,748,898	
Capital reserve				2,957,469	
Unemployment compensation				179,038	
Assigned Fund Balance:					
Year-end encumbrances				1,066,777	
Designated for subsequent year's expenditures				401,102	
Unassigned				<u>982,706</u>	
 Reconciliation to governmental funds statements (GAAP)					
Fund balance per governmental funds (Budgetary)				10,124,483	
Last state aid payment not recognized on GAAP basis				(346,959)	
Fund balance per governmental funds (GAAP) - B-1				<u>\$ 9,777,524</u>	

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual	
REVENUES						
Local sources	\$ 340,000	\$ 161,315	\$ 501,315	\$ 624,406	\$ 123,091	
State sources	-	66,351	66,351	526	(65,825)	
Federal sources	-	2,395,418	2,395,418	2,252,078	(143,340)	
Total Revenues	340,000	2,623,084	2,963,084	2,877,010	(86,074)	
EXPENDITURES						
Instruction:						
Personal services-salaries	-	504,577	504,577	458,622	45,955	
Purchased professional and technical services	-	1,375	1,375	1,375	-	
General supplies	-	200,767	200,767	154,657	46,110	
Tuition	-	667,831	667,831	667,831	-	
Other objects	-	1,000	1,000	626	374	
Total instruction	-	1,375,550	1,375,550	1,283,111	92,439	
Support services:						
Personal services - salaries	-	34,255	34,255	34,252	3	
Purchased professional and technical services	-	48,597	48,597	20,183	28,414	
Other purchased services	-	9,226	9,226	8,718	508	
Employee benefits	-	231,854	231,854	204,790	27,064	
Travel	-	5,175	5,175	4,150	1,025	
Supplies- materials	-	15,285	15,285	10,810	4,475	
Scholarships Awarded	40,000	-	40,000	35,424	4,576	Note 1
Student Activities	300,000	-	300,000	486,056	(186,056)	Note 1
Total support services	340,000	344,392	684,392	804,383	(119,991)	
EXPENDITURES:						
Facilities acquisition and const. serv.:						
Instructional equipment	-	119,763	119,763	99,407	20,356	
Non - Instructional equipment	-	783,379	783,379	644,359	139,020	
Total facilities acquisition and const. serv.	-	903,142	903,142	743,766	159,376	
Total expenditures	340,000	2,623,084	2,963,084	2,831,260	131,824	
Total outflows	340,000	2,623,084	2,963,084	2,831,260	131,824	
Excess (deficiency) of revenues Over (under) expenditures	\$ -	\$ -	\$ -	\$ 45,750	\$ 45,750	
Fund Balance, July 1				325,553		
Fund Balance, June 30				\$ 371,303		
Recapitulation:						
Restricted:						
Scholarships				\$ 22,578		
Student Activities				348,725		
Total Fund Balance				\$ 371,303		

Note 1 - Not required to budget for these funds.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to Required Supplementary Information
For the Year Ended June 30, 2024

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

		<u>General Fund</u>		<u>Special Revenue Fund</u>
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue"				
from the budgetary comparison schedule	[C-1]	\$ 57,858,421	[C-2]	\$ 2,877,010
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-		24,719
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(7,995,623)		
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(346,959)		-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		372,068		-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u>\$ 49,887,907</u>	[B-2]	<u>\$ 2,901,729</u>
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the				
budgetary comparison schedule	[C-1]	\$ 57,307,142	[C-2]	\$ 2,831,260
Differences - budget to GAAP:				
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(7,995,623)		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		-		24,719
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	<u>\$ 49,311,519</u>	[B-2]	<u>\$ 2,855,979</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

Last 10 Fiscal Years*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
District's proportion of the net pension liability	0.0387504353%	0.0385013092%	0.0388881759%	0.0380292083%	0.0360635693%	0.0353807008%	0.0369722713%	0.0356314763%	0.0443998520%	0.0420206918%
District's proportionate share of the net pension liability	\$ 7,586,149	\$ 8,988,249	\$ 11,517,562	\$ 8,852,592	\$ 7,100,737	\$ 6,375,066	\$ 10,604,403	\$ 4,221,083	\$ 6,700,555	\$ 6,086,434
District's covered-employee payroll	\$ -	\$ 2,649,489	\$ 2,581,190	\$ 2,603,676	\$ 2,521,839	\$ 2,638,945	\$ 2,625,680	\$ 3,217,060	\$ 3,204,952	\$ 3,179,416
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	339.24%	446.21%	340.01%	281.57%	241.58%	403.87%	131.21%	209.07%	191.43%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	62.91%	65.23%

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

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

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Required Supplementary Information
Schedule of District Contributions-PERS
For the Year Ended June 30, 2024

Last 10 Fiscal Years*

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Contractually required contributions	\$ 319,453	\$ 331,008	\$ 350,509	\$ 353,765	\$ 359,696	\$ 345,157	\$ 404,458	\$ 417,286	\$ 559,904	\$ 561,618
Contributions in relation to the contractually required contribution	<u>316,156</u>	<u>328,284</u>	<u>351,396</u>	<u>377,811</u>	<u>373,299</u>	<u>341,279</u>	<u>424,257</u>	<u>425,024</u>	<u>569,066</u>	<u>577,333</u>
Contribution deficiency (excess)	<u>\$ 3,297</u>	<u>\$ 2,724</u>	<u>\$ (887)</u>	<u>\$ (24,046)</u>	<u>\$ (13,603)</u>	<u>\$ 3,878</u>	<u>\$ (19,799)</u>	<u>\$ (7,738)</u>	<u>\$ (9,162)</u>	<u>\$ (15,715)</u>
District's covered-employee payroll	\$ 2,649,489	\$ 2,581,190	\$ 2,603,676	\$ 2,521,839	\$ 2,638,945	\$ 2,625,680	\$ 3,217,060	\$ 3,204,952	\$ 3,179,416	\$ 3,340,149
Contributions as a percentage of covered-employee payroll	12.06%	12.82%	13.46%	14.03%	13.63%	13.15%	12.57%	13.02%	17.61%	16.81%

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

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

Last 10 Fiscal Years*

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
State's proportion of the net pension liability associated with the District	0.1758938202%	0.1781194611%	0.1790230154%	0.1786614856%	0.1804508046%	0.1809404840%	0.1804069784%	0.1834753415%	0.1812537193%	0.1816655778%
State's proportionate share of the net pension liability associated with the District	\$ 94,009,522	\$ 112,579,106	\$ 140,830,902	\$ 120,460,016	\$ 114,798,926	\$ 111,044,883	\$ 118,795,824	\$ 88,206,117	\$ 93,516,798	\$ 92,708,794
District's covered-employee payroll	\$ 17,900,386	\$ 18,691,714	\$ 19,175,968	\$ 19,364,482	\$ 19,621,646	\$ 20,155,145	\$ 20,506,372	\$ 21,533,183	\$ 21,703,698	\$ 22,232,021
Proportionate share of the net pension liability as a percentage of District's covered-employee payroll	525.18%	602.29%	734.41%	622.07%	585.06%	550.95%	579.31%	409.63%	430.88%	417.01%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	34.68%

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

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

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

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

Last 10 Fiscal Years*

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
State's proportion of the OPEB liability associated with the District							
Service cost	\$ 4,303,725	\$ 3,566,388	\$ 3,096,990	\$ 3,179,273	\$ 5,837,360	\$ 4,976,675	\$ 3,944,577
Interest cost	3,379,563	3,907,922	3,602,181	2,944,116	3,106,949	2,678,788	3,667,908
Changes in benefit terms	-	-	-	-	(127,480)	-	-
Differences between expected and actual experiences	-	(10,221,930)	(14,592,402)	25,524,233	(23,125,192)	3,341,583	(1,992,960)
Changes in assumptions	(14,001,282)	(10,464,907)	1,223,807	24,902,394	118,162	(27,116,188)	209,916
Member contributions	91,054	84,278	74,688	71,936	79,429	85,123	93,995
Gross benefit payments	<u>(2,472,793)</u>	<u>(2,438,481)</u>	<u>(2,519,585)</u>	<u>(2,373,354)</u>	<u>(2,447,405)</u>	<u>(2,653,419)</u>	<u>(2,859,194)</u>
Net change in total OPEB liability	(8,699,733)	(15,566,730)	(9,114,321)	54,248,598	(16,558,177)	(18,687,438)	3,064,242
Total State's OPEB liability - beginning	<u>115,459,931</u>	<u>106,760,198</u>	<u>91,193,468</u>	<u>82,079,147</u>	<u>136,327,745</u>	<u>119,769,568</u>	<u>101,082,130</u>
Total State's OPEB liability - ending	<u>\$ 106,760,198</u>	<u>\$ 91,193,468</u>	<u>\$ 82,079,147</u>	<u>\$ 136,327,745</u>	<u>\$ 119,769,568</u>	<u>\$ 101,082,130</u>	<u>\$ 104,146,372</u>
District's covered employee payroll	\$ 24,966,083	\$ 25,198,496	\$ 25,526,682	\$ 26,510,135	\$ 27,936,881	\$ 28,116,919	\$ 29,145,248
Total State's OPEB liability as a percentage of covered employee payroll	428%	362%	322%	514%	429%	360%	357%

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

Point Pleasant Borough Board of Education
Notes to the Required Supplementary Information - Part III
For the Year Ended June 30, 2024

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None .

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

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None .

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

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None .

