

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

***ANNUAL COMPREHENSIVE
FINANCIAL REPORT***

FISCAL YEAR ENDED JUNE 30, 2024

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

***Springfield Township School District
Jobstown, New Jersey***

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

***ANNUAL COMPREHENSIVE
FINANCIAL REPORT
OF THE
SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
JOBSTOWN, NEW JERSEY
FOR THE FISCAL YEAR ENDED JUNE 30, 2024***

***Prepared by
Springfield Township School District
Finance Department***

***And
Barre & Company LLC, CPAs***

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SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

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INTRODUCTORY SECTION



Springfield Township Elementary School

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Jobstown, NJ 08041

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Facsimile (609) 723-8213

CRAIG VAUGHN

Superintendent / Principal

March 11, 2025

Honorable President and
Members of the Board of Education
Springfield Township School District
County of Burlington, New Jersey

Dear Board Members:

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

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

This report will provide the taxpayers of Springfield Township School District with comprehensive financial data in a format enabling them to gain an understanding of the District's financial affairs.

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

- The Introductory Section contains a table of contents, Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the School District;
- The Financial Section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the District's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the District, generally presented on a multi-year basis; The Single Audit Section — The District is required to undergo an annual single audit in conformity with the provisions of *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the audit requirements as prescribed by the Office of School



Find us on the web at www.springfieldschool.org and follow us on Twitter @SpringfieldDist

- Finance, Department of Education, State of New Jersey; the New Jersey State Office of Management and Budget (OMB) Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Springfield Township School District (the "District") is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of educational services appropriate to grade levels K through 6. These include regular and special education for handicapped students. The School District's enrollment, as of October 15th, for the current and past 10 fiscal years are detailed below:

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2023-2024	301.9	5.37%
2022-2023	285.7	9.10%
2021-2022	259.7	11.51%
2020-2021	229.8	-5.74%
2019-2020	243.0	6.75%
2018-2019	226.6	4.41%
2017-2018	216.6	-9.33%
2016-2017	236.8	-3.29%
2015-2016	244.6	0.00%
2014-2015	244.6	-7.24%

2) ECONOMIC CONDITION AND OUTLOOK: For the 2023 - 2024 school year, the Springfield Township School District prioritized its budgetary resources toward maintaining superior educational programming, providing cutting edge instructional technology, and ensuring students and staff have access to materials and ancillary resources that support high quality instruction. In the face of continued and significant decreases in the State Funding, the district has been able to avoid cuts to instructional programs, maintain appropriate staffing levels, and undertake important projects geared toward security enhancement and maintenance of our building and grounds. A continuous goal of the Board of Education is to reduce the burden of expenses created by material needs and routine school supplies; by taking a conservative approach to these needs and working with suppliers through competitive pricing, this goal was accomplished once again.

3) MAJOR INITIATIVES: Grant funding will offer our district opportunities of offset local monies for the 2023-2024 school year. Out-of-District tuition payments are funded through the IDEA grant, while the district is able to fully implement numerous remediation programs through the utilization of funds from NCLB Title I. As our district is eligible for funding through the SRSA REAP grant, we are able to use funds otherwise not available to enhance professional development opportunities (for both faculty and administration) and secure

materials for innovative programs such as our Creator Space and our school's agricultural initiatives. Finally, the district was awarded funds through the Elementary and Secondary School Emergency Relief (ESSER) grants, which were utilized in a number of ways directly related to ensuring the safe opening of the school for in-person learning and equitable access to instruction for all students.

4) INTERNAL ACCOUNTING CONTROLS: Management of the School District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- (1) the cost of control should not exceed the benefits likely to be derived
- (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.

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

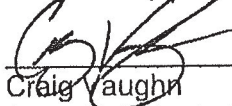
7) FINANCIAL POLICIES: The intent of the School Board is to ensure that the School District manages its budget and finance in a fiscally prudent and responsible way to establishing financial policies for the Budget, Fund Balance and the maintenance of adequate reserves. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues except for certain grant revenues, are recognized when susceptible to accrual that is when they become measurable and available. Property taxes, interest and certain General Fund revenues are the significant revenue sources considered susceptible to accrual.

8) **OTHER INFORMATION:**

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Barre & Company LLC, Certified Public Accountants, was selected by the Board. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the New Jersey State Office of Management and Budget (OMB) Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and specific required supplemental information 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.

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

Respectfully submitted,

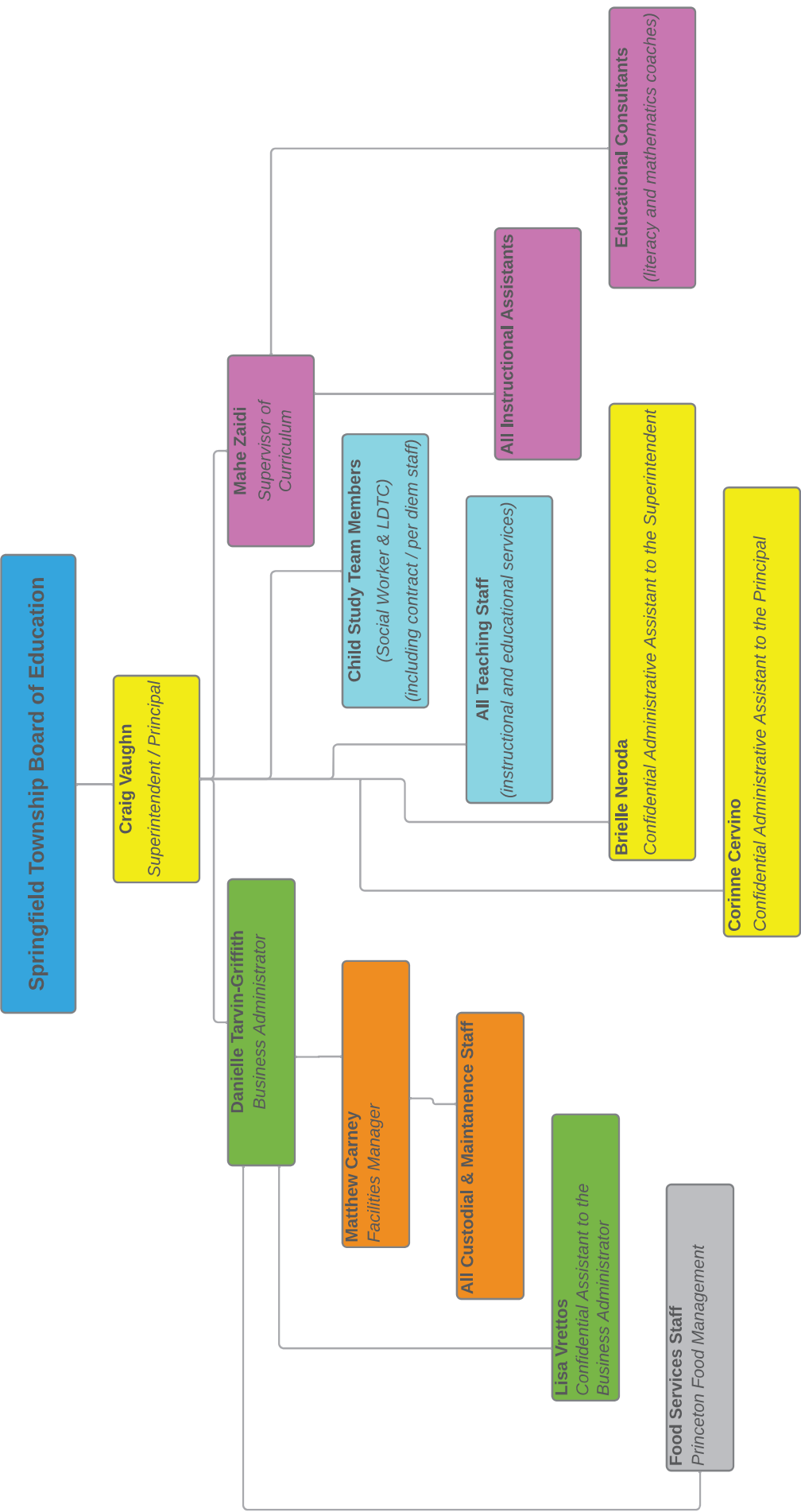


Craig Vaughn
Superintendent of Schools



Danielle Tarvin-Griffith
School Business Administrator

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
ORGANIZATIONAL CHART



**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
JOBSTOWN, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2024**

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Christian Dieker (President).....	2024
Wade Hale, (Vice President).....	2026
Christian Drum	2026
Jessica Donahue	2026
Jenn Mancini	2025
Thomas Pantano.....	2024
Francesca Rincon	2025
Rodney Roberson	2025
Mary Wainwright	2024

OTHER OFFICIALS

Craig Vaughn, Chief School Administrative

Danielle Tarvin-Griffith, Business Administrator/Board Secretary

Amy Lerner, Treasurer of School Monies

Kelly A. Grant, Esq., Solicitor

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
JOBSTOWN, NEW JERSEY**

CONSULTANTS AND ADVISORS

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FINANCIAL SECTION

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Independent Auditor's Report

Honorable President
Members of the Board of Education
Springfield Township School District
County of Burlington
Jobstown, New Jersey

Report on the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS 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 the Springfield Township School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Springfield Township School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the School District's proportionate share of the net pension liability, schedule of the School District's pension contributions, and schedule of changes in the School District's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the 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 response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Springfield Township School District's basic financial statements. The combining and related major fund supporting statements and schedules are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, and State of New Jersey and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State of New Jersey's Circular 15-08 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are also presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relate 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 statements and related major fund supporting statements and schedule and schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the 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* and the Office of School Finance, Department of Education, State of New Jersey

In accordance with *Government Auditing Standards* and the Office of School Finance, Department of Education, State of New Jersey, we have also issued our report dated March 11, 2025 on our consideration of the Springfield Township School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the Office of School Finance, Department of Education, State of New Jersey and the Office of School Finance, Department of Education, State of New Jersey in considering the School District's internal control over financial reporting and compliance.



BARRE & COMPANY LLC
Certified Public Accountants
Public School Accountant



Richard M. Barre, CPA
Public School Accountant
PSA Number CS-01181

Union, New Jersey
March 11, 2025

REQUIRED SUPPLEMENTARY INFORMATION – PART I

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
JOBSTOWN, NEW JERSEY**

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

The Management's Discussion and Analysis (MD&A) of Springfield Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance. Certain comparative information between the current year (2023-2024) and the prior year (2022-2023) is required to be presented in the MD&A.

Financial Highlights

Key financial highlights for 2024 are as follows:

- ❖ General revenues accounted for \$5,939,132 in revenue or 91% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$606,454 or 9% of total revenues of \$6,545,586.
- ❖ The School District had \$7,244,960 in expenses; with \$606,454 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$5,939,132 were not adequate to provide for these programs.
- ❖ Among governmental funds, the General Fund had \$5,622,637 in revenues and \$6,035,464 in expenditures and other financing sources. The General Fund's fund balance decreased \$412,827 over 2023. This decrease was anticipated by the Board of Education.