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

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules
Not Applicable

E. Special Revenue Fund

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedules of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2024

	Title I 23/24	IDEA-Part B-Basic Reg Prog 23/24	IDEA-Part B Preschool 23/24	Title IV 23/24	Title II Part A 23/24	High Impact Tutoring Grant 23/24
Revenues:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	313,124	691,472	9,269	33,482	52,646	58,468
Total revenues	<u>313,124</u>	<u>691,472</u>	<u>9,269</u>	<u>33,482</u>	<u>52,646</u>	<u>58,468</u>
Expenditures:						
Instruction:						
Salaries of teachers	203,667	-	-	-	-	21,258
Purchased services	-	-	-	-	-	-
General supplies	-	14,325	980	14,614	-	37,210
Tuition	-	665,831	-	-	-	-
Other Objects	-	-	626	-	-	-
Total instruction	<u>203,667</u>	<u>680,156</u>	<u>1,606</u>	<u>14,614</u>	<u>-</u>	<u>58,468</u>
Support services:						
Other support services -						
students - special:						
Salaries of other professional staff	-	-	-	-	34,252	-
Prof. and tech. services	-	3,920	7,663	7,000	-	-
Other purchased services	-	-	-	7,098	-	-
Employee benefits	109,428	-	-	-	18,394	-
Travel	-	-	-	4,150	-	-
Supplies and materials	29	7,396	-	620	-	-
Scholarships Awarded	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-
Total other support services -	<u>109,457</u>	<u>11,316</u>	<u>7,663</u>	<u>18,868</u>	<u>52,646</u>	<u>-</u>
students - special						
Total support services	<u>109,457</u>	<u>11,316</u>	<u>7,663</u>	<u>18,868</u>	<u>52,646</u>	<u>-</u>
Equipment:						
Regular programs instruction	-	-	-	-	-	-
Non-instructional equipment	-	-	-	-	-	-
Total equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 313,124</u>	<u>\$ 691,472</u>	<u>\$ 9,269</u>	<u>\$ 33,482</u>	<u>\$ 52,646</u>	<u>\$ 58,468</u>
Excess (deficiency) of revenues						
Over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedules of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2024

	Scholarship 23/24	Climate Awareness 23/24	CRRSA ESSER II 23/24	CRRSA Learning Acceleration 23/24	CRRSA Mental Health 23/24
Revenues:					
Local sources	\$ 31,865	\$ -	\$ -	\$ -	\$ -
State sources	-	526	-	-	-
Federal sources	-	-	15,092	12,049	1,912
Total revenues	<u>31,865</u>	<u>526</u>	<u>15,092</u>	<u>12,049</u>	<u>1,912</u>
Expenditures:					
Instruction:					
Salaries of teachers	-	-	15,092	10,293	-
Purchased services	-	-	-	-	1,375
General supplies	-	526	-	28	-
Tuition	-	-	-	-	-
Other Objects	-	-	-	-	-
Total instruction	<u>-</u>	<u>526</u>	<u>15,092</u>	<u>10,321</u>	<u>1,375</u>
Support services:					
Other support services -					
students - special:					
Salaries of other professional staff	-	-	-	-	-
Prof. and tech. services	-	-	-	-	-
Other purchased services	-	-	-	-	-
Employee benefits	-	-	-	-	-
Travel	-	-	-	-	-
Supplies and materials	-	-	-	1,728	537
Scholarships awarded	35,424	-	-	-	-
Student activities	-	-	-	-	-
Total other support services -	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
students - special	<u>35,424</u>	<u>-</u>	<u>-</u>	<u>1,728</u>	<u>537</u>
Total support services	<u>35,424</u>	<u>-</u>	<u>-</u>	<u>1,728</u>	<u>537</u>
Equipment:					
Regular programs instruction	-	-	-	-	-
Non-instructional equipment	-	-	-	-	-
Total equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 35,424</u>	<u>\$ 526</u>	<u>\$ 15,092</u>	<u>\$ 12,049</u>	<u>\$ 1,912</u>
Excess (deficiency) of revenues					
Over (under) expenditures	<u>(3,559)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>26,137</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 22,578</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedules of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2024

	ARP IDEA BASIC 23/24	ARP Homeless 23/24	ARP Summer Learning & Enrichment 23/24	ARP Evidence Based Comprehensive 23/24
Revenues:				
Local sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	2,000	1,620	13,137	20,126
Total revenues	<u>2,000</u>	<u>1,620</u>	<u>13,137</u>	<u>20,126</u>
Expenditures:				
Instruction:				
Salaries of teachers	-	-	13,137	20,126
Purchased services	-	-	-	-
General supplies	-	-	-	-
Tuition	2,000	-	-	-
Other Objects	-	-	-	-
Total instruction	<u>2,000</u>	<u>-</u>	<u>13,137</u>	<u>20,126</u>
Support services:				
Other support services -				
students - special:				
Salaries of other professional staff	-	-	-	-
Prof. and tech. services	-	-	-	-
Other purchased services	-	1,620	-	-
Employee benefits	-	-	-	-
Travel	-	-	-	-
Supplies and materials	-	-	-	-
Scholarships awarded	-	-	-	-
Student activities	-	-	-	-
Total other support services -				
students - special	<u>-</u>	<u>1,620</u>	<u>-</u>	<u>-</u>
Total support services	<u>-</u>	<u>1,620</u>	<u>-</u>	<u>-</u>
Equipment:				
Regular programs instruction	-	-	-	-
Non-instructional equipment	-	-	-	-
Total equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 2,000</u>	<u>\$ 1,620</u>	<u>\$ 13,137</u>	<u>\$ 20,126</u>
Excess (deficiency) of revenues				
Over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

* Represents scholarship fund net position as of June 30, 2021

**Represents the student activity fund ending balance as of June 30, 2021 for payable to student groups

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedules of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2024

(Continued from prior page)

	Student Activity 23/24	ARP Learning Acceleration 23/24	ARP ESSER 23/24	Other	Total 2024
Revenues:					
Local sources	\$ 535,365	\$ -	\$ -	\$ 57,176	\$ 624,406
State sources	-	-	-	-	526
Federal sources	-	35,238	992,443	-	2,252,078
Total revenues	535,365	35,238	992,443	57,176	2,877,010
Expenditures:					
Instruction:					
Salaries of teachers	-	-	175,049	-	458,622
Purchased services	-	-	-	-	1,375
Other purchased services	-	-	-	-	-
General supplies	-	35,238	24,051	27,685	154,657
Tuition	-	-	-	-	667,831
Other objects	-	-	-	-	626
Total instruction	-	35,238	199,100	27,685	1,283,111
Support services:					
Other support services -					
students - special:					
Salaries of other professional staff	-	-	-	-	34,252
Prof. and tech. services	-	-	-	1,600	20,183
Other purchased services	-	-	-	-	8,718
Employee benefits	-	-	76,968	-	204,790
Travel	-	-	-	-	4,150
Supplies and materials	-	-	-	500	10,810
Scholarships Awarded	-	-	-	-	35,424
Student Activities	486,056	-	-	-	486,056
Total other support services -	486,056	-	76,968	2,100	804,383
students - special					
Total support services	486,056	-	76,968	2,100	804,383
Equipment:					
Instruction equipment	-	-	99,407	-	99,407
Non-instructional equipment	-	-	616,968	27,391	644,359
Total equipment	-	-	716,375	27,391	743,766
Total expenditures	\$ 486,056	\$ 35,238	\$ 992,443	\$ 57,176	\$ 2,831,260
Excess (deficiency) of revenues					
Over (under) expenditures	49,309	-	-	-	45,750
Fund Balance, July 1	299,416	-	-	-	325,553
Fund Balance, June 30	\$ 348,725	\$ -	\$ -	\$ -	\$ 371,303

F. Capital Projects Fund

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Year Ended June 30, 2024

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations June 30, 2024
			Prior Years	Current Year	
HVAC - Ocean Road	2/13/2023	1,499,475	736,245	667,139	96,091
HVAC - Nellie Bennet	2/13/2023	1,575,525	736,245	595,789	243,491
Totals		<u>\$ 3,075,000</u>	<u>\$ 1,472,490</u>	<u>\$ 1,262,928</u>	<u>\$ 339,582</u>

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

Revenues and Other Financing Sources

State Sources - Grants	\$ -
Bond proceeds and transfers	-
Contribution from private source	-
Transfer from capital reserve	-
Transfer from capital outlay	-
Total revenues	-

Expenditures and Other Financing Uses

Purchased professional and technical services	-
Land and improvements	-
Construction services	-
Other objects	-
Equipment purchases	-
Transfer to debt service fund	-
Total expenditures	-

Excess of revenues over expenditures -

Fund balance - beginning -

Fund balance - ending \$ -

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status-Budgetary Basis
HVAC - Ocean Road
For the Year Ended June 30, 2024

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SSB-VEEVR Grant	\$ 1,499,475	\$ -	\$ 1,499,475	\$ 1,499,475
Bond proceeds and transfers	-	-	-	-
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	-	-	-
Transfer from capital outlay	-	-	-	-
Total revenues	<u>1,499,475</u>	<u>-</u>	<u>1,499,475</u>	<u>1,499,475</u>
Expenditures and Other Financing Uses				
Purchased prof. and tech. services	-	-	-	-
Land and improvements	-	-	-	-
Construction services	1,499,475	-	1,499,475	1,499,475
Equipment purchases	-	-	-	-
Total expenditures	<u>1,499,475</u>	<u>-</u>	<u>1,499,475</u>	<u>1,499,475</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional project information:				
Project Number	68335			
Grant Date	2/13/2023			
Bond Authorization Date				
Bonds Authorized				
Bonds Issued				
Original Authorized Cost	1,499,475			
Additional Authorized Cost	-			
Revised Authorized Cost	1,499,475			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	100.00%			
Original target completion date	-			
Revised target completion date	-			

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status-Budgetary Basis
HVAC - Nellie Bennett
For the Year Ended June 30, 2024

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SSB-VEEVR Grant	\$ 1,575,525	\$ -	\$ 1,575,525	\$ 1,575,525
Bond proceeds and transfers	-	-	-	-
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	-	-	-
Transfer from capital outlay	-	-	-	-
Total revenues	<u>1,575,525</u>	<u>-</u>	<u>1,575,525</u>	<u>1,575,525</u>
Expenditures and Other Financing Uses				
Purchased prof. and tech. services	-	-	-	-
Land and improvements	-	-	-	-
Construction services	1,575,525	-	1,575,525	1,575,525
Equipment purchases	-	-	-	-
Total expenditures	<u>1,575,525</u>	<u>-</u>	<u>1,575,525</u>	<u>1,575,525</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

H. Fiduciary Funds
Not Applicable

I. Long-Term Debt

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Long-Term Debt
Schedule of Serial Bonds
June 30, 2024

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount Of Issue</u>	<u>Annual Maturities</u> <u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance</u> <u>July 1, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Refinanced</u>	<u>Balance</u> <u>June 30, 2024</u>
2024 Bonds		8,520,000								
			1/15/2025	700,000	5.000%	\$ -	\$ 8,520,000	\$ -	\$ -	\$ 8,520,000
			1/15/2026	690,000	5.000%					
			1/15/2027	735,000	5.000%					
			1/15/2028	775,000	5.000%					
			1/15/2029	820,000	5.000%					
			1/15/2030	865,000	5.000%					
			1/15/2031	915,000	5.000%					
			1/15/2032	965,000	5.000%					
			1/15/2033	1,025,000	5.000%					
			1/15/2034	1,030,000	5.000%					
2014 Bonds		15,948,000								
			1/15/2025	795,000	3.000%					
			1/15/2026	825,000	3.000%					
			1/15/2027	860,000	3.125%					
			1/15/2028	890,000	3.250%					
			1/15/2029	925,000	3.500%					
			1/15/2030	965,000	3.500%					
			1/15/2031	1,005,000	4.000%					
			1/15/2032	1,045,000	4.000%					
			1/15/2033	1,100,000	4.000%					
			1/15/2034	1,098,000	4.250%	10,268,000	-	(760,000)	(9,508,000)	-
					\$ 10,268,000	\$ 8,520,000	\$ (760,000)	\$ (9,508,000)	\$ 8,520,000	

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 743,169	\$ -	\$ 743,169	\$ 743,169	\$ -
Miscellaneous	-	-	-	-	-
State Sources:					
Debt Service Aid Type II	382,846	-	382,846	382,846	-
Debt Service Aid Type I	-	-	-	-	-
Total - State Sources	382,846	-	382,846	382,846	-
Total Revenues	1,126,015	-	1,126,015	1,126,015	-
EXPENDITURES:					
Regular Debt Service:					
Interest	366,015	-	366,015	366,015	-
Redemption of Principal	760,000	-	760,000	760,000	-
Total Regular Debt Service	1,126,015	-	1,126,015	1,126,015	-
Total Expenditures	1,126,015	-	1,126,015	1,126,015	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources:					
Bond premium	-	-	-	1,101,264	1,101,264
Bond refunding costs	-	-	-	(113,264)	(113,264)
Payoff old bonds & interest	-	-	-	(9,508,000)	(9,508,000)
Issue new bonds	-	-	-	8,520,000	8,520,000
	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

**Point Pleasant Borough School District
Statistical Section**

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	103-108
Revenue Capacity	
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	109-112
Debt Capacity	
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.	113-116
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	117-118
Operating Information	
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.	119-123

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

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 14,660,093	\$ 17,825,529	\$ 19,506,349	\$ 20,159,519	\$ 19,471,452	\$ 19,171,432	\$ 18,762,838	\$ 19,220,639	\$ 21,452,455	\$ 22,082,361
Restricted	8,387,132	7,034,632	5,153,385	4,310,817	5,010,429	3,493,833	3,804,335	3,701,474	7,224,983	8,384,783
Unrestricted	(8,587,002)	(9,176,049)	(9,275,755)	(9,129,249)	(8,725,091)	(6,469,048)	(10,215,572)	(3,891,374)	(3,740,686)	(4,665,750)
Total governmental activities net position	<u>14,460,223</u>	<u>15,684,112</u>	<u>15,383,979</u>	<u>15,341,087</u>	<u>15,756,790</u>	<u>16,196,217</u>	<u>12,351,601</u>	<u>19,030,739</u>	<u>24,936,752</u>	<u>25,801,394</u>
Business-type activities										
Net investment in capital assets	1,196,974	1,199,322	1,197,746	1,193,076	1,193,713	1,191,057	1,187,499	1,184,595	1,208,644	1,203,448
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	291,366	260,712	267,204	301,828	416,134	412,733	296,514	654,153	717,356	550,247
Total business-type activities net position	<u>1,488,340</u>	<u>1,460,034</u>	<u>1,464,950</u>	<u>1,494,904</u>	<u>1,609,847</u>	<u>1,603,790</u>	<u>1,484,013</u>	<u>1,838,748</u>	<u>1,926,000</u>	<u>1,753,695</u>
District-wide										
Net investment in capital assets	15,857,067	19,024,851	20,704,095	21,352,595	20,665,165	20,362,489	19,950,337	20,405,234	22,661,099	23,285,809
Restricted	8,387,132	7,034,632	5,153,385	4,310,817	5,010,429	3,493,833	3,804,335	3,701,474	7,224,983	8,384,783
Unrestricted	(8,295,636)	(8,915,337)	(9,008,551)	(8,827,421)	(8,308,957)	(6,056,315)	(9,919,058)	(3,237,221)	(3,023,330)	(4,115,503)
Total district net position	<u>\$ 15,948,563</u>	<u>\$ 17,144,146</u>	<u>\$ 16,848,929</u>	<u>\$ 16,835,991</u>	<u>\$ 17,366,637</u>	<u>\$ 17,800,007</u>	<u>\$ 13,835,614</u>	<u>\$ 20,869,487</u>	<u>\$ 26,862,752</u>	<u>\$ 27,555,089</u>

Source: ACFR Schedule A-1 and District records.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
Instruction										
Regular	\$ 14,674,596	\$ 14,819,690	\$ 15,896,411	\$ 16,112,870	\$ 16,695,376	\$ 16,713,456	\$ 17,913,240	\$ 16,966,289	\$ 17,047,810	\$ 17,393,685
Special education	2,946,981	2,920,712	3,109,208	3,206,397	3,364,389	3,274,039	3,552,891	4,190,933	4,417,162	4,486,564
Other special education	1,063,130	1,331,703	1,462,947	1,386,138	1,250,873	1,155,341	1,206,920	1,330,250	1,325,959	1,334,780
Support Services:										
Instruction	2,161,268	1,822,569	2,296,656	2,215,935	2,270,969	2,103,732	2,361,123	1,963,498	2,034,364	2,188,642
Attendance and social work	154,912	156,899	169,080	137,300	139,933	145,778	151,294	148,829	154,184	150,739
Health services	462,161	436,770	423,168	464,339	458,352	477,314	447,901	465,172	437,484	438,337
Improvement of instr. services	133,043	110,031	110,245	131,322	122,300	126,719	183,195	144,559	131,111	145,993
Educational media services	328,310	364,946	373,257	384,880	400,734	391,605	284,260	405,260	335,771	278,128
Instruction staff training	198,381	231,039	239,887	266,735	274,032	230,057	223,044	267,396	225,998	223,535
School Administrative services	1,788,050	2,229,154	2,255,125	1,850,275	2,018,978	2,375,129	2,183,288	2,312,343	2,215,480	1,738,958
General administration	770,622	712,571	744,034	758,497	718,518	750,159	855,867	750,842	823,425	764,193
Central Services	553,778	566,109	572,119	590,110	592,961	596,544	644,288	633,092	706,715	586,384
Plant operations and maintenance	3,389,038	3,415,723	3,746,159	3,673,536	3,673,294	3,668,687	4,071,911	4,353,157	4,255,056	4,466,647
Administrative information technology	90,530	115,541	118,423	121,872	125,403	129,036	134,346	137,496	139,382	63,000
Pupil transportation	1,466,909	1,294,826	1,401,815	1,424,874	1,419,717	1,523,475	1,341,566	1,851,285	2,026,045	1,908,754
Other support services	3,242,310	3,472,910	3,476,966	3,599,518	3,653,278	3,601,985	3,987,778	4,655,270	4,697,420	5,216,784
Business and other support services	-	-	-	-	-	-	-	-	-	-
Non-budgeted expenditures	2,827,241	3,043,220	3,036,348	3,202,290	3,026,302	2,910,764	3,237,595	3,312,548	3,533,292	3,783,019
Special Schools	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	737,605	701,887	623,624	591,163	551,296	509,083	465,629	372,100	324,233	366,015
Unallocated employee benefits	6,299,246	6,512,214	6,395,897	6,972,665	7,117,472	7,785,852	12,399,759	929,249	6,838,273	7,516,852
Total governmental activities expenses	43,288,111	44,258,514	46,451,369	47,090,716	47,874,177	48,468,755	55,645,895	45,189,568	51,669,164	53,051,009
Business-type activities:										
Food service	754,676	750,258	743,111	766,444	729,825	534,722	466,481	858,946	747,277	834,665
Child Care	355,840	346,499	353,107	350,695	362,303	301,313	57,928	435,327	466,606	477,056
Total business-type activities expense	1,110,516	1,096,757	1,096,218	1,117,139	1,092,128	836,035	524,409	1,294,273	1,213,883	1,311,721
Total district expenses	\$ 44,398,627	\$ 45,355,271	\$ 47,547,587	\$ 48,207,855	\$ 48,966,305	\$ 49,304,790	\$ 56,170,304	\$ 46,483,841	\$ 52,883,047	\$ 54,362,730
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pupil transportation	-	-	-	-	-	-	-	-	-	-
Central and other support services	-	-	-	-	-	-	247,638	375,480	474,844	535,365
Operating grants and contributions	2,827,241	3,043,220	3,987,611	4,190,684	4,059,338	3,876,507	5,119,267	4,973,932	6,504,502	6,148,857
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	2,827,241	3,043,220	3,987,611	4,190,684	4,059,338	3,876,507	5,366,905	5,349,412	6,979,346	6,684,222