Using this Annual Comprehensive Financial Report (ACFR)

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

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
JOBSTOWN, NEW JERSEY**

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

Using this Annual Comprehensive Financial Report (ACFR) (Continued)

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

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

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

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

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

- ❖ Governmental activities — All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- ❖ Business-Type Activity — This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Milk Program, Montvale Summer Institute, and Child Care Program enterprise funds are reported as business activities.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
JOBSTOWN, NEW JERSEY**

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds – focusing on its most significant or "major" funds – not the District as a whole. The School District uses many funds to account for a multitude of financial transactions. The School District's governmental funds are the General Fund and Special Revenue Fund.

- Some funds are required by State Law and bond covenants
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

Governmental Funds

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

Proprietary Funds

Services for which District charges a fee generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.

Enterprise Fund

This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis is financed or recovered primarily through user charges. The District currently has three enterprise funds:

- Food Service
- Extended Day Program
- Summer Camp

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
JOBSTOWN, NEW JERSEY**

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

Fund Financial Statements (Continued)

Fiduciary Funds

The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for intended purposes and by those to whom the assets belong. Because of the implementation of GASB 84, all of the School District's fiduciary funds were determined to be more appropriately reported in the governmental funds. We now include these activities as part of the district-wide financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the financial statements can be found starting on page 36 of this report.

Other Information

In addition to the financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District's budget process. The District adopts an annual expenditure budget for the general and special revenue funds. A budgetary comparison has been provided for the general and special revenue funds as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

The District also presents required supplementary information regarding the accounting and financial reporting for pensions as required under GASB Statement No. 68 as well as for Other Post-Employment Benefits as required under GASB Statement 75. The required supplementary information can be found following the notes to the financial statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons.

The School District as a Whole

Recall that the *Statement of Net Position* provides the perspective of the School District as a whole. Net position may serve over time as a useful indicator of a government's financial position

The Charter School's financial position is the product of several financial transactions including the net results of activities.

The Charter School's combined Net Position were \$2,262,368 for 2024 and \$2,945,462 for 2023.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
JOBSTOWN, NEW JERSEY**

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

Governmental Activities

The Charter School's total revenues were \$6,351,553 for the year ended June 30, 2024, and \$6,297,106 for 2023. This includes \$162,861 for 2024 and \$145,679 for 2023 of state reimbursed TPAF social security and pension contributions.

The total cost of all program and services was \$6,755,230 for 2024 and \$6,259,085 for 2023. Instruction comprises \$2,268,518 for 2024 and \$2,013,649 for 2023 of District's expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities. Administration includes expenses associated with administrative and financial supervision of the Charter School.

Support services include the activities involved with assisting staff with the content and process of teaching to students, include curriculum and staff development and the costs associated with operating the facility.

Capital outlay represents school instructional and/or non-instructional equipment purchased and is capitalized when such equipment is over the \$2,000 threshold.

Business-Type Activities

Revenues for the District's business-type activities (milk program, Montvale summer institute, and child-care program) were comprised of charges for services and federal and state reimbursements.

- ❖ Expenses exceeded revenues by \$13,550 for 2024 and revenues exceeded expenses \$7,100 for 2023.
- ❖ Charges for services represent \$60,550 for 2024 and \$58,629 for 2023 of revenues. This represents amounts paid by patrons for the milk program, Montvale summer institute, and after-care program.
- ❖ Federal and state reimbursements for meals, including payments for free and reduced lunches and breakfast were \$34,635 for 2024 and \$57,486 for 2023.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
JOBSTOWN, NEW JERSEY**

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

The School District's Funds

All governmental funds (i.e., general fund and special revenue fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$6,351,553 for 2024 and \$6,297,106 for 2023 and expenditures were \$6,755,230 for 2024 and \$6,259,085 for 2023. The net change in fund balance for the year was a decrease of \$403,677 for 2024 and an increase of \$38,021 for 2023. The negative change is most significant in the general fund for 2024 and for 2023.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2024, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenues	Amount	Percent of Total	Increase/ (Decrease) From 2023	Percent of Increase/ (Decrease)
Local Sources	4,037,386	63.62%	\$ (3,187,039)	-44.11%
State Sources	1,906,226	29.95%	(2,230,660)	-53.99%
Federal Sources	407,941	6.43%	(302,870)	-42.61%
Total	\$ 6,351,553	100.00%	\$ (5,720,569)	

The following schedule represents a summary of general fund and special revenue fund expenditures for the fiscal year ended June 30, 2024, and the percentage of increases and decreases in relation to prior year amounts.

Expenditures	Amount	Percent of Total	Increase/ (Decrease) From 2023	Percent of Increase/ (Decrease)
Instruction	\$ 2,323,022	34.42%	\$ (1,491,112)	-39.09%
Support Services	4,094,533	60.58%	(3,329,579)	-44.88%
Capital Outlay	53,557	0.79%	(48,413)	-47.48%
Principal and Interest	284,118	4.21%	(13,170)	-4.43%
Total	\$ 6,755,230	100.00%	\$ (4,882,274)	

Changes in expenditures were the results of varying factors. Current expense increased due to additional staff and students, and increased health benefits and utility costs.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
JOBSTOWN, NEW JERSEY**

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

General Fund Budgeting Highlights

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

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- ♣ TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditure item to the district but is required to be reflected in the financial statements.
- ♣ Tuition for special education students is budgeted based on the existing and known incoming students at the time the budget is submitted. Students move into the District during the summer as well as the school year which necessitates transferring funds to the appropriate account to pay these special education costs.

Capital Assets (Net of Depreciation) and Debt Administration

The School District had \$4,619,858 at June 30, 2024 and \$4,919,962 at June 30, 2023 invested in land, land improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment for governmental activities. Additional information on the School District's capital assets is presented in the Notes to the Financial Statements of this report.

Long-Term Liabilities

At year end, the School District's long-term liabilities consisted of bonds payable of \$2,975,000 and \$3,150,000, compensated absences payable of \$91,237 and \$86,887, and net pension liability of \$500,164 and \$507,259 for the fiscal years ended June 30, 2024 and 2023, respectively.

Additional information on the School District's long-term liabilities is presented in the Notes to the Financial Statements of this report.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
JOBSTOWN, NEW JERSEY**

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

For the Future

The following factors were considered and incorporated into the preparation of the School District's budget for the 2023-2024. Fiscal year:

- In order to minimize expenditures, the District participates in multiple cost-sharing shared service agreements. Additionally, in order to realize additional cost savings the District consolidated payroll and Curriculum.
- The Springfield Township School District has committed itself to strong financial controls. The School District spends a lot of time monitoring its budget, scrutinizing spending requests, and has been implementing even stronger internal controls. The School District commits itself to constantly reviewing the ways in which it conducts business, and making improvement whenever possible, in order to meet future challenges and maximize instructional spending.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Springfield Township School District Business Office, 2146 Jacksonville Jobstown Rd, Jobstown, New Jersey 08041, telephone number (609) 723-2382.

BASIC FINANCIAL STATEMENTS

SECTION A - DISTRICT-WIDE FINANCIAL STATEMENTS

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

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

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents:			
Cash and Cash Equivalents	\$ 1,163,060	\$ 173,161	\$ 1,336,221
Internal Balances	369,874		369,874
Receivables, Net	304,633	21,278	325,911
Inventories		7,503	7,503
Restricted Assets:			
Cash and Cash Equivalents	294,090		294,090
Capital Assets, Net			
Capital Assets, Being Depreciated	4,619,858	29,221	4,649,079
Total Assets	6,751,515	231,163	6,982,678
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions	65,077		65,077
Total Deferred Outflows of Resources	65,077	-	65,077
LIABILITIES:			
Interfund Payable	271,259	98,615	369,874
Other Current Liabilities	5,276		5,276
Bond Interest Payable	53,247		53,247
Long-Term Liabilities Other Than Pensions:			
Due Within One Year	180,000		180,000
Due Beyond One Year:			
Other Long-Term Liabilities	2,886,237		2,886,237
Aggregate Net Pension Liability	500,164		500,164
Total Liabilities	3,896,183	98,615	3,994,798
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions	790,589		790,589
Total Deferred Outflows of Resources	790,589	-	790,589
NET POSITION (DEFICIT):			
Net Investment in Capital Assets	1,853,725		1,853,725
Restricted for:			
General Fund			-
Capital Projects Fund	69,978		69,978
Unemployment Compensation	56,365		56,365
Debt Service Fund	2,173		2,173
Proprietary Fund			-
Other Purposes	456,440		456,440
Student Activities	49,027		49,027
Unrestricted (Deficit)	(357,888)	132,548	(225,340)
Total Net Position (Deficit)	\$ 2,129,820	\$ 132,548	\$ 2,262,368

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes In Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES:							
Instruction:							
Regular	\$ 1,639,543	\$ -	\$ 12,713	\$ -	\$ (1,626,830)	\$ -	\$ (1,626,830)
Special Education	617,565		249,387		(368,178)		(368,178)
Other Instruction	11,410				(11,410)		(11,410)
Administration					-		-
Support Services:							
Student and Instruction Related Services	2,049,619	39,941	*		(2,009,678)		(2,009,678)
General and Business Administrative Services	1,454,368				(1,454,368)		(1,454,368)
Plant Operations and Maintenance	432,284				(432,284)		(432,284)
Pupil Transportation	334,189		144,597		(189,592)		(189,592)
Capital Outlay	53,557				(53,557)		(53,557)
Interest on Long-Term Debt	109,118				(109,118)		(109,118)
Unallocated Depreciation	353,661				(353,661)		(353,661)
Total Governmental Activities	7,055,314	39,941	406,697	-	(6,608,676)	-	(6,608,676)
BUSINESS-TYPE ACTIVITIES:							
Food Service	134,153	60,550	23,827			(49,776)	(49,776)
Extended Day Care	55,493	75,439				19,946	19,946
Total Business-Type Activities	189,646	135,989	23,827	-	-	(29,830)	(29,830)
TOTAL PRIMARY GOVERNMENT	\$ 7,244,960	\$ 175,930	\$ 430,524	\$ -	\$ (6,608,676)	\$ (29,830)	\$ (6,638,506)
GENERAL REVENUES:							
Property Taxes Levied For:							
General Purposes					\$ 3,545,194	\$ -	\$ 3,545,194
Debt Service					284,118		284,118
Federal and State Aid Not Restricted					1,931,415		1,931,415
Investment Earnings - Unrestricted					60,047	5,472	65,519
Investment Earnings - Restricted					2,401		2,401
Miscellaneous Income					115,957	10,808	126,765
Total General Revenues					5,939,132	16,280	5,955,412
Change in Net Position					(669,544)	(13,550)	(683,094)
Net Position - July 1					2,799,364	146,098	2,945,462
Net Position - June 30					\$ 2,129,820	\$ 132,548	\$ 2,262,368