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-type activities:										
Charges for services										
Food service	\$ 572,540	\$ 499,230	\$ 533,007	\$ 582,591	\$ 607,688	\$ 381,217	\$ 64,830	\$ 174,445	\$ 491,204	\$ 498,970
Child Care	357,986	375,772	366,936	382,875	414,796	279,999	-	414,078	442,172	360,883
Operating grants and contributions	201,381	193,449	201,191	181,627	183,903	168,357	339,800	1,060,300	366,010	277,486
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	<u>1,131,907</u>	<u>1,068,451</u>	<u>1,101,134</u>	<u>1,147,093</u>	<u>1,206,387</u>	<u>829,573</u>	<u>404,630</u>	<u>1,648,823</u>	<u>1,299,386</u>	<u>1,137,339</u>
Total district program revenues	<u>\$ 3,959,148</u>	<u>\$ 4,111,671</u>	<u>\$ 5,088,745</u>	<u>\$ 5,337,777</u>	<u>\$ 5,265,725</u>	<u>\$ 4,706,080</u>	<u>\$ 5,771,535</u>	<u>\$ 6,998,235</u>	<u>\$ 8,278,732</u>	<u>\$ 7,821,561</u>
Net (Expense)/Revenue										
Governmental activities	\$ (40,460,870)	\$ (41,215,294)	\$ (42,463,758)	\$ (42,900,078)	\$ (43,816,739)	\$ (44,592,248)	\$ (50,278,990)	\$ (39,840,156)	\$ (44,689,818)	\$ (46,366,787)
Business-type activities	21,391	(28,306)	4,916	30,000	114,259	(6,462)	(119,779)	354,550	85,503	(174,382)
Total district-wide net expense	<u>\$ (40,439,479)</u>	<u>\$ (41,243,600)</u>	<u>\$ (42,458,842)</u>	<u>\$ (42,870,078)</u>	<u>\$ (43,702,480)</u>	<u>\$ (44,598,710)</u>	<u>\$ (50,398,769)</u>	<u>\$ (39,485,606)</u>	<u>\$ (44,604,315)</u>	<u>\$ (46,541,169)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 31,294,686	\$ 32,064,138	\$ 32,707,297	\$ 33,716,844	\$ 35,251,375	\$ 36,468,350	\$ 37,440,787	\$ 38,194,385	\$ 38,958,273	\$ 40,181,957
Taxes levied for debt service	1,880,378	1,904,172	1,886,711	1,446,771	1,453,790	1,464,315	1,466,446	1,473,882	1,476,223	743,169
Unrestricted grants and contributions	7,845,048	7,607,932	6,877,220	7,039,440	6,674,092	6,316,185	6,332,432	6,025,928	8,785,194	4,837,776
Tuition Received	-	-	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	43,375	32,933	117,051	182,422
Miscellaneous income	556,592	862,941	692,397	654,085	851,285	782,825	706,137	792,166	1,259,090	1,286,105
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>41,576,704</u>	<u>42,439,183</u>	<u>42,163,625</u>	<u>42,857,140</u>	<u>44,230,542</u>	<u>45,031,675</u>	<u>45,989,177</u>	<u>46,519,294</u>	<u>50,595,831</u>	<u>47,231,429</u>
Business-type activities:										
Miscellaneous income	-	-	-	-	684	405	2	185	1,749	2,077
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>684</u>	<u>405</u>	<u>2</u>	<u>185</u>	<u>1,749</u>	<u>2,077</u>
Total district-wide	<u>\$ 41,576,704</u>	<u>\$ 42,439,183</u>	<u>\$ 42,163,625</u>	<u>\$ 42,857,140</u>	<u>\$ 44,231,226</u>	<u>\$ 45,032,080</u>	<u>\$ 45,989,179</u>	<u>\$ 46,519,479</u>	<u>\$ 50,597,580</u>	<u>\$ 47,233,506</u>
Change in Position										
Governmental activities	\$ 1,115,834	\$ 1,223,889	\$ (300,133)	\$ (42,892)	\$ 415,703	\$ 439,427	\$ (4,289,813)	\$ 6,679,138	\$ 5,906,013	\$ 864,642
Business-type activities	21,391	(28,306)	4,916	29,954	114,943	(6,057)	(119,777)	354,735	87,252	(172,305)
Total district	<u>\$ 1,137,225</u>	<u>\$ 1,195,583</u>	<u>\$ (295,217)</u>	<u>\$ (12,938)</u>	<u>\$ 530,646</u>	<u>\$ 433,370</u>	<u>\$ (4,409,590)</u>	<u>\$ 7,033,873</u>	<u>\$ 5,993,265</u>	<u>\$ 692,337</u>

Source: ACFR Schedule A-2 and District records.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	\$ -	\$ -	\$ 2,687,434	\$ 2,393,260	\$ 3,157,915	\$ 3,493,833	\$ 3,531,941	\$ 3,425,070	\$ 5,296,920	\$ 7,673,898
Committed	-	-	678,590	-	-	-	-	-	-	-
Assigned	-	-	1,549,707	2,391,152	2,481,786	2,731,637	3,329,409	2,957,609	3,006,507	1,467,879
Unassigned	-	-	569,888	560,054	681,311	709,875	965,876	1,737,195	897,709	635,747
Reserved	5,465,918	6,174,742	-	-	-	-	-	-	-	-
Unreserved	417,488	373,101	-	-	-	-	-	-	-	-
Total general fund	<u>\$ 5,883,406</u>	<u>\$ 6,547,843</u>	<u>\$ 5,485,619</u>	<u>\$ 5,344,466</u>	<u>\$ 6,321,012</u>	<u>\$ 6,935,345</u>	<u>\$ 7,827,226</u>	<u>\$ 8,119,874</u>	<u>\$ 9,201,136</u>	<u>\$ 9,777,524</u>
All Other Governmental Funds										
Reserved	\$ 1,749,259	\$ 767,196	\$ 219,919	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted										
Special revenue fund	-	-	-	-	-	-	272,394	276,404	325,553	371,303
Debt service fund				-	-	-	-	-	-	-
Capital projects fund	1,171,955	92,694	17,735	22,557	-	-	-	-	1,602,510	339,582
Total all other governmental funds	<u>\$ 2,921,214</u>	<u>\$ 859,890</u>	<u>\$ 237,654</u>	<u>\$ 22,557</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272,394</u>	<u>\$ 276,404</u>	<u>\$ 1,928,063</u>	<u>\$ 710,885</u>