* student activity revenue is reported as "charges for services"

** includes the interest earnings on the unemployment compensation bank account and workers' compensation bank account

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

SECTION B - FUND FINANCIAL STATEMENTS

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

GOVERNMENTAL FUNDS

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
GOVERNMENT FUNDS
BALANCE SHEET
JUNE 30, 2024

	General Fund	Special Revenue Fund	Debt Service Fund	Total
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 1,111,460 *	\$ 49,463	\$ 2,137	\$ 1,163,060
Capital Reserve Account	69,978			69,978
Investments	216,490			216,490
Receivables:				
Interfund Accounts Receivable	369,874			369,874
Receivables From Other Governments	33,810	270,823		304,633
Restricted Cash and Cash Equivalents	7,622			7,622
Total Assets	<u>\$ 1,809,234</u>	<u>\$ 320,286</u>	<u>\$ 2,137</u>	<u>\$ 2,131,657</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Current Liabilities:				
Interfund Accounts Payable		271,259		271,259
Payroll Deductions and Withholdings	5,276 **			5,276
Total Current Liabilities	<u>5,276</u>	<u>271,259</u>	<u>-</u>	<u>276,535</u>
Total Liabilities	<u>5,276</u>	<u>271,259</u>	<u>-</u>	<u>276,535</u>
Fund Balances:				
Restricted For:				
Reserve for Excess Surplus -Prior Year- Designated for				
Subsequent Year's Expenditures	251,657			251,657
Reserved for Excess Surplus	234,437			234,437
Capital Reserve Account	69,978			69,978
Maintenance Reserve Account	216,490			216,490
Unemployment Compensation	56,365			56,365
Debt Service Fund			2,137	2,137
Student Activities		49,027		49,027
Assigned:				
Other Purposes	5,813			5,813
Designated for Subsequent Year's Expenditures	686,929			686,929
Unassigned:				
General Fund	<u>282,289</u>			<u>282,289</u>
Total Fund Balances	<u>1,803,958</u>	<u>49,027</u>	<u>2,137</u>	<u>1,855,122</u>
Total Liabilities and Fund Balances	<u>\$ 1,809,234</u>	<u>\$ 320,286</u>	<u>\$ 2,137</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. The cost of the assets is \$9,080,074 and the accumulated depreciation is \$4,460,216.

4,619,858

Long-term liabilities, including bonds payable and net pension liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(3,566,401)

Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds.

The School District has financed capital assets through the issuance of bonds. The interest accrual at year end is:

(53,247)

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.

Deferred outflows of resources related to pensions

65,077

Deferred inflows of resources related to pensions

(790,589)

Net Position (Deficit) of Governmental Activities

\$ 2,129,820

* Include former fiduciary fund cash and cash equivalents

** Include payroll deductions payable

*** Include unspent employee payroll unemployment contributions

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General Fund	Special Revenue Fund	Debt Service Fund	Total
REVENUES:				
Local Sources:				
Local Tax Levy	\$ 3,545,194	\$ -	\$ 284,118	\$ 3,829,312
Tuition	54,463			54,463
Interest Earned on Investments	60,935	1,449	64	62,448
Miscellaneous Revenues	61,243	27,920 **		89,163
Other Local Sources		2,000		2,000
Total Local Sources	3,721,835	31,369	284,182	4,037,386
State Sources	1,900,802	5,424		1,906,226
Federal Sources		407,941		407,941
Total Revenues	5,622,637	444,734	284,182	6,351,553
EXPENDITURES:				
Current:				
Instruction:				
Regular	1,453,850	219,914		1,673,764
Special Education	583,011			583,011
Other Special Education	34,554			34,554
Other	11,410			11,410
Support Services and Undistributed Costs:				
Tuition				-
Student and Instruction Related Services	742,367	210,310 ***		952,677
School Administrative Services				-
General and Business Administrative Services	1,327,521			1,327,521
Plant Operations and Maintenance	432,284	5,424		437,708
Pupil Transportation	334,189			334,189
Unallocated Employee Benefits	1,062,721			1,062,721
Capital Outlay	53,557			53,557
Debt Service:				
Principal			175,000	175,000
Interest and other Charges			109,118	109,118
Total Expenditures	6,035,464	435,648	284,118	6,755,230
Excess (Deficiency) of Revenues Over (Under) Expenditures	(412,827)	9,086	64	(403,677)
NET CHANGE IN FUND BALANCES	(412,827)	9,086	64	(403,677)
FUND BALANCES, JULY 1	2,216,785	39,941	2,073	2,258,799
FUND BALANCES, JUNE 30	\$ 1,803,958	\$ 49,027	\$ 2,137	\$ 1,855,122

* Include interest earnings on the unemployment compensation bank account

** Special revenue fund now includes revenues from student activities

*** Special revenue fund now includes expenditures from student activities

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

Total net change in fund balances - governmental funds (B-2) \$ (403,677)

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those cost are shown in the statement of activities and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.

Depreciation Expense	\$ (353,661)	
Capital Outlay	<u>53,557</u>	(300,104)

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

175,000

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). position and is not reported in the statement of activities.

4,350

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognize as the interest accrued, regardless of when it is due. The increase in accrued interest is a deduction in the reconciliation. The decrease in accrued interest is an addition to the reconciliation.

(2,031)

Pension costs associated with the PERS pension plan are reported in the governmental funds as expenditures in the year the school pension contribution is paid. However, on the statement of activities, the net difference between the current and prior year net pension liability is recognized.

(143,082)

Change in net position of governmental activities

\$ (669,544)

PROPRIETARY FUNDS

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

	Business-Type Activities - Enterprise Fund			
	Summer Camp	Extended Day Fund	Food Service	Totals
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 2,970	\$ 21,051	\$ 149,140	\$ 173,161
Due From Other Funds				-
Receivables from Other Governments		16,768	4,510	21,278
Inventories			7,503	7,503
Total Current Assets	2,970	37,819	161,153	201,942
Noncurrent Assets:				
Furniture, Machinery and Equipment			79,622	79,622
Less: Accumulated Depreciation			(50,401)	(50,401)
Total Noncurrent Assets	-	-	29,221	29,221
Total Assets	\$ 2,970	\$ 37,819	\$ 190,374	\$ 231,163
LIABILITIES AND NET POSITION:				
Liabilities:				
Current Liabilities:				
Interfund Accounts Payable	\$ -	\$ 131	\$ 98,484	\$ 98,615
Total Current Liabilities	-	131	98,484	98,615
Total Liabilities	-	131	98,484	98,615
Contributed Capital				
Unrestricted	2,970	37,688	91,890	132,548
Total Net Position	2,970	37,688	91,890	132,548
Total Liabilities and Net Position	\$ 2,970	\$ 37,819	\$ 190,374	\$ 231,163

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Business-Type Activities - Enterprise Fund			
	Summer Camp	Extended Day Fund	Food Service	Totals
OPERATING REVENUES:				
Charges for Services:				
Daily Sales - Program (Reimbursable Program) Meals	\$ -	\$ -	\$ 60,550	\$ 60,550
Miscellaneous		75,439		75,439
Total Operating Revenues	-	75,439	60,550	135,989
OPERATING EXPENSES:				
Cost of Sales - Program Meals			66,902	66,902
Salaries		55,493	45,953	101,446
Depreciation Expense			4,716	4,716
Miscellaneous Expenditures			16,582	16,582
Total Operating Expenses	-	55,493	134,153	189,646
OPERATING LOSS	-	19,946	(73,603)	(53,657)
NONOPERATING REVENUES:				
State Sources:				
State School Lunch Program			1,963	1,963
Federal Sources:				
National School Lunch Program			20,719	20,719
National School Breakfast Program			1,145	1,145
Supply Chain Assistance (SCA)			10,808	10,808
Local Sources:				
Interest and Investment Revenue		974	4,498	5,472
Total Nonoperating Revenues (Expenses)	-	974	39,133	40,107
Change in Net Position Before Other Financing Sources	-	20,920	(34,470)	(13,550)
CHANGE IN NET POSITION	-	20,920	(34,470)	(13,550)
TOTAL NET POSITION - JULY 1	2,970	16,768	126,360	146,098
TOTAL NET POSITION - JUNE 30	\$ 2,970	\$ 37,688	\$ 91,890	\$ 132,548

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Business-Type Activities - Enterprise Fund			
	Summer Camp	Extended Day Fund	Food Service	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from Customers	\$ -	\$ 75,439	\$ 60,550	\$ 135,989
Cash Payments to Suppliers and Employees		(55,493)	(129,437)	(184,930)
Net Cash Used In Operating Activities	-	19,946	(68,887)	(48,941)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Cash Received From State And Federal Reimbursements			34,635	34,635
Deferred Revenue			(4,710)	(4,710)
Operating Transfers In - General Fund		131	47,760	47,891
Net Cash Provided By Noncapital Financing Activities	-	131	77,685	77,816
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on Deposits and Investments		974	4,498	5,472
Net Cash Provided By Investing Activities	-	974	4,498	5,472
NET DECREASE/(INCREASE) IN CASH AND CASH EQUIVALENTS	-	21,051	13,296	34,347
CASH AND CASH EQUIVALENTS, JULY 1	2,970	-	135,844	138,814
CASH AND CASH EQUIVALENTS, JUNE 30	<u>\$ 2,970</u>	<u>\$ 21,051</u>	<u>\$ 149,140</u>	<u>\$ 173,161</u>
Reconciliation of Operating Income (Loss) to Net Cash Used In Operating Activities:				
Operating Loss (Profit)	\$ -	19,946	\$ (73,603)	\$ (53,657)
Depreciation			4,716	4,716
Change In Assets And Liabilities:				
(Increase) Decrease In Due From Other Funds			(2,700)	(2,700)
Increase (Decrease) In Interfund Payable		131	\$50,460	50,591
Net Cash Used In Operating Activities	<u>\$ -</u>	<u>\$ 20,077</u>	<u>\$ (21,127)</u>	<u>\$ (1,050)</u>

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

NOTES TO THE FINANCIAL STATEMENTS

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The financial statements of the Board of Education (Board) of Springfield Township School District (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. In its accounting and financial reports the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP in GAAP and used by the District are discussed below.

B. Reporting Entity

The Springfield Township School District is a Type II School District located in the County of Burlington, State of New Jersey. As a Type II School District, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three year terms. These terms are staggered so that three members' terms expire each year. The District provides a full range of educational services appropriate to a grade levels K through 6. These include regular instruction as well as special education for handicapped youngsters. The operation of the District includes one elementary school located in Springfield Township. Students in grades 7 through 12 attend District has an approximate enrollment at June 30, 2024 of 276 students.

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

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Component Units

GASB Statement No. 14. The Financial Reporting Entity provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organization that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an amendment of GASB Statement No. 14*, GASB Statement No. 70, *Blending Requirements for certain component units – and Amendment of GASB Statement No. 14* and GASB Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*. The District had no component units as of or for the year ended June 30, 2024.

D. Basic Financial Statements – Government-Wide Statements

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

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Basic Financial Statements – Fund Financial Statements

Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications. All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

F. Proprietary Fund Type

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Fiduciary Fund Types

Fiduciary fund financial statements include a Statement of Net Position. The District's fiduciary funds are Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

H. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. However, data from the fiduciary funds is not incorporated in the government-wide financial statements. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Food Service Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

The District reports the following major governmental funds:

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

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

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

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

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

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, capital leases, or serial bonds that are specially 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 financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

The School District reports the following major proprietary funds:

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

Summer Camp Fund – The summer camp fund accounts for the financial transactions related to the summer camp operations of the School District.

Extended Day Fund – The extended day fund accounts for the financial transactions related to the before and after care operations of the School District.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

I. Budgets/Budgetary Control

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

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

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control (Continued)

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

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

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

J. Encumbrances

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

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

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

K. Cash and Cash Equivalents

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Cash and Cash Equivalents (Continued)

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

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 loss of funds on deposit with a failed banking institution in New Jersey.

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.

L. Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2024 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

M. Inventories

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

N. Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	10-50
Machinery and Equipment	5-20
Land Improvement	10-20
Vehicles	5-10

P. Compensated Absences

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

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

Q. Unearned Revenue

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Accrued Liabilities and Long-Term Obligations

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

S. Accounting Estimates

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

T. Interfund Activity

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

U. Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance (Continued)

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2024.
- Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

V. Net Position

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

- Net Investment in Capital Assets – This components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – 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. □
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

W. Impact of Recently Issued Accounting Principles

The GASB has adopted the following as of June 30, 2023 GASB No. 96, Subscription-Based Information Technology Arrangements (SBITA), is effective with the fiscal year ending June 30, 2023. The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs.

The GASB has issued the following Statement that will become effective for the Charter School for fiscal year ending June 30, 2025:

GASB No. 101, Compensated Absences, is effective with the fiscal year ending June30, 2024. 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. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the Charter School.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

X. Bond Premiums, Discounts and Issuance Costs

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

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

Y. Deferred Loss on Refunding Debt

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

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

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

Z. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

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

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

Investments are stated at cost, or amortized cost, which approximates market. The amortized cost method involves valuing a security at its cost on the date of purchase and thereafter assuming a constant amortization to maturity of any discount or premium. The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 3 requires disclosure of the level of custodial credit risk assumed by the Board in its cash, cash equivalents and investments. Category 1 includes deposits/investments held by the Board's custodial bank trust department or agent in the Board's name. Category 2 includes uninsured and unregistered deposits/investments held by the Board's custodial bank trust department or agent in the Board's name. Category 3 includes uninsured or unregistered deposits/investments held by a broker or dealer, or held by the Board's custodial bank trust department or agent but not in the Board's name. These categories are not broad representations that deposits or investments are "safe" or "unsafe".

A. Deposits and Investments

Deposits

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

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Deposits and Investments (Continued)

Deposits (Continued)

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

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

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

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

	General Fund	Special Revenue	Capital Projects	Debt Services	Proprietary Fund	Total
Operating Account	<u>\$ 1,119,082</u>	<u>\$ 49,463</u>	<u>\$ -</u>	<u>\$ 2,137</u>	<u>\$ 173,161</u>	<u>\$ 1,343,843</u>

The carrying amount of the Board's cash and cash equivalents at June 30, 2024 was and the bank balance was \$1,428,827. All bank balances were covered by Federal Depository Insurance Corp. (FDIC) and/or covered by a collateral pool maintained by the banks as required by GUDPA.

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires the disclosure of bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the Springfield Township School District will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party.

Investments

New Jersey statutes (N.J.S.A. 18A:20-37) permit the District to purchase the following types of securities:

- a. When authorized by resolution adopted by a majority vote of all its members, the Board of Education of any school district may use moneys which may be in hand for the purchase of the following types of securities which, if suitable for registry, may be registered in the name of the school district;

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

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Deposits and Investments (Continued)

Investments (Continued)

- (1) Bonds or other obligations of the United States or obligations guaranteed by the United States;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress , which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of local unit or units within which the school district located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by school district;
- (6) Local government investment pools;
- (7) Deposits with the Statement of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4) or
- (8) Agreements for the repurchase of fully collateralized securities, if:
 - (a) The underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection is;
 - (b) The custody of collateral is transferred to a third party;
 - (c) The maturity of the agreement is not more than 30 days;
 - (d) The underlying securities are purchased through a public depository as defined in section I of P.L. 1970, c.236 (C.17:9-41) and for which a master repurchase agreement providing the custody and security of collateral is executed.

Springfield Township School District had no investments at June 30, 2024.

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

NOTES 3: RESERVE ACCOUNTS

A. Capital Reserve

A capital reserve account was established by the School District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Fund placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School District may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A School District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal budget time or by a special question at one of the four special elections authorized pursuant *N.J.S.A. 19:60-2*. Pursuant to *N.J.S.C.6:23A-14(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 01, 2023 to June 30, 2024 fiscal year is as follows:

Balance at June 30, 2024	<u><u>\$ 69,978</u></u>
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B. Maintenance Reserve

The School District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years. Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed 4% of the replacement cost of the school district's school facilities for the current year.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTES 3: RESERVE ACCOUNTS (CONTINUED)

The activity of the maintenance reserve for the July 01, 2023 to June 30, 2024 fiscal year is as follows:

Balance at June 30, 2024	<u>\$ 216,490</u>
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C. Emergency Reserve

An emergency reserve account was established by inclusion of \$100,000 on June 18, 2018 for the accumulation of funds for use as emergency expenditures in subsequent fiscal years. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The emergency reserve account is used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1% percent of the general fund budget not to exceed \$1 million. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1 and June 30. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of 4%.

The activity of the emergency reserve for the July 01, 2023 to June 30, 2024 fiscal year is as follows:

Balance at June 30, 2024	<u>\$ -</u>
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SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4: ACCOUNTS RECEIVABLE

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

	General Fund	Revenue Fund	Governmental Activities	Service Fund	Business Type Activities	Total
State Awards	\$ 33,810	\$ -	\$ 33,810	\$ 423	\$ 423	\$ 34,233
Federal Awards	-	270,823	270,823	4,087	4,087	274,910
Other	-	-	-	16,768	16,768	16,768
Gross Receivables	33,810	270,823	304,633	21,278	21,278	325,911
Less: Allowance for Uncollectibles	-	-	-	-	-	-
Total Receivables, Net	<u>\$ 33,810</u>	<u>\$ 270,823</u>	<u>\$ 304,633</u>	<u>\$ 21,278</u>	<u>\$ 21,278</u>	<u>\$ 325,911</u>

NOTE 5: CAPITAL ASSETS

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

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
<i>Capital Assets Not Being Depreciated:</i>				
Land and Land Improvements	\$ 90,889	\$ -	\$ -	\$ 90,889
Total Capital Assets Not Being Depreciated	<u>90,889</u>	<u>-</u>	<u>-</u>	<u>90,889</u>
<i>Capital Assets Being Depreciated:</i>				
Leasehold Improvements	\$ 186,761	\$ 30,055	\$ -	\$ 216,816
Building and Building Improvements	\$ 8,073,833	\$ 15,135	\$ -	\$ 8,088,968
Machinery and Equipment	675,034	8,367	-	683,401
Total Capital Assets Being Depreciated	<u>8,935,628</u>	<u>53,557</u>	<u>-</u>	<u>8,989,185</u>
Less Accumulated Depreciation For:				
Leasehold Improvements	170,754	4,978	-	175,732
Building and Building Improvements	3,523,884	317,396	-	3,841,280
Machinery and Equipment	411,917	31,287	-	443,204
Total Accumulated Depreciation	<u>4,106,555</u>	<u>353,661</u>	<u>-</u>	<u>4,460,216</u>
Total Capital Assets Being Depreciated,				
Net of Accumulated Depreciation	<u>4,829,073</u>	<u>(300,104)</u>	<u>-</u>	<u>4,528,969</u>
Government Activity Capital Assets, Net	<u>\$ 4,919,962</u>	<u>\$ (300,104)</u>	<u>\$ -</u>	<u>\$ 4,619,858</u>
Business-Type Activities:				
<i>Capital Assets Being Depreciated:</i>				
Machinery and Equipment	\$ 79,622	\$ -	\$ -	\$ 79,622
Less Accumulated Depreciation	<u>(45,685)</u>	<u>(4,716)</u>	<u>-</u>	<u>(50,401)</u>
Enterprise Fund Capital Assets, Net	<u>\$ 33,937</u>	<u>\$ (4,716)</u>	<u>\$ -</u>	<u>\$ 29,221</u>

Depreciation expense was not allocated among the various functions/programs of the School District.

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

NOTE 6: INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 369,874	\$ -
Special Revenue Fund		271,259
Extended Day Fund		131
Food Service Fund		98,484
	<hr/>	<hr/>
Total	\$ 369,874	\$ 369,874
	<hr/>	<hr/>

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

NOTE 7: LONG-TERM OBLIGATIONS

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

	Balance July 01, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
<i>Governmental Activities:</i>					
General Obligation Bonds	\$ 3,150,000	\$ -	\$ 175,000	\$ 2,975,000	\$ 180,000
Compensated Absences Payable	86,887	5,056	706	91,237	
Net Pension Liability	500,164			500,164	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Governmental Activity Long-Term Liabilities	\$ 3,737,051	\$ 5,056	\$ 175,706	\$ 3,566,401	\$ 180,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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

1. Bonds Payable

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

On July 15, 2015, the School District issued \$4,104,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 3% to 4% and mature on July 15, 2036.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 7: LONG-TERM OBLIGATIONS (CONTINUED)

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

Fiscal Year Ended June 30,	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2025	180,000	103,793	283,793
2026	190,000	98,244	288,244
2027	195,000	92,469	287,469
2028-2032	850,000	364,191	1,214,191
2033-2037	1,560,000	136,500	1,696,500
Totals	2,975,000	795,197	3,770,197

2. Financed Purchases Payable

The School District purchased a school bus under a financed purchase agreement. The agreement was made as of August 1, 2018 for a term of 48 months at an interest rate of 3.00%. The school made its last payment during the school year and holds no future payments on this loan.

3. Bonds Authorized But Not Issued

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

NOTE 8: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several School District employees participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This plan is administered by Prudential Financial for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<http://www.nj.gov/treasury/pensions>

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

NOTE 8: PENSION PLANS (CONTINUED)

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 the PERS, please refer to the Division's Annual Comprehensive Financial Report (ACFR), which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

Vesting and Benefit Provisions

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

Tier	Descriptions
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 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 to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 and Tier 5 with 30 more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a members retires prior to the age of 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.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

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 less than actuarial determined amount.