Source: ACFR Schedule B-1 and District records.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax levy	33,175,064	33,968,310	34,594,008	35,163,615	36,705,165	37,932,665	38,907,233	39,668,267	40,434,496	40,925,126
Tuition charges	189,795	282,985	251,974	195,216	194,618	216,907	259,259	267,433	359,197	325,665
Interest earnings	60,219	-	69,125	29,632	46,904	43,600	43,375	32,933	117,051	182,422
Miscellaneous	234,288	452,032	277,056	294,996	485,368	405,085	663,979	806,629	1,270,459	1,415,273
Transportation fees	69,491	121,946	115,234	124,808	113,415	114,893	116,740	161,221	168,620	162,053
State sources	9,699,903	9,687,203	9,868,803	9,868,295	9,645,409	9,195,885	9,464,659	9,293,062	11,917,887	8,592,323
Federal sources	972,386	963,949	996,028	1,361,829	1,088,021	996,807	1,910,168	1,623,515	3,298,448	2,305,269
Other financing sources	2,799	5,978	1,669	12,065	1,418	4,190	5,500	15,646	9,019	7,520
Total revenue	44,403,945	45,482,403	46,173,897	47,050,456	48,280,318	48,910,032	51,370,913	51,868,706	57,575,177	53,915,651
Expenditures										
Instruction										
Regular Instruction	13,235,531	13,294,919	13,595,816	13,746,803	14,270,258	14,558,433	15,886,922	14,951,786	15,010,365	15,238,971
Special education instruction	2,896,191	2,866,897	3,028,010	3,122,889	3,278,797	3,197,979	3,481,374	4,119,833	4,345,252	4,410,515
Other special instruction	1,054,665	1,322,734	1,449,414	1,372,220	1,236,608	1,142,665	1,195,000	1,318,400	1,313,974	1,322,105
Support Services:										
Instruction	2,017,361	1,670,092	2,066,596	1,979,328	2,028,457	1,888,230	2,158,491	1,762,048	1,830,620	1,973,171
Attendance and social work	154,912	156,899	169,080	137,300	139,933	145,778	151,294	148,829	154,184	150,739
Health services	462,161	436,770	423,168	464,339	458,352	477,314	447,901	465,172	437,484	438,337
Other support services	3,242,310	3,472,910	3,476,966	3,599,518	3,653,278	3,601,985	3,987,778	4,655,270	4,697,420	5,216,784
Improvement of instruction	133,043	110,031	110,245	131,322	122,300	126,719	183,195	144,559	131,111	145,993
Educational media services	328,310	364,946	373,257	384,880	400,734	391,605	284,260	405,260	335,771	278,128
Instruction staff training	198,381	231,039	239,887	266,735	274,032	230,057	223,044	267,396	225,998	223,535
General administrative services	770,622	712,571	744,034	758,497	718,518	750,159	855,867	750,842	823,425	764,193
School administrative services	1,816,759	1,835,486	1,878,647	1,915,662	1,931,736	2,008,801	2,065,263	2,070,182	2,114,158	2,093,202
School central services	553,778	566,109	572,119	590,110	592,961	596,544	644,288	633,092	706,715	586,384
School admin info technology	90,530	115,541	118,423	121,872	125,403	129,036	134,346	137,496	139,382	63,000
Allowed maintenance for school facilities	826,065	760,504	822,302	773,300	878,718	865,562	922,342	941,161	754,465	735,418
Other operation & maintenance of plant	2,461,693	2,586,685	2,881,105	2,958,330	2,797,746	2,980,647	3,108,162	3,367,461	3,432,053	3,647,904
Student transportation services	1,466,909	1,294,826	1,401,815	1,424,874	1,419,717	1,523,475	1,341,566	1,851,285	2,026,045	1,908,754
Business and other support services	-	-	-	-	-	-	-	-	-	-
Unallocated employee benefits	6,287,691	6,307,407	6,394,684	6,780,230	7,197,203	7,976,862	7,845,970	7,024,989	7,808,961	7,962,085
Non-budgeted expenditures	2,827,241	3,043,220	3,036,348	3,202,290	3,026,302	2,910,764	3,237,595	3,312,548	3,533,292	3,783,019
Special Schools	-	-	-	-	-	-	-	-	-	-
Charter Schools	-	-	-	-	-	-	-	-	-	-
Capital outlay	9,856,054	3,405,014	2,769,001	1,860,242	949,911	955,269	653,462	1,391,724	3,163,516	2,488,189
Debt service:										
Principal	1,565,000	1,580,000	1,610,000	1,165,000	1,215,000	1,270,000	1,320,000	1,375,000	1,435,000	760,000
Interest and other charges	770,629	744,690	697,440	650,965	610,365	568,015	523,715	477,715	423,065	366,015
Total expenditures	53,015,836	46,879,290	47,858,357	47,406,706	47,326,329	48,295,699	50,651,835	51,572,048	54,842,256	54,556,441
Excess (Deficiency) of revenues over (under) expenditures	(8,611,891)	(1,396,887)	(1,684,460)	(356,250)	953,989	614,333	719,078	296,658	2,732,921	(640,790)
Other Financing sources (uses)										
Sale of bonds	-	-	-	-	-	-	-	-	8,520,000	8,520,000
Refunding of bonds	-	-	-	-	-	-	-	-	(9,508,000)	(9,508,000)
Bond costs / premium	-	-	-	-	-	-	-	-	988,000	988,000
Payments to escrow agent	-	-	-	-	-	-	-	-	-	-
Transfers in	216,619	-	-	-	-	-	-	-	-	-
Transfers out	(216,619)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	(8,611,891)	(1,396,887)	(1,684,460)	(356,250)	953,989	614,333	719,078	296,658	2,732,921	(640,790)
Debt service as a percentage of noncapital expenditures	5.41%	5.35%	5.12%	3.99%	3.94%	3.88%	3.69%	3.69%	3.60%	2.16%

Source: ACFR Schedule B-2 and District records

Note: Noncapital expenditures are total expenditures less capital outlay.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ending June 30,	<u>Sale of Capital Assets</u>	<u>Interest on Investments</u>	<u>Event Receipts</u>	<u>Rentals</u>	<u>Prior Year Refunds</u>	<u>Transportation Fees</u>	<u>Miscellaneous</u>	<u>Annual Totals</u>
2015	-	60,219	45,997	58,503	28,678	69,490	83,644	346,531
2016	5,978	47,009	56,459	24,253	256,670	121,946	57,940	570,255
2017	1,669	69,125	59,886	29,159	23,545	115,234	42,640	341,258
2018	-	123,092	69,376	36,149	19,826	124,808	56,278	429,529
2019	-	228,134	66,877	46,244	74,828	113,415	64,030	593,528
2020	-	198,097	32,334	27,938	37,848	114,893	122,443	533,553
2021	5,500	190,043	12,616	6,027	36,969	116,740	80,879	448,774
2022	15,646	133,442	80,801	28,440	3,320	144,751	72,531	478,931
2023	9,019	512,228	100,575	51,789	29,189	162,092	72,579	937,471
2024	7,520	670,891	72,088	50,003	13,975	145,140	68,120	1,027,737

Source: District records

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Calendar Year Ended Dec 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities ^a	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
2015	37,746,200	2,909,611,100			412,727,910	e	23,838,400	3,211,176,410	172,747,200	-	3,038,429,210	3,292,501,189	d 1.0580
2016	31,578,300	2,933,192,900			414,361,900	e	23,838,400	3,229,232,500	173,739,000	-	3,055,493,500	3,295,135,214	d 1.0710
2017	29,891,100	2,948,184,100			410,686,610	e	23,838,400	3,238,516,710	174,083,500	-	3,064,433,210	3,380,144,776	d 1.0860
2018	27,272,800	2,970,370,000			410,710,310	e	23,838,400	3,432,191,510	173,762,900	-	3,258,428,610	3,400,831,343	c 1.1204
2019	24,608,900	2,993,867,900			410,703,410	e	23,838,400	3,453,018,610	168,421,900	-	3,284,596,710	3,572,155,204	c 1.1609
2020	24,076,000	3,008,806,700			410,782,300	e	23,838,400	3,467,503,400	169,888,000	-	3,297,615,400	3,624,549,791	c 1.1799
2021	25,966,600	3,028,185,500			411,789,400	e	23,838,400	3,489,779,900	171,229,000	-	3,318,550,900	3,747,234,500	c 1.1953
2022	22,412,800	3,057,993,700			240,539,200	e	23,843,500	3,344,789,200	171,986,800	-	3,172,802,400	4,037,657,744	c 1.2089
2023	21,099,300	3,081,334,200			241,647,700	e	26,360,900	3,370,442,100	175,605,400	-	3,194,836,700	4,548,876,921	c 1.2142
2024	21,198,100	3,103,498,400			240,810,300	e	26,360,900	3,391,867,700	177,118,100	-	3,214,749,600	5,126,927,441	c 1.2781

Source: Municipal Tax Assessor

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

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

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

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

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

d Table of Equalized Valuations per the NJ Dept of Treasury

e Commercial values include tax exempt property

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

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	Point Pleasant Borough School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	(From J-6) Total Direct School Tax Rate	Municipal ^c	Ocean County ^c	
2015	0.9985	0.0593	1.0578	0.4320	0.4250	1.9148
2016	1.0129	0.0584	1.0713	0.4380	0.4290	1.9383
2017	1.0411	0.0445	1.0856	0.4430	0.4240	1.9526
2018	1.0758	0.0446	1.1204	0.4460	0.4310	1.9974
2019	1.1163	0.0446	1.1609	0.4460	0.4310	2.0379
2020	1.1354	0.0445	1.1799	0.4520	0.4450	2.0769
2021	1.1509	0.0444	1.1953	0.4620	0.4440	2.1013
2022	1.1647	0.0442	1.2089	0.4660	0.4470	2.1219
2023	1.1922	0.0220	1.2142	0.4700	0.4620	2.1462
2024	1.2559	0.0222	1.2781	0.4890	0.4830	2.2501

Source: Municipal Tax Collector

Note:

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

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

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago

	2024				2015		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value		Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Point Pleasant 847 Properties, Inc	8,235,500		0.26%	Clark's Landing	13,944,900		0.43%
Point 88 Realty	8,007,300		0.25%	Point 88 Realty	8,000,000		0.25%
Johnson Bros Boat Works, LLC	6,126,300		0.19%	Johnson Bros Boat Works, LLC	6,126,300		0.19%
Clark's Landing at Delran	5,957,400		0.19%	Robelander Realty Inc.	4,468,800		0.14%
Crest Pointe Property LLC	5,829,100		0.18%	CAM Trust	4,100,000		0.13%
Taxpayer 1	5,352,800		0.17%	Taxpayer 1	4,089,000		0.13%
Robelander Realty Inc.	4,703,900		0.15%	CNL Income Crystal Point Marina LLC	3,981,000		0.12%
Canal Point Marine, Inc.	4,703,800		0.15%	Taxpayer 2	3,800,000		0.12%
1299 St. George LLC & 197 West Scott	4,043,200		0.13%	Canal Point Marine, Inc.	3,499,000		0.11%
Taxpayer 2	3,800,000		0.12%	Dad Realty, Inc.	3,444,200		0.11%
Total	\$ 56,759,300		1.78%	Total	\$ 55,453,200		1.73%

Source: Municipal Tax Assessor

Source: Municipal Tax Assessor

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	61,853,741	60,862,639	98.40%	N/A
2016	62,582,526	61,974,964	98.73%	N/A
2017	63,248,235	63,126,593	99.37%	N/A
2018	65,101,984	64,977,134	99.26%	N/A
2019	67,597,000	67,434,429	99.44%	N/A
2020	68,782,141	68,528,451	99.23%	N/A
2021	69,822,523	69,395,321	99.34%	N/A
2022	72,064,560	71,594,451	99.27%	N/A
2023	73,928,942	73,526,951	99.46%	N/A
2024	77,459,018	-	0.00%	N/A