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 normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. School District contributions to PERS amounted to 46,152 for fiscal year 2024.

The employee contribution rate was 7.50% effective July 1, 2018.

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

At June 30, 2024, the School District reported a liability of \$ 500,164 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 01, 2023 which was rolled forward to June 30, 2024. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. For the June 30, 2024 measurement date, the School District's proportion was 0.00345313% which was an increase of 0.00009188% from its proportion measured as of June 30, 2023 of 0.00336125%.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the fiscal year ended June 30, 2024, the School District recognized pension expense of 126,847 , in the government-wide financial statements. 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
Changes in Assumptions	\$ 1,099	\$ 30,312
Difference Between Expected and Actual Experience	4,782	2,045
Changes in Proportion	56,893	758,232
Net Difference Between Projected and Actual		
Investment Earnings on Pension Plan Investments	2,303	-
	<u>\$ 65,077</u>	<u>\$ 790,589</u>

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Total
2024	\$ (792,578.26)
2025	(442,387)
2026	618,206
2027	(110,635)
2028	1,882
	<u>\$ (725,512)</u>

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

Actuarial Assumptions

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 01, 2023. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2024. This actuarial valuations used the following actuarial assumptions, applied to all periods in the measurement.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Actuarial Assumptions (Continued)

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 improvement is based on Scale MP-2022.

The actuarial assumptions used in the July 01, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
US Equity	28.00%	8.98%
Non-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	4.00%	4.95%
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, 2024. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 0.00% and a municipal bond rate of 0.00% as of June 30, 2024, based on the Bond Buyer Go 20-Bond Municipal Bond Index. 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 would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the School District's proportionate share of the collective net pension liability of the participating employers as of June 30, 2024, calculated using the discount rate as disclosed above as well as what the School District's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Measurement Date June 30, 2023		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Charter School's proportionate share of the Net Pension Liability	\$ 656,596	\$ 504,381	\$ 374,825

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 respective fiduciary net position of the PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, 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. For additional information about PERS, please refer to the plan's Annual Comprehensive Financial Report (ACFR) which can be found at www.nj.gov/treasury/pensions.

B. Teacher's Pension Annuity Fund (TPAF)

Plan Description

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

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: PENSION PLANS (CONTINUED)

Teacher's Pension Annuity Fund (TPAF)

Vesting and Benefit Provisions

The vesting and benefit provision are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested of 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:

Tier	Descriptions
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.

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 2024, the State's pension contribution was less than the actuarially determined amount.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: PENSION PLANS (CONTINUED)

Teacher's Pension Annuity Fund (TPAF) (Continued)

Contributions (Continued)

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

The employee contribution rate was 7.50% effective July 1, 2018.

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

At June 30, 2024, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

The State's proportionate share of the net pension liability, attributable to the School District is as follows:

Charter School's Proportionate Share of the Net Pension Liability	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Charter School	<u>7,978,438</u>
Total	\$ 7,978,438

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 01, 2023. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2024.

For the June 30, 2024 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At June 30, 2024, School District's proportion was 0.00% due to the 100% special funding situation with the State of New Jersey. For June 30, 2024 measurement date, the

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: PENSION PLANS (CONTINUED)

Teacher's Pension Annuity Fund (TPAF) (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

State's proportionate share of the TPAF net pension liability associated with the School District was 0.0156340%, which was an increase of 0.0009164% from its proportion measured as of June 30, 2023 of 0.0147175%. For the fiscal year ended June 30, 2024, the School District recognized \$651,410 in pension expense and revenue, in the government-wide financial statements, for the State of New Jersey on behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2024 measurement date.

Actuarial Assumptions

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 01, 2023. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2024. This actuarial valuations used the following actuarial assumptions, applied to all periods in the measurement.

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

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis.

Post-retirement mortality rates were based on the 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-2022. The actuarial assumptions used in the July 01, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: PENSION PLANS (CONTINUED)

Teacher's Pension Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (0.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2024 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%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 0.00% and a municipal bond rate of 0.00% as of June 30, 2024, based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: PENSION PLANS (CONTINUED)

Teacher's Pension Annuity Fund (TPAF) (Continued)

Discount Rate (Continued)

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

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2024, the pension plans measurement date, attributable to the School District is \$7,593,430 and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 7.00%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	Measurement Date June 30, 2023		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Charter School's proportionate share of the Net Pension Liability	\$ 9,422,275	\$ 7,990,522	\$ 6,784,645

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 respective fiduciary net position of the TPAF and additions to/deductions from TPAF's fiduciary net position have been determined on the same basis as they are reported by 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. For additional information about TPAF, please refer to the plan's Annual Comprehensive Financial Report (ACFR) which can be found at www.nj.gov/treasury/pensions.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: PENSION PLANS (CONTINUED)

C. Defined Contribution Retirement Program (DCRP)

Plan Description

The Defined Contribution Retirement Program (DCRP) is a multiple-employer defined contribution pension fund 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.). The DCRP is a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits.
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 1, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for Tier 3 enrollment but who earn salary of at least \$5,000.00 annually. The minimum salary in 2020 is \$8,300 and is subject to adjustment in future years;
- Employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for Tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually. The minimum number of hours is 32 hours per week for local education employees.

Contributions

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

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

NOTE 9: POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

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

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

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

Basis of Presentation

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

Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

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

NOTE 9: POST-RETIREMENT BENEFITS (CONTINUED)

General Information about the OPEB Plan

Plan Description and Benefits Provided

The school is in a "special funding situation", as described in GASB Statement No. 75 in that OPEB contributions and expense are legally required to be made by and are the sole responsibility of the State of New Jersey.

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

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

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

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9: POST-RETIREMENT BENEFITS (CONTINUED)

Employees covered by benefit terms.

At June 30, 2024 the OPEB Plan's measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted for the following members:

Active plan member	217,212
Inactive plan members or beneficiaries currently receiving benefits	152,383
Inactive plan members entitled to but not yet receiving benefit payments	<u>-</u>
Total	<u>369,595</u>

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of the June 30, 2024 measurement date was determined by an actuarial valuation as of June 30, 2023, which was rolled forward to June 30, 2024.

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

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-2022. 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-2022. 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-2023.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of actuarial experience studies for the periods July 1, 2015- June 30, 2018, July 1, 2014 - June 30, 2018, and July 1, 2013- June 30, 2018 for TPAF, PERS and PFRS, respectively.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9: POST-RETIREMENT BENEFITS (CONTINUED)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount rate

The discount rate for the June 30, 2021 measurement date was 2.16%. 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.

	Total OPEB Liability
Balance at June 30, 2022	\$ 10,446,481
Service cost	310,374
Interest on Total OPEB Liability	377,761
Effect on Changes of Benefit Terms	-
Difference between expected and actual experience	(145,312)
Effect of Changes of Assumptions	21,619
Contributions - Employee	9,681
Gross Benefits Paid by the State	(294,471)
Net Changes	279,652
Balance at June 30, 2023	10,726,133

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate:

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

	Measurement Date Ended June 30, 2023		
	At 1% Decrease (2.65%)	At current discount rate (3.65%)	At 1% Increase (4.65%)
Total OPEB Liability	\$ 12,574,550	\$ 10,726,133	\$ 9,242,069

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

NOTE 9: POST-RETIREMENT BENEFITS (CONTINUED)

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Healthcare Trend Rate:

The following presents the total nonemployer OPEB liability as of June 30, 2024 calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	Measurement Date Ended June 30, 2023		
	At 1% decrease	Healthcare Cost Trend Rate	At 1% Increase
Total OPEB Liability	\$ 8,904,344	\$ 10,726,133	\$ 13,109,949

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

In accordance with GASB Statement 75, as the Charter School's proportionate share of the OPEB liability is \$-0, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At the measurement date of June 30, 2024 the State had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Difference between Actual and Expected Experience	\$ 1,564,974	\$ 2,825,156
Net Difference between Expected and Actual Earnings on OPEB Plan Investments	-	-
Assumption Changes	\$ 1,525,270	2,960,029
Sub Total	3,090,243	5,785,186
Contributions Made in Fiscal Year 2021 after June 30, 2020 Measurement Date	TBD	N/A
Total	TBD	5,785,186

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

Measurement Period ending June 30	
2024	\$ (534,902)
2025	\$ (534,902)
2026	\$ (464,905)
2027	\$ (274,090)
2028	\$ (56,103)
Total Thereafter	\$ (830,040)
	<u>\$ (2,694,942)</u>

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

NOTE 10: ON-BEHALF PAYMENT SFOR FRINGE BENEFITS AND SALARIES

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements.

NOTE 11: RISK MANAGEMENT

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

New Jersey Unemployment Compensation Insurance – The 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.

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023-2024	\$ 2,409	\$ 371	\$ -	\$ 60,225
2022-2023	5,257	476	3,318	57,445
2021-2022	3,916	50	-	55,030
2020-2021	3,112	239	647	51,064

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.

Joint Insurance Pool – The School District also participates 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.

Property – Blanket Building & Grounds	General & Automobile Liability
Environmental Impairment Liability	Worker's Compensation
School Board Legal Liability	Excess Liability
Employer's Liability	Comprehensive Crime Coverage

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

NOTE 12: CONTINGENCIES

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

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

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 program and activities.

NOTE 13: DEFERRED COMPENSATION

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

Lincoln Investment Planning
AXA Equitable

NOTE 14: COMPENSATED ABSENCES

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

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

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

NOTE 14: COMPENSATED ABSENCES (CONTINUED)

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2024, the liability for compensated absences reported on the government-wide and on the proprietary fund Statement of Net Position was \$91,237 and \$86,887, respectively.

NOTE 15: TAX ABATEMENTS

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

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

NOTE 16: CALCULATION OF EXCESS SURPLUS

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

NOTE 19: SUBSEQUENT EVENTS

Subsequent events were evaluated through March 11, 2025, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

SECTION C – BUDGETARY COMPARISON SCHEDULE

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

C-1
Sheet 1

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 3,403,135	\$ -	\$ 3,403,135	\$ 3,545,194	\$ 142,059
Tuition - Other LEA's	20,000		20,000	54,463	34,463
Earnings on Investments	30		30	53,210	53,180
Interest on Emergency Reserve	30		30	30	-
Interest on Investments - Maintenance Reserve	150		150	5,815	5,665
Interest on Investments - Capital Reserve	150		150	1,880	1,730
Unrestricted Miscellaneous Revenues	36,400		36,400	61,243	24,843
Total Local Sources	3,459,895	-	3,459,895	3,721,835	261,940
State Sources:					
Transportation Aid	139,769		139,769	139,769	-
Special Education Categorical Aid	241,061		241,061	241,061	-
Extraordinary Aid				12,713	12,713
Equalization Aid	390,227		390,227	390,227	-
Security Aid	22,357		22,357	22,357	-
NonPublic transportation Aid				4,550	4,550
On-Behalf TPAF Pension Aid				707,175	707,175
Reimbursed TPAF Social Security Aid				162,861	162,861
On-Behalf TPAF Post-Retirement Medical Aid				192,467	192,467
On-Behalf TPAF Long-Term Disability Insurance Aid				218	218
Total State Sources	793,414	-	793,414	1,873,398	1,079,984
TOTAL REVENUES	4,253,309	-	4,253,309	5,595,233	1,341,924
EXPENDITURES:					
Current Expenses:					
Instruction:					
Regular Programs:					
Salaries of Teachers:					
Preschool	36,426	910	37,336	38,027	(691)
Kindergarten	167,297	3,685	170,982	176,412	(5,430)
Grades 1-5	856,547	(12,605)	843,942	840,888	3,054
Grades 6-8	181,034	2,499	183,533	192,195	(8,662)
Total Salaries of Teachers	1,241,304	(5,511)	1,235,793	1,247,522	(11,729)
Total Regular Programs - Instruction	1,241,304	(5,511)	1,235,793	1,247,522	(11,729)
Regular Programs - Home Instruction:					
Salaries of Teachers	1,000	(1,000)	-	-	-
Total Regular Programs - Home Instruction	1,000	(1,000)	-	-	-
Regular Programs - Undistributed Instruction:					
Other Salaries for Instructions	6,300	16,733	23,033	23,670	(637)
Purchased Technical Services	35,901	(1,367)	34,534	51,476	(16,942)
Other Purchased Services	1,000	(146)	854	854	-
General Supplies	70,000	65,503	135,503	110,274	25,229
Miscellaneous Expenditures	28,055		28,055	20,054	8,001
Total Regular Programs - Undistributed Instruction	166,256	80,723	246,979	206,328	40,651
Total Regular Programs	1,408,560	74,212	1,482,772	1,453,850	28,922
Behavioral Disabilities:					
Salaries of Teachers	63,372	(1,595)	61,777	59,460	2,317
Other Salaries for Instruction	16,188	(9,830)	6,358		6,358
Total Behavioral Disabilities	79,560	(11,425)	68,135	59,460	8,675
Multiple Disabilities:					
Salaries of Teachers	66,908	4,930	71,838	77,915	(6,077)
Other Salaries for Instruction	58,729	2,758	61,487	65,054	(3,567)
Total Multiple Disabilities	125,637	7,688	133,325	142,969	(9,644)
Resource Room/Resource Center:					
Salaries of Teachers	212,414	61,837	274,251	291,223	(16,972)
Other Salaries for Instruction	63,678	(18,781)	44,897	26,504	18,393
General Supplies	900		900	845	55
Total Resource Room/Resource Center	276,992	43,056	320,048	318,572	1,476

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

C-1
Sheet 2

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
(Continued from Prior Page)					
Preschool Disabilities - Part-Time:					
Salaries of Teachers	\$ 26,969	\$ (312)	\$ 26,657	\$ 26,657	\$ -
Other Salaries for Instruction	27,542	(999)	26,543	27,973	(1,430)
General Supplies	400	182	582	582	-
Total Preschool Disabilities - Part-Time	54,911	(1,129)	53,782	55,212	(1,430)
Home Instruction:					
Salaries of Teachers	500	6,078	6,578	6,798	(220)
Total Home Instruction	500	6,078	6,578	6,798	(220)
Basic Skills/Remedial:					
Other Salaries for Instruction	84,856	(4,027)	80,829	34,554	46,275
Total Basic Skills/Remedial	84,856	(4,027)	80,829	34,554	46,275
Total Special Education	622,456	40,241	662,697	617,565	45,132
School-Sponsored Co-Curricular and Extra-Curricular Activities					
Salaries	2,700		2,700	3,600	(900)
Purchased Services	3,000		3,000	3,000	-
Supplies and Materials	500		500		500
Total School-Sponsored Co-Curricular and Extra-Curricular Activities:	6,200	-	6,200	6,600	(400)
Summer School - Instruction:					
Salaries	4,532		4,532	4,532	-
Supplies and Materials	778	(113)	665	278	387
Total Summer School - Instruction	5,310	(113)	5,197	4,810	387
Total Other Instructional Programs	11,510	(113)	11,397	11,410	(13)
Total Instruction	2,042,526	114,340	2,156,866	2,082,825	74,041
Undistributed Expenditures					
Instruction:					
Tuition to Other LEAs Within the State - Special Educator	56,795		56,795		56,795
Districts and Regional Day School Within the State	49,646		49,646		49,646
Total Instruction	106,441	-	106,441	-	106,441
Attendance and Social Work Services:					
Salaries	25,750	3,065	28,815	28,962	(147)
Total Attendance and Social Work Services	25,750	3,065	28,815	28,962	(147)
Health Services:					
Salaries	87,491	(616)	86,875	90,752	(3,877)
Purchased Prof/Tech Services	2,825	(34)	2,791	1,702	1,089
Supplies and Materials	3,100		3,100	3,100	-
Other Objects	85		85	85	-
Total Health Services	93,501	(650)	92,851	95,639	(2,788)

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

C-1
Sheet 3

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
(Continued from Prior Page)					
Other Support Services Students - OT, PT, and Related Services:					
Salaries	\$ 66,193	\$ (861)	\$ 65,332	\$ 64,674	\$ 658
Purchased Prof/Ed Services	20,090	(2,000)	18,090	6,992	11,098
Total Other Support Services Students - OT, PT, and Related Services	86,283	(2,861)	83,422	71,666	11,756
Other Support Services Students - Extraordinary Services					
Purchased Prof/Ed Services	31,245		31,245	12,177	19,068
Total Other Support Services Students - Extraordinary Services	31,245	-	31,245	12,177	19,068
Other Support Services Students - Special Services (Child Study Teams)					
Salaries of Other Professional Staff	214,056		214,056	199,602	14,454
Salaries of Secretarial and Clerical Assistants	36,050	2,446	38,496	40,170	(1,674)
Other Salaries	4,000	(4,000)	-	-	-
Other Purchased Prof/Tech Services	14,000	(3,675)	10,325	7,733	2,592
Other Purchased Services	864		864	864	-
Supplies and Materials	1,000		1,000	82	918
Total Other Support Services Students - Special Services (Child Study Teams)	269,970	(5,229)	264,741	248,451	16,290
Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	94,667	15,618	110,285	110,285	-
Salaries of Secretarial and Clerical Assistants	6,438	1,459	7,897	8,240	(343)
Other Salaries	7,000	(7,000)	-	-	-
Other Purchased Services	6,000	(6,000)	-	-	-
Supplies and Materials	100		100	75	25
Total Improvement of Instruction Services	114,205	4,077	118,282	118,600	(318)
Educational Media/Library					
Salaries	69,077	146	69,223	70,712	(1,489)
Purchased Prof/Tech Services	70,000	14,659	84,659	84,659	-
Supplies and Materials	5,321	(288)	5,033	5,033	-
Total Educational Media/Library	144,398	14,517	158,915	160,404	(1,489)
Instructional Staff Training Services:					
Other Salaries	750	(253)	497		497
Other Purchased Prof/Tech Services	1,973		1,973	3,324	(1,351)
Other Purchased Services	8,087	(3,728)	4,359	3,144	1,215
Supplies and Materials	100		100		100
Total Instructional Staff Training Services	10,910	(3,981)	6,929	6,468	461
Support Services General Administration					
Salaries	143,567	(918)	142,649	125,969	16,680
Legal Fees	13,750		13,750	9,595	4,155
Audit Fees	20,000		20,000	16,875	3,125
Other Purchased Professional Fees	3,500	(1,834)	1,666	1,350	316
Purchased Technical Services	5,750	(785)	4,965	4,965	-
Communications/Telephone	10,000		10,000	6,134	3,866
BOE Other Purchased Services	500	19	519	519	-
Other Purchased Services	2,587	(500)	2,087	1,535	552
General Supplies	2,000		2,000	1,214	786
Miscellaneous Expenditures	3,000		3,000	2,350	650
BOE Membership Dues and Fees	5,000	416	5,416	5,416	-
Total Support Services General Administration	209,654	(3,602)	206,052	175,922	30,130

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

C-1
Sheet 4

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Central Services:					
Salaries	76,350		76,350	76,835	(485)
Purchased Technical Services	7,900	18,950	26,850	8,850	18,000
Supplies and Materials	1,250		1,250	1,250	-
Miscellaneous Expenditures	1,550	(300)	1,250	1,160	90
Total Central Services	87,050	18,650	105,700	88,095	17,605
Required Maintenance for School Facilities					
Salaries	112,056	(5,662)	106,394	92,333	14,061
Cleaning, Repair and Maintenance Services	50,000	15,897	65,897	60,764	5,133
General Supplies	30,000	(7,897)	22,103	22,820	(717)
Other Objects	3,000		3,000	2,296	704
Total Required Maintenance for School Facilities	195,056	2,338	197,394	178,213	19,181
Custodial Services:					
Salaries	112,674	5,661	118,335	110,646	7,689
Insurance	19,931	(981)	18,950	18,950	-
General Supplies	20,000	(6,000)	14,000	14,000	-
Energy (Heat and Electricity)	60,000	20,000	80,000	64,341	15,659
Energy (Natural Gas)	26,000	(1,892)	24,108	11,492	12,616
Total Custodial Services	238,605	16,788	255,393	219,429	35,964
Security:					
Purchased Prof/Tech Services	5,000	27,000	32,000	31,465	535
Other Objects	4,000		4,000	3,177	823
Total Security	9,000	27,000	36,000	34,642	1,358
Student Transportation Services:					
Salaries for Pupil Transportation (B/T Home & School) - Regular	15,000		15,000	13,509	1,491
Cleaning, Repair and Maintenance Services	1,500		1,500	254	1,246
Lease Purchased Payments - School Buses	12,808	(7,214)	5,594		5,594
Contracted Services - Aid In Lieu of Payment for Non-public School Student	2,000	4,600	6,600	6,600	-
Contracted Services - Transport (Other Than B/T Home & School) - Vendors	5,000		5,000	3,469	1,531
Contracted Services (B/T Home & School) - Joint Agreements	257,123		257,123	230,012	27,111
Contracted Services (Special Ed Students) - Joint Agreements	65,859	10,418	76,277	76,276	1
Miscellaneous Purchased Services - Transportation	6,000	(1,981)	4,019	4,019	-
General Supplies	2,000		2,000		2,000
Other Objects (Transportation Supplies)	100		100	50	50
Total Student Transportation Services	367,390	5,823	373,213	334,189	39,024
Other Support Services:					
Employee Benefits	10,000		10,000	2,415	7,585
Total Other Support Services	10,000	-	10,000	2,415	7,585
Unallocated Employee Benefits					
Group Insurance	5,000		5,000	2,317	2,683
Social Security Contributor	70,000		70,000	54,368	15,632
Other Retirement Contributions - PERS/DCRF	65,300	(8,471)	56,829	51,540	5,289
Workmen's Compensation	25,000	2,095	27,095	27,095	-
Health Benefits	844,783	(31,933)	812,850	867,569	(54,719)
Other Employee Benefits	16,905	(2,095)	14,810	58,200	(43,390)
Total Unallocated Employee Benefits	1,026,988	(40,404)	986,584	1,061,089	(74,505)