Source: Municipal Chief Financial Officer

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Year Ended June 30,	Governmental Activities				Business- Type Activities	Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2015	21,238,000	-	-	-	-	21,238,000	0.02%	1,146.57
2016	19,658,000	-	-	-	-	19,658,000	2.24%	1,060.01
2017	18,048,000	-	-	-	-	18,048,000	1.93%	966.94
2018	16,883,000	-	-	-	-	16,883,000	1.74%	903.61
2019	15,668,000	-	-	-	-	15,668,000	1.57%	834.65
2020	14,398,000	-	-	-	-	14,398,000	1.33%	761.72
2021	13,078,000	-	-	-	-	13,078,000	1.12%	680.97
2022	11,703,000	-	-	-	-	11,703,000	1.02%	603.81
2023	10,268,000	-	-	-	-	10,268,000	N/A	528.49
2024	8,520,000	-	-	-	-	8,520,000	N/A	-

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

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

b Includes Early Retirement Incentive Plan (ERIP) refunding

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding				
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2015	21,238,000	-	21,238,000	0.65%	1137.85
2016	19,658,000	-	19,658,000	0.61%	1053.20
2017	18,048,000	-	18,048,000	0.56%	966.94
2018	16,883,000	-	16,883,000	0.50%	903.61
2019	15,668,000	-	15,668,000	0.44%	834.65
2020	14,398,000	-	14,398,000	0.40%	761.72
2021	13,078,000	-	13,078,000	0.35%	680.97
2022	11,703,000	-	11,703,000	0.29%	603.81
2023	10,268,000	-	10,268,000	0.23%	528.49
2024	8,520,000	-	8,520,000	0.17%	N/A

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

a Use Estimated County equalized value from J-6

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

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2024

<u>Governmental Unit</u>		<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes				
Point Pleasant Borough's Share (100%)		\$ 8,520,000	100.00% d	\$ 8,520,000
Other debt		-	-	-
County of Ocean - Borough's Share (XXX%)	a	\$ 577,862,933	3.43%	\$ 19,820,699
Ocean County Utility Authority	b	86,224,596	3.16%	<u>2,724,697</u>
Subtotal, overlapping debt				31,065,396
Point Pleasant School District Direct Debt				<u>8,520,000</u>
Total direct and overlapping debt				<u><u>\$ 39,585,396</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation.

Debt outstanding data provided by each governmental unit.

a = December 31, 2023 County of Ocean total net debt

b = as provided by OCUA allocated based on flow gallons

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years

Equalized valuation basis																				
	2024	\$	5,126,927,441	a																
	2023	\$	4,548,876,921	b																
	2022	\$	4,037,657,744	b																
	[A]	\$	<u>13,713,462,106</u>																	
Average equalized valuation c	[A/3]	\$	4,571,154,035																	
Debt limit (4 % of average equ	[B]		182,846,161																	
	[C]	\$	<u>8,520,000</u>																	
	[B-C]	\$	<u>174,326,161</u>																	
Fiscal Year																				
	2015		2016		2017		2018		2019		2020		2021		2022		2023		2024	
Debt limit	\$	131,250,565	\$	131,638,496	\$	132,035,924	\$	134,348,151	\$	139,945,280	\$	143,711,816	\$	147,747,594	\$	153,446,492	\$	164,450,256	\$	182,846,161
Total net debt applicable to limit		<u>21,238,000</u>		<u>19,658,000</u>		<u>18,048,000</u>		<u>16,883,000</u>		<u>15,668,000</u>		<u>14,398,000</u>		<u>13,078,000</u>		<u>11,703,000</u>		<u>10,268,000</u>		<u>8,520,000</u>
Legal debt margin	\$	<u>110,012,565</u>	\$	<u>11,980,496</u>	\$	<u>113,987,924</u>	\$	<u>117,465,151</u>	\$	<u>124,277,280</u>	\$	<u>129,313,816</u>	\$	<u>134,669,594</u>	\$	<u>141,743,492</u>	\$	<u>154,182,256</u>	\$	<u>174,326,161</u>
Total net debt applicable to the limit as a percentage of debt limit		16.18%		14.93%		13.67%		12.57%		11.20%		10.02%		8.85%		7.63%		6.24%		4.66%

Source:

a A4f of budget submission from current year

b Equalized valuation bases were obtained from the Annual Report of the State of New Jersey,
Department of Treasury, Division of Taxation

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d	
2015	18,523	859,189,355	46,385	6.20%	
2016	18,545	879,274,085	47,413	5.20%	
2017	18,651	935,981,784	50,184	4.80%	
2018	18,684	971,717,472	52,008	4.30%	
2019	18,772	997,525,308	53,139	3.70%	
2020	18,902	1,083,916,288	57,344	9.50%	e
2021	19,205	1,168,105,715	60,823	6.00%	e
2022	19,382	1,149,972,824	59,332	3.70%	e
2023	19,429	N/A	N/A	4.20%	e
2024	N/A	N/A	N/A	4.64%	

Source:

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

^b Personal income has been estimated based upon the municipal population and per capita personal income presented

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

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

^e Unemployment rate was impacted by COVID-19

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

Employer	2024			2015		
	Employees	Rank [Optional]	Percentage of Total Municipal Employment	Employees	Rank [Optional]	Percentage of Total Municipal Employment
Point Pleasant Board of Education	-		0%	-		0.00%
Point Pleasant Hospital	-		0%	-		0.00%
Borough of Point Pleasant	-		0%	-		0.00%
Claremont Nursing Home	-		0%	-		0.00%
Stop and Shop(formerly Grand Union)	-		0%	-		0.00%
Weisleder	-		0%	-		0.00%
	-		0.00%	-		0.00%

Source: Municipal Tax Collector

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

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Instruction										
Regular	185.5	180.0	181.0	178.5	182.0	183.5	186.0	188.0	185.0	185.0
Special education	42.0	43.0	43.0	45.5	46.5	45.5	47.0	47.5	47.0	46.5
Other special education	-	-	-	-	-	-	-	-	-	-
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	21.5	23.0	29.0	30.0	26.0	22.5	23.5	23.5	18.5	24.5 a
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Student & instruction related services	78.0	74.0	73.0	75.5	77.0	73.5	64.0	74.0	74.5	85.0
General administration	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
School administrative services	21.5	20.5	20.5	20.5	20.5	21.0	21.0	21.0	20.0	19.0
Other administrative services	-	-	-	-	-	-	-	-	-	-
Central services	6.5	6.5	6.5	6.5	6.0	6.0	6.0	6.5	6.0	6.0
Administrative Information Technology	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0
Plant operations and maintenance	8.0	8.5	9.0	9.5	11.5	10.5	12.5	15.0	14.0	16.5
Pupil transportation	13.5	11.0	12.5	15.5	16.5	17.5	16.5	18.5	18.0	19.0
Other support services	14.0	14.0	14.0	13.0	13.0	13.0	13.0	13.0	12.0	12.0
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	15.0	11.5	10.5	9.5	9.0	7.0	7.5	10.0	9.5	8.5
Child Care	-	-	-	-	-	-	-	11.5	14.0	15.0 b
Total	411.5	399.0	406.0	411.0	415.0	407.0	404.0	435.5	425.5	443.0

Source: District Personnel Records

a - This figure includes special education aides.

b - This figure was only reported beginning in 2022.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years

Pupil/Teacher Ratio

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Elementary	Middle School	High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2015	2,801	37,124,407	12,920 d	4.68%	249	13:1 e	12:1 e	11:1 e	2,785	2,664	-0.32%	95.66%
2016	2,739	37,178,728	12,988 d	5.23%	246	12.5:1 e	11:1 e	11:1 e	2,739	2,627	-0.17%	95.91%
2017	2,776 f	38,752,135	13,960 d	5.23%	241 e	12:1 e	10:1 e	10:1 e	2,704	2,583	-0.29%	95.53%
2018	2,783 f	39,542,452	14,209 d	1.78%	243 e	12:1 e	11:1 e	11:1 e	2,733	2,603	-0.19%	95.24%
2019	2,776 f	40,467,250	14,630 d	2.96%	244 e	12:1 e	10:1 e	10:1 e	2,754	2,631	0.08%	95.53%
2020	2,797 f	41,595,583	14,871 d	1.65%	240 e	13:1 e	11:1 e	11:1 e	2,787	2,702	0.12%	96.95%
2021	2,668 f	42,775,503	16,033 d	7.81%	244 e	11.5:1 e	11:1 e	10:1 e	2,689	2,529	-3.52%	94.07%
2022	2,681 f	42,982,207	16,032 d	-0.01%	250 e	11.5:1 e	10:1 e	10:1 e	2,680	2,530	0.35%	94.40%
2023	2,667 f	43,890,606	16,457 d	2.65%	239 e	12:1 e	10:1 e	11:1 e	2,626	2,478	-2.01%	94.36%
2024	2,606	44,992,803	17,268	4.93%	N/A	N/A	N/A	N/A	-	-	0.00%	0.00%

Sources: District records

Note: Enrollment based on annual October district count ASSA 10/15/23 count for FYE 2024.