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

C-1
Sheet 5

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
(Continued from Prior Page)					
Contributions:					
On-Behalf TPAF Pension Contributions (Non-Budgeted)				707,175	\$ (707,175)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				162,861	(162,861)
On-Behalf TPAF Post-Retirement Medical Contributions (Non-Budgeted)				192,467	(192,467)
On-Behalf TPAF Long-Term Disability Insurance Contributions (Non-Budgeted)				218	(218)
Total Contributions	-	-	-	1,062,721	(1,062,721)
Total Undistributed Expenditures	3,026,446	35,531	3,061,977	3,899,082	(837,105)
Total Expenditures - Current Expense	5,068,972	149,871	5,218,843	5,981,907	(763,064)
Capital Outlay:					
Equipments:					
Instructional Expenditures					
School-Sponsored Co-Curricular/Extra-Curricular Activities	451,375		451,375	53,557	397,818
Total Instructional Expenditures	451,375	-	451,375	53,557	397,818
Total Capital Outlay	451,375	-	451,375	53,557	397,818
Total Expenditures - General Func	5,520,347	149,871	5,670,218	6,035,464	(365,246)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,267,038)	(149,871)	(1,416,909)	(440,231)	976,678
FUND BALANCES, JULY 1	4,168,796	-	4,168,796	2,216,785	(1,952,011)
FUND BALANCES, JUNE 30	\$ 2,901,758	\$ (149,871)	\$ 2,751,887	\$ 1,776,554	\$ (975,333)
RECAPITULATION:					
Restricted For:					
Excess Surplus				\$ 234,437	
Excess Surplus - Designated for Subsequent Year's Expenditures				251,657	
Capital Reserve Account				69,978	
Maintenance				216,490	
Unemployment Compensation				56,365	
Assigned Fund Balance:					
Year-End Encumbrances				5,813	
Designated For Subsequent Year's Expenditures				686,929	
Unassigned Fund Balance				254,885	
				1,776,554	
Reconciliation to Governmental Funds Statement (GAAP)					
Add: Current-Year State Aid Payment Not Recognized on GAAP Basis				73,599	
Less: Prior-Year State Aid Payment Not Recognized on GAAP Basis				(46,195)	
Fund Balance Per Governmental Funds (GAAP)				\$ 1,803,958	

* Include interest earnings on the unemployment compensation bank account

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUE SOURCES:					
Local	\$ -	\$ -	\$ -	\$ 31,369	\$ 31,369 *
State				5,424	5,424
Federal	123,831		123,831	407,941	284,110
Total Revenues	123,831	-	123,831	444,734	320,903
EXPENDITURES:					
Instruction:					
Salaries	109,881		109,881	103,240	6,641
Salaries of Teachers	108,483	(88,483)	20,000	55,000	(35,000)
Other Salaries for Instruction	4,337		4,337	4,337	-
Purchased Prof/Tech Services	22,485	(8,000)	14,485	10,338	4,147
Other Purchased Services	35,000		35,000		35,000
General Supplies	50,178		50,178	46,999	3,179
Total Instruction	330,364	(96,483)	233,881	219,914	13,967
Support Services:					
Salaries	30,488		30,488	15,805	14,683
Personal Services - Employee Benefits	47,223		47,223		47,223
Purchased Prof/Ed Services	56,842		56,842	56,842	-
Purchased Professional/Tech Services	32,446	(2,768)	29,678	23,092	6,586
Other Purchased Services	46,897		46,897	34,865	12,032
Supplies and Materials	10,866		10,866	10,343	523
Indirect Costs	190		190		190
Student Activities				20,283	(20,283) *
Total Support Services	224,952	(2,768)	222,184	161,230	60,954
Facilities Acquisition and Construction Services:					
Instructional Equipment	49,233		49,233	26,491	22,742
Non-Instructional Equipment	41,823		41,823	28,013	13,810
Total Facilities Acquisition and Construction Services	91,056	-	91,056	54,504	36,552
Total Expenditures	646,372	(99,251)	547,121	435,648	111,473
Total Outflows	646,372	(99,251)	547,121	435,648	111,473
Excess (Deficiency) of Revenues Over (Under) Expenditures	(522,541)	99,251	(423,290)	9,086	432,376
Fund Balances, July 1	398,518	-	398,518	39,941	(358,577)
Fund Balances, June 30	\$ (124,023)	\$ 99,251	\$ (24,772)	\$ 49,027	\$ 33,858
Recapitulation:					
Restricted:					
Student Activities				\$ 49,027	
Total Fund Balance				\$ 49,027	

* Not required to budget for these funds

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART II

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FISCAL YEAR ENDED JUNE 30, 2024

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	[C-1] \$ 5,595,233	[C-2] \$ 444,734
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized	(300)	-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	(46,195)	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	73,599	-
Total revenues as reports on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2] \$ <u>5,622,337</u>	[B-2] \$ <u>444,734</u>
Uses/Outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 6,035,464	[C-2] \$ 435,648
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial accounting purposes.	-	-
Transfers to and from other fund are presented as outflows of budgetary resources but are not expenditures for financial accounting purposes.		
Net Transfers (Outflows) to/from general fund.	-	-
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2] \$ <u>6,035,464</u>	[B-2] \$ <u>435,648</u>

REQUIRED SUPPLEMENTARY INFORMATION – PART III

***SECTION L – DISTRICT’S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR TPAF AND PERS AND DISTRICT’S PERS AND TPAF CONTRIBUTIONS***

The schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS
UNAUDITED

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School District's proportion of the net pension liability	0.005311%	0.006108%	0.006143%	0.005534%	0.007076%	0.004472%	0.003177%	0.002973%	0.003361%	0.003453%
School District's proportionate share of the net pension liability	\$ 994,362	\$ 1,371,217	\$ 1,819,463	\$ 1,288,287	\$ 1,393,143	\$ 805,835	\$ 518,134	\$ 352,143	\$ 507,259	\$ 500,164
School District's covered employees payroll	\$ 383,314	\$ 421,694	\$ 413,022	\$ 385,814	\$ 414,717	\$ 321,416	\$ 244,064	\$ 253,066	\$ 218,528	\$ 252,139
School District's proportionate share of the net pension liability as a percentage of it's covered employee payroll	259%	325%	441%	334%	336%	251%	212%	139%	232%	198%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	53.60%	58.32%	51.52%	53.31%

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS
UNAUDITED

	<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 contribution	\$ 43,783	\$ 52,516	\$ 54,576	\$ 51,269	\$ 70,379	\$ 43,502	\$ 34,758	\$ 34,812	\$ 42,387	\$ 46,152
Contributions in relation to the contractually required contribution	<u>(43,783)</u>	<u>(52,516)</u>	<u>(54,576)</u>	<u>(51,269)</u>	<u>(70,379)</u>	<u>(43,502)</u>	<u>(34,758)</u>	<u>(34,812)</u>	<u>(42,387)</u>	<u>(46,152)</u>
Contribution deficiency/(excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered employee payroll	\$ 383,314	\$ 421,694	\$ 413,022	\$ 385,814	\$ 414,717	\$ 321,416	\$ 244,064	\$ 253,066	\$ 218,528	\$ 252,139
Contributions as a percentage of covered employee payroll	11.42%	12.45%	13.21%	13.29%	16.97%	13.53%	14.24%	13.76%	19.40%	18.30%

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER'S PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
State's proportion of the net pension liability attributable of the School District	0.00000000%	0.00000000%	0.00000000%	0.00000000%	0.00000000%	0.00000000%	0.00000000%	0.01570014%	0.01471754%	0.01563398%
State's proportionate share of the net pension liability attributable to the School District	\$ 11,452,856	\$ 13,399,076	\$ 16,241,884	\$ 13,379,643	\$ 12,488,797	\$ 12,147,294	\$ 12,265,765	\$ 7,547,872	\$ 7,593,430	\$ 7,978,438
School District's covered employees payroll	\$ 2,102,662	\$ 2,124,683	\$ 2,016,217	\$ 2,085,882	\$ 2,058,191	\$ 1,697,144	\$ 1,734,515	\$ 1,882,589	\$ 2,039,317	\$ 2,117,025
School District's proportionate share of the net pension liability as a percentage of it's covered employee payroll	544.68%	630.64%	805.56%	641.44%	606.79%	715.75%	707.16%	400.93%	372.35%	376.87%
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%	35.52%	53.08%

***SECTION M – DISTRICT’S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY FOR
TPAF AND PERS***

The schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

Springfield Township School District
Required Supplementary Information Schedules
Schedule of Changes in the Charter School's Net OPEB Liability and Related Ratios
Last Six Years
(Unaudited)

	Measurement Date Ending					
	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
OPEB Liability at Beginning of Measurement Period	\$ 13,735,110	\$ 11,462,721	\$ 9,292,908	\$ 15,476,097	\$ 13,100,139	\$ 10,446,481
Service cost	404,750	357,956	313,976	475,594	388,015	310,374
Interest on Total OPEB Liability	500,957	452,155	331,708	339,831	276,843	377,761
Effect on Changes of Benefit Terms	-	-	-	(13,944)	-	-
Difference between expected and actual experience	(1,566,775)	(2,841,673)	2,971,814	(2,931,359)	(250,730)	(145,312)
Effect of Changes of Assumptions	(1,315,405)	138,558	2,826,951	12,924	(2,802,362)	21,619
Contributions - Employee	10,593	8,456	8,166	8,688	8,797	9,681
Gross Benefits Paid by the State	(306,509)	(285,265)	(269,426)	(267,692)	(274,221)	(294,471)
Net Change in Total OPEB Liability	(2,272,389)	(2,169,813)	6,183,189	(2,375,958)	(2,653,658)	279,652
OPEB Liability at Beginning of Measurement Period	13,735,110	11,462,721	9,292,908	15,476,097	13,100,139	10,446,481
Expected OPEB Liability at End of Measurement Period	11,462,721	9,292,908	15,476,097	13,100,139	10,446,481	10,726,133
Total OPEB Liability at End of Measurement Period	11,462,721	9,292,908	15,476,097	13,100,139	10,446,481	10,726,133

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Schedule:

Differences Between Expected and Actual Experiences: The \$890,424,863 increase in the liability from June 30, 2022 to June 30, 2023 is due to the combined effect of the following:

Update in census information	\$ (303,903,385)
Premium and Claims Experience	(676,521,478)
Total	(\$980,424,863)

Changes in Assumptions:

The \$105,539,463 decrease in the liability from June 30, 2022 to June 30, 2023 is due to the combined effect of the following:

Trend Update	\$ 1,002,445,292
Mortality Projection Scale Update	(896,905,829)
Total Changes in Assumption	\$ 105,539,463

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PART III

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC EMPLOYEES RETIREMENT SYSTEM
FOR FISCAL YEAR ENDED JUNE 30, 2023

NET PENSION LIABILITY (SCHEDULES L-1 AND L-2)

A. Benefit Changes

There were none.