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

POINT PLEASANT BOROUGH SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>District Building</u>										
<u>Elementary</u>										
Nellie Bennett										
Square Feet	88,497	88,497	88,497	88,497	88,497	88,497	88,497	88,497	88,497	88,497
Capacity (students)	674	674	674	674	674	674	674	674	674	674
Enrollment	725	765	753	745	764	766	690	715	720	713
<u>Ocean Road</u>										
Square Feet	66,406	66,406	66,406	66,406	66,406	66,406	66,406	66,406	66,406	66,406
Capacity (students)	556	556	556	556	556	556	556	556	556	556
Enrollment	535	554	540	493	502	501	462	493	475	481
<u>Middle School</u>										
Memorial Middle School										
Square Feet	100,002	100,002	100,002	100,002	100,002	100,002	100,002	100,002	100,002	100,002
Capacity (students)	742	742	742	742	742	742	742	742	742	742
Enrollment	641	644	674	656	695	674	660	616	609	599
<u>High School</u>										
Point Pleasant High School										
Square Feet	167,636	167,636	167,636	167,636	167,636	167,636	167,636	167,636	167,636	167,636
Capacity (students)	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092
Enrollment	914	952	888	855	822	846	854	865	875	833
<u>Other</u>										
Administration Building										
Square Feet	5,320	5,320	5,320	5,320	5,320	5,320	5,320	5,320	5,320	5,320
Bus Garage										
Square Feet	3,970	3,970	3,970	3,970	3,970	3,970	3,970	3,970	3,970	3,970

Number of Schools at June 30, 2024

 Elementary = 2

 Middle School = 1

 Senior High School = 1

 Other = 2

Source: District Facilities Office

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Schedule of Required Maintenance Expenditures by School Facility
Last Ten Fiscal Years

* School Facilities Project # (s)	Point Pleasant High School	Memorial Middle School	Nellie F. Bennett Elementary	Ocean Road Elementary School	Administrative and Maintenance Building	Total
2015	298,946	151,837	145,466	129,625	100,191	826,065
2016	269,033	150,613	150,072	102,623	88,163	760,504
2017	330,673	142,265	175,442	101,004	72,918	822,302
2018	254,021	172,709	141,590	123,916	81,064	773,300
2019	332,282	209,770	182,228	127,130	27,308	878,718
2020	362,689	194,250	145,568	135,011	28,044	865,562
2021	371,871	209,187	184,247	131,923	25,114	922,342
2022	365,587	215,067	188,429	145,492	26,586	941,161
2023	287,958	162,225	144,445	130,195	29,643	754,466
2024	264,628	177,020	146,726	106,372	40,672	735,418
Total School Facilities	<u>\$ 3,137,688</u>	<u>\$ 1,784,943</u>	<u>\$ 1,604,213</u>	<u>\$ 1,233,291</u>	<u>\$ 519,703</u>	<u>\$ 8,279,838</u>

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

Source: District records

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Insurance Schedule
June 30, 2024

	<u>Coverage</u>	<u>Deductible</u>	
School package policy -			
Property, Inland Marine and Auto Physical Damage	\$ 500,000,000	15,000	Property
		1,000	Auto
Valuable Papers	Included		
Electronic Data Processing	Included		
Extra Expense	50,000,000		
Demolition Cost and Increased Cost of Construction	25,000,000		
Boiler and Machinery	100,000,000		
General Liability / Occurrence	5,000,000		
Aggregate	5,000,000		
Medical Payments	Included		
Personal Injury	Included		
Auto Liability	5,000,000		
Environmental Liability/Occurrence	1,000,000	10,000	
Fund Aggregate	10,000,000		
Umbrella Liability Occurrence	5,000,000		
Aggregate	5,000,000		
Sexual Abuse and Molestation	5,000,000		
Employee Dishonesty- Per Loss	500,000	1,000	
Money and Securities	50,000	1,000	
Forgery or Alteration	50,000	1,000	
Computer Fraud	50,000	1,000	
Employee Benefits Liability	5,000,000		
Flood-Zones A or V Occurrence	25,000,000		
Aggregate	50,000,000		
All Other Zones Occurrence	10,000,000		
Aggregate	100,000,000		
Earthquake Occurrence/Member	25,000,000		
Aggregate	25,000,000		
Auto Comprehensive and Collision	-	1,000	
Other Policies:			
Public Officials Bond Treasurer	260,000		
Public Officials Bond Board Secretary	20,000		
School Board Legal Liability	5,000,000	10,000	
Employment Practices Liability	Included	25,000	
Excess Liability Each Occurrence	30,000,000		
Aggregate	30,000,000		
Excess Environmental	1,000,000	10,000	**
Cyber	2,000,000	10,000	

** Deductible for Mold is \$100,000

SINGLE AUDIT SECTION



K-1

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

Honorable President and
Members of the Board of Education
Point Pleasant Borough Board of Education
County of Ocean
Point Pleasant Borough, New Jersey 08742

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Point Pleasant Borough Board of Education in the County of Ocean, State of New Jersey, as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Point Pleasant Borough Board of Education basic financial statements, and have issued our report thereon dated November 22, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

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



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

November 22, 2024



K-2

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

Honorable President and
Members of the Board of Education
Point Pleasant Borough Board of Education
County of Ocean
Point Pleasant Borough, New Jersey 08742

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

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

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

Basis for Opinion on Each Major Federal and State Program

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

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Respectfully Submitted,

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



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

Toms River, New Jersey
November 22, 2024

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal FAIN Number	Grant Period	Award Amount	Balance at		Cash Received	Budgetary Expenditures	Balance at June 30, 2024		
					July 1, 2023	Adjustments			Deferred Revenue	Accounts Receivable	Due to Grantor
U.S. Department of Health & Human Services											
Passed- through New Jersey Department of Human Serices:											
Medical Assistance Program	93.778	2305NJ5MAP	7/1/22-6/30/23	50,581	\$ (9,068)	\$ -	\$ 9,068	\$ -	\$ -	\$ -	\$ -
Medical Assistance Program	93.778	2405NJ5MAP	7/1/23-6/30/24	28,472	-	-	28,472	(28,472)	-	-	-
Total General Fund					(9,068)	-	37,540	(28,472)	-	-	-
U.S. Department of Treasury:											
Passed-through New Jersey Department of Education:											
Coronavirus State and Local Fiscal Recovery Funds	21.027	SLRFDOE1SES	7/1/23-6/30/24	144,144	(74,395)		74,395	-	-	-	-
High Impact Tutoring	21.027	E2400391	10/11/23-8/31/24	115,000	-		32,362	(58,468)	-	(26,106)	-
					(74,395)	-	106,757	(58,468)	-	(26,106)	-
U.S. Department of Education											
Passed-through New Jersey Department of											
Education:											
Title I, Basic Allocation	84.010	S010A220030	7/1/23-6/30/24	346,028	-		184,058	(313,124)	-	(129,066)	-
Title I, Basic Allocation	84.010	S010A210030	7/1/22-6/30/23	336,561	(143,978)		143,978	-	-	-	-
Title II - Part A	84.367	S367A220029	7/1/23-6/30/24	63,743	-		30,827	(52,646)	-	(21,819)	-
Title II - Part A	84.367	S367A210029	7/1/22-6/30/23	68,853	(33,477)	-	33,477	-	-	-	-
Title IV - Part A	84.424	S424A210031	7/1/22-6/30/23	19,706	(6,415)	-	6,415	-	-	-	-
Title IV - Part A	84.424	S424A210031	7/1/23-6/30/24	33,991	-		26,146	(33,482)	-	(7,336)	-
Elementary and Secondary Education Cluster:											
Mental Health	84.425D	S425D240027	3/13/20-9/30/24	45,000	(5,275)		7,187	(1,912)	-	-	-
ESSER II	84.425D	S425D240027	3/13/20-9/30/24	1,002,576	(15,204)		30,296	(15,092)	-	-	-
Learning Acceleration	84.425D	S425D240027	3/13/20-9/30/24	64,341	(1,391)		13,440	(12,049)	-	-	-
ARP - ESSER	84.425U	S425U240027	3/13/20-9/30/24	2,253,225	(181,030)		924,444	(992,443)	-	(249,029)	-
ARP - Accelerated Learning Coach & Ed	84.425U	S425U240027	3/13/20-9/30/24	225,262	(74,796)		85,427	(35,238)	-	(24,607)	-
ARP - Evidence Based Summer Learning & Enrichment	84.425U	S425U240027	3/13/20-9/30/24	40,000	-		13,137	-	-	-	-
ARP - Evidence Based Comprehensive Beyond the School Day	84.425U	S425U240027	3/13/20-9/30/24	40,000	-		16,269	(20,126)	-	(3,857)	-
ARP - NJTSS Mental Health Support	84.425U	S425U240027	3/13/20-9/30/24	45,000	(12,100)		12,100	-	-	-	-
ARP - Homeless II	84.425U	S425U240027	3/13/20-9/30/24	16,794	-		1,620	(1,620)	-	-	-
Special Education Cluster:											
I.D.E.A. Part B Basic	84.027	H027A210100	7/1/23-6/30/24	694,576	-		670,867	(691,472)	-	(20,605)	-
I.D.E.A. Part B Basic	84.027	H027A210100	7/1/22-6/30/23	646,336	(65,665)		65,665	-	-	-	-
I.D.E.A. Part B Preschool	84.173	H173A210114	7/1/22-6/30/23	31,558	(623)		623	-	-	-	-
I.D.E.A. Part B Preschool	84.173	H173A210114	7/1/23-6/30/24	33,345	-	-	9,269	(9,269)	-	-	-
ARP I.D.E.A. Part B Basic	84.027X	H027X210100	7/1/23-6/30/24	117,486	-	-	2,000	(2,000)	-	-	-
Subtotal of Special Education Cluster					(66,288)	-	748,424	(702,741)	-	(20,605)	-
Total Special Revenue Fund					(614,349)	-	2,384,002	(2,252,078)	-	(482,425)	-
U.S. Department of Agriculture											
Passed-through NJ Department of											
Agriculture:											
Child Nutrition Cluster:											
Food Distribution Program	10.555	241NJ304N1099	7/1/23-6/30/24	54,013	-	-	54,013	(54,013)	-	-	-
P-EBT Administrative Costs Grant	10.649		7/1/23-6/30/24	653	-	-	653	(653)	-	-	-
Child Nutrition Cluster:											
School Breakfast Program	10.553	241NJ304N1099	7/1/23-6/30/24	12,027	-	-	11,627	(12,027)	-	(400)	-
School Breakfast Program	10.553	231NJ304N1099	7/1/22-6/30/23	-	(359)	-	359	-	-	-	-
National School Lunch Program	10.555	231NJ304N1099	7/1/22-6/30/23	-	(6,477)	-	6,477	-	-	-	-
National School Lunch Program	10.555	241NJ304N1099	7/1/23-6/30/24	136,246	-	-	131,516	(136,246)	-	(4,730)	-
Supply Chain Assistance Funding	10.555	241NJ304N1099	7/1/23-6/30/24	65,806	-	-	65,806	(65,806)	-	-	-
Subtotal of Child Nutrition Cluster					(6,836)	-	270,451	(268,745)	-	(5,130)	-
Total Enterprise (Food Service) Fund					(6,836)	-	270,451	(268,745)	-	(5,130)	-
Total Expenditures of Federal Awards					\$ (630,253)	\$ -	\$ 2,691,993	\$ (2,549,295)	\$ -	\$ (487,555)	\$ -

See accompanying notes to schedules of expenditures.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Year Ended June 30, 2024

										MEMO	
State Grantor/ Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at July 1, 2023	Cash Received	Budgetary Expenditures	Deferred Revenue at June 30, 2024	(Accounts Receivable) at June 30, 2024	Due to Grantor at June 30, 2024	Budgetary Receivable	Cumulative Total Expenditures
New Jersey Department of Education											
General Fund:											
Extraordinary Aid	23-100-034-5120-473	7/1/22-6/30/23	\$ 745,577	\$ (745,577)	\$ 745,577	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Extraordinary Aid	24-100-034-5120-473	7/1/23-6/30/24	779,468	-	-	(779,468)	-	(779,468)	-	-	(779,468)
Special Education Categorical Aid	24-495-034-5120-089	7/1/23-6/30/24	1,663,733	-	1,497,353	(1,663,733)	-	-	-	(166,380)	(1,663,733)
Nonpublic Transportation Aid	23-495-034-5120-045	7/1/22-6/30/23	15,546	(15,546)	15,546	-	-	-	-	-	-
Nonpublic Transportation Aid	24-495-034-5120-045	7/1/23-6/30/24	22,668	-	-	(22,668)	-	(22,668)	-	-	(22,668)
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	1,678,516	-	1,520,448	(1,678,516)	-	-	-	(158,068)	(1,678,516)
Stabilization Aid	24-495-034-5120-078	7/1/23-6/30/24	31,324	-	31,324	(31,324)	-	-	-	-	(31,324)
Categorical Security Aid	24-495-034-5120-084	7/1/23-6/30/24	184,043	-	165,639	(184,043)	-	-	-	(18,404)	(184,043)
Categorical Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	41,071	-	36,964	(41,071)	-	-	-	(4,107)	(41,071)
TPAF Pension Contribution	24-495-034-5094-002	7/1/23-6/30/24	7,995,623	-	7,995,623	(7,995,623)	-	-	-	-	(7,995,623)
TPAF Post-Retirement Medical	24-495-034-5094-001	7/1/23-6/30/24	2,176,116	-	2,176,116	(2,176,116)	-	-	-	-	(2,176,116)
TPAF Non-contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	2,760	-	2,760	(2,760)	-	-	-	-	(2,760)
Reimbursed TPAF Social Security Tax Contribution	24-495-034-5094-003	7/1/23-6/30/24	1,604,143	-	1,596,096	(1,604,143)	-	(8,047)	-	-	(1,604,143)
Total General Fund				(761,123)	15,783,446	(16,179,465)	-	(810,183)	-	(346,959)	(16,179,465)
Special Revenue Fund:											
Climate Awareness	23-100-034-5063-359	7/1/22-6/30/23	6,660	-	526	(526)	-	-	-	-	-
SDA Emergency	24-100-034-5120-519	7/1/23-6/30/24	65,825	-	65,825	-	-	65,825	-	-	-
Total Special Revenue Fund				-	66,351	(526)	-	65,825	-	-	-
Capital Project Fund:											
SSB-VEEVR	68335	2/13/23-2/14/24	1,499,475	(1,468,800)	409,136	-	-	(1,059,664)	-	-	-
SSB-VEEVR	68336	2/13/23-2/14/24	1,575,525	(1,544,850)	482,089	-	-	(1,062,761)	-	-	-
Total Capital Project Fund				(3,013,650)	891,225	-	-	(2,122,425)	-	-	-
Debt Service Fund:											
Debt service aid	24-495-034-5120-017	7/1/23-6/30/24	382,846	-	382,846	(382,846)	-	-	-	-	-
Total Debt service Aid				-	382,846	(382,846)	-	-	-	-	-
Enterprise Fund:											
State School Breakfast Program	23-100-010-3350-023	7/1/23-6/30/23	92	(4)	4	-	-	-	-	-	-
State School Breakfast Program	24-100-010-3350-023	7/1/23-6/30/24	169	-	166	(169)	-	(3)	-	-	-
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	7,761	(332)	332	-	-	-	-	-	-
State School Lunch Program	24-100-010-3350-023	7/1/23-6/30/24	8,572	-	8,244	(8,572)	-	(328)	-	-	-
Total Enterprise Fund				(336)	8,746	(8,741)	-	(331)	-	-	-
Total Expenditures of State Awards											
				\$ (3,775,109)	\$ 17,132,614	\$ (16,571,578)	\$ -	\$ (2,932,939)	\$ -	\$ (346,959)	\$ (16,179,465)
State Financial Assistance Not Subject to Single Audit Determination											
TPAF Pension Contribution	24-495-034-5094-002	7/1/23-6/30/24	7,995,623	-	7,995,623	(7,995,623)	-	-	-	-	(7,995,623)
TPAF Post-Retirement Medical	24-495-034-5094-001	7/1/23-6/30/24	2,176,116	-	2,176,116	(2,176,116)	-	-	-	-	(2,176,116)
TPAF Non-contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	2,760	-	2,760	(2,760)	-	-	-	-	(2,760)
Total State Financial Assistance Not Subject to Single Audit Determination				-	10,174,499	(10,174,499)	-	-	-	-	(10,174,499)
Total Expenditures of State Awards Subject to Single Audit Determination											
				\$ (3,775,109)	\$ 6,958,115	\$ (6,397,079)	\$ -	\$ (2,932,939)	\$ -	\$ (346,959)	\$ (6,004,966)

See accompanying notes to schedules of expenditures.

Point Pleasant Borough Board of Education

Notes to the Schedules of Awards and Financial Assistance

June 30, 2024

1. General

The accompanying schedules of expenditures of award present the activity of all federal and state awards of the Board of Education of Point Pleasant Borough School District. The Board of Education is defined in Note 1(A) to the Board's general purpose financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies are included on the schedules of expenditures of federal and state awards.

2. Basis of Accounting

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

3. Relationship to General Purpose Financial Statements

Relationship to Basic Financial Statements

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

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

Point Pleasant Borough Board of Education

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

June 30, 2024

3. Relationship to General Purpose Financial Statements (continued)

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 28,472	\$ 8,208,951	\$ 8,237,423
Special Revenue Fund	2,276,797	526	2,277,323
Capital Projects Fund	-	-	-
Debt Service Fund	-	382,846	382,846
Food Service Fund	<u>268,745</u>	<u>8,741</u>	<u>277,486</u>
Total awards and financial assistance	<u>\$ 2,574,014</u>	<u>\$ 8,601,064</u>	<u>\$ 11,175,078</u>

4. Relationship to Federal and State Financial Reports

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

5. Other

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

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

6. Indirect Costs

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

Point Pleasant Borough Board of Education

Schedule of Findings and Questioned Costs

June 30, 2024

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

Internal control over financial reporting:

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

Noncompliance material to general-purpose financial statements noted? yes X no

Federal Awards Section

Internal Control over major programs:

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

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

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

Identification of major programs:

<u>Federal Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
	<u>Elementary and Secondary Education Cluster:</u>
84.425D	Elementary and Secondary School
	Emergency Relief Fund
84.425U	American Rescue Plan - Elementary and Secondary School Relief (ARP ESSER)
	<u>Special Education Cluster:</u>
84.027	I.D.E.A. Part B Basic Regular
84.173	I.D.E.A. Part B Preschool

Dollar threshold used to distinguish between type A and type B programs: \$750,000Auditee qualified as low-risk auditee? X yes no

Point Pleasant Borough Board of Education

Schedule of Findings and Questioned Costs (continued)

June 30, 2024

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

State Awards Section

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

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

Unmodified Opinion

Internal Control over major programs:

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

Identification of major programs:

State Project Number(s)
State Aid-Public (Cluster)

Name of State Program

495-034-5120-089
495-034-5120-078
495-034-5120-084Special Education Categorical Aid
Equalization Aid
Security Aid

Point Pleasant Borough Board of Education

Schedule of Findings and Questioned Costs (continued)

June 30, 2024

Section II - Financial Statement Findings - N/A

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

Point Pleasant Borough Board of Education
Summary Schedule of Prior Year Audit Findings
June 30, 2024

Summary Schedule of Prior Year Audit Findings - N/A