B. Changes in Assumptions

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

NET OPEB LIABILITY (SCHEDULE M-1)

A. Benefit Changes

There were none.

B. Changes in Assumptions

The discount rate changed from 0.00% as of June 30, 2022 to 0.00% as of June 30, 2023.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
TEACHERS PENSION AND ANNUITY FUND
FOR FISCAL YEAR ENDED JUNE 30, 2023

NET PENSION LIABILITY (SCHEDULE L-3)

A. Benefit Changes

There were none.

B. Changes in Assumptions

The discount rate remained unchanged at 7.00% as of June 30, 2022 June 30, 2023 in accordance with Paragraph 44 of GASB Statement No.67.

NET OPEB LIABILITY (SCHEDULE M-1)

A. Benefit Changes

There were none.

B. Changes in Assumptions

The discount rate remained unchanged at 5.60% as of June 30, 2022 to 7.00% as of June 30, 2022 in accordance with Paragraph 44 of GASB Statement No.67.

OTHER SUPPLEMENTARY INFORMATION

**SECTION E – SPECIAL REVENUE FUND
DETAIL STATEMENTS**

The Special Revenue Fund is used to account for the proceeds of specific sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Springfield Township Board of Education
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Local Projects Restricted	ESSA Title I	I.D.E.A. Part B	I.D.E.A. Preschool	ESSA Title II	ESSA Title IV	ARP ESSR Grant Program	ARP ESSR Accel. Learning Coach
REVENUE SOURCES:								
Local	2,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State								
Federal		30,588	86,319	5,523	4,580	10,000	117,919	25,924
Total Revenues	2,000	30,588	86,319	5,523	4,580	10,000	117,919	25,924
EXPENDITURES:								
Instruction:								
Salaries								
Salaries of Teachers		20,000	35,000				15,095	17,500
Other Salaries for Instruction		4,337						
Purchased Prof/Tech Services								
Other Purchased Services		6,251				6,000	32,748	
General Supplies	2,000							
Textbooks								
Other Objects								
Total Instruction	2,000	30,588	35,000	-	-	6,000	47,843	17,500
Support Services:								
Salaries								5,724
Personal Services - Employee Benefits								
Purchased Prof/Ed Services			51,319	5,523				
Purchased Technical Services					4,580			2,700
Other Purchased Services							10,572	
Supplies and Materials						4,000	5,000	
Miscellaneous Expenditures								
Student Activities								
Total Support Services	-	-	51,319	5,523	4,580	4,000	15,572	8,424
Facilities Acquisition and Construction Services:								
Instructional Equipment							26,491	
Non-Instructional Equipment							28,013	
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	54,504	-
Total Expenditures	2,000	30,588	86,319	5,523	4,580	10,000	117,919	25,924
Total Outflows	2,000	30,588	86,319	5,523	4,580	10,000	117,919	25,924
Excess (Deficiency) of Revenues Over (Under)	-	-	-	-	-	-	-	-
Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**SECTION G – PROPRIETARY FUND
DETAIL STATEMENTS**

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

Food Services Fund – The fund provides for the operation of food services in all schools within the school district.

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

SECTION I – LONG-TERM DEBT SCHEDULES

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
LONG TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Amount	Interest Rate	Balance June 30, 2023	Retired	Balance June 30, 2024
Additions and Renovations to Schools	7/15/2015	\$ 4,104,000	7/15/2024	\$ 180,000	3.000%	\$ 3,150,000	\$ 175,000	\$ 2,975,000
			7/15/2025	190,000	3.000%			
			7/15/2026	195,000	3.000%			
			7/15/2027	200,000	3.000%			
			7/15/2028	210,000	3.125%			
			7/15/2029	215,000	3.250%			
			7/15/2030	225,000	3.375%			
			7/15/2031	235,000	4.000%			
			7/15/2032	245,000	4.000%			
			7/15/2033	255,000	4.000%			
			7/15/2034	265,000	4.000%			
			7/15/2035	275,000	4.000%			
			7/15/2036	285,000	4.000%			
Total						\$ 3,150,000	\$ 175,000	\$ 2,975,000

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
LONG TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES/LEASE PURCHASE AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Description	Date of Issue	Amount of Issue	Interest Rate	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
School Buses	8/1/2018	\$ 58,113	3.00%	\$ -	\$ -	\$ -	\$ -
Total				\$ -	\$ -	\$ -	\$ -

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 284,157	\$ -	\$ 284,157	\$ 284,118	\$ (39)
Interest on Investments				64	64
Total Revenues	284,157	-	284,157	284,182	25
EXPENDITURES:					
Debt Service - Regular:					
Interest	109,118		109,118	109,118	-
Redemption of Principal	175,000		175,000	175,000	-
Total Expenditures	284,118	-	284,118	284,118	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	39	-	39	64	25
Fund Balance, July 1	2,073	-	2,073	2,073	-
Fund Balance, June 30	\$ 2,112	\$ -	\$ 2,112	\$ 2,137	\$ 25
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures:					
Budgeted Fund Balance	\$ 2,112	\$ -	\$ 2,112	\$ 2,137	\$ 25

STATISTICAL SECTION (UNAUDITED)

GASB requires that ten years of statistical data be presented. The following information is presented utilizing information available. Each year thereafter, an additional year's data will be included until ten years of data is presented.

Contents

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.

Revenue Capacity

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

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.

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.

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.

Sources: *Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2004; schedules presenting district-wide information include information beginning that year.*

FINANCIAL TRENDS

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
UNAUDITED

	Fiscal Year Ending June 30,									
	2024	2023	2022	2020	2019	2018	2017	2016	2015	
Governmental Activities										
Net Investment in Capital Assets										
Restricted	\$ 1,853,725	\$ 3,702,420	\$ 1,987,416	\$ 2,167,803	\$ 2,628,292	\$ 2,736,490	\$ 3,317,201	\$ (1,194,454)	\$ 1,820,267	
Unrestricted	633,983	2,217,661	1,641,403	1,409,417	1,298,472	1,231,713	1,157,276	4,012,860	441,996	
	(357,888)	(59,921)	(1,134,503)	(1,278,460)	(1,641,651)	(1,550,974)	(1,330,285)	(1,270,502)	(1,082,174)	
Total Governmental Activities Net Assets/Position	\$ 2,129,820	\$ 5,860,160	\$ 2,494,316	\$ 2,298,760	\$ 2,285,113	\$ 2,417,229	\$ 3,144,192	\$ 1,547,904	\$ 1,180,089	
Business-Type Activities										
Net Investment in Capital Assets										
Restricted	\$ -	\$ 38,652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Unrestricted	132,548	260,644	23,732	5,781	4,349	8,179	7,664	3,296	4,331	
Total Business-Type Activities Net Assets/Position	\$ 132,548	\$ 299,296	\$ 23,732	\$ 5,781	\$ 4,349	\$ 8,179	\$ 7,664	\$ 3,296	\$ 4,331	
District-wide										
Net Investment in Capital Assets	\$ 1,853,725	\$ 3,741,072	\$ 1,987,416	\$ 2,167,803	\$ 2,628,292	\$ 2,736,490	\$ 3,317,201	\$ (1,194,454)	\$ 1,820,267	
Restricted	633,983	2,217,661	1,641,403	1,409,417	1,298,472	1,231,713	1,157,276	4,012,860	441,996	
Unrestricted	(225,340)	200,723	(1,110,771)	(1,272,679)	(1,637,302)	(1,542,795)	(1,322,621)	(1,267,206)	(1,077,843)	
Total District-wide Net Assets/Position	\$ 2,262,368	\$ 6,159,456	\$ 2,518,048	\$ 2,304,541	\$ 2,289,462	\$ 2,425,408	\$ 3,151,856	\$ 1,551,200	\$ 1,184,420	

Source: District records

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
UNAUDITED

	Fiscal Year Ending June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Governmental Activities:										
Instruction:										
Instruction (Charter School)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Regular	\$ 1,453,850	\$ 1,169,081	\$ 1,311,169	\$ 1,277,777	\$ 1,182,276	\$ 1,333,927	\$ 1,438,601	\$ 1,466,239	\$ 2,522,903	\$ 2,504,017
Special Education	617,565	564,157	487,746	399,537	496,013	474,254	505,076	574,401	313,432	313,019
Other Special Education	-	-	-	-	-	-	-	-	-	-
Other Instruction	11,410	41,868	1,570	2,485	28,660	68,841	153,373	162,621	146,232	139,606
Administration (Charter School)	240,197	238,543	-	-	-	-	-	-	-	-
Support Services:										
Support Services (Charter School)	-	-	-	-	-	-	-	-	-	-
Tuition	-	31,522	131,744	145,101	174,131	9,143	496	29,360	55,332	96
Student and Instruction Related Services	2,049,619	1,811,009	803,245	731,644	668,463	695,217	649,994	670,694	643,098	762,829
General and Business Administration Services	1,399,864	1,316,452	187,952	181,504	177,482	223,962	203,125	200,400	185,337	247,127
School Administrative Services	-	-	-	-	-	-	-	-	71,450	64,252
Central Services	53,557	33,979	88,322	102,462	130,581	145,156	152,718	122,642	115,386	144,495
Plant Operations and Maintenance	432,284	572,876	403,878	353,206	401,740	380,163	379,718	377,560	379,718	466,735
Pupil Transportation	334,189	298,016	210,847	204,396	180,147	226,928	194,294	186,430	186,573	179,824
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Unallocated Benefits	-	-	865,564	1,072,204	719,294	1,372,972	2,717,013	1,638,409	1,046,753	915,890
On-Behalf TPAF & Soc. Sec. Contributions	-	-	314,302	903,831	836,695	864,176	-	-	-	-
Transfers to Charter School	-	-	-	8,873	-	-	-	-	-	-
SDA Debt Service Assessment	-	-	-	-	-	-	-	-	-	-
Interest on Long-Term Debt	109,118	112,579	118,426	123,369	128,162	132,813	137,455	147,587	128,667	-
Unallocated Depreciation	353,661	368,456	369,677	362,017	376,296	363,951	954,138	76,082	76,081	69,162
Total Governmental Activities Expenses	7,055,314	6,558,538	5,294,442	5,868,406	5,467,363	6,313,080	7,486,851	5,652,425	5,870,962	5,807,052
Business-Type Activities:										
Food Service	\$ 134,153	\$ -	\$ 171,442	\$ 105,898	\$ 54,711	\$ 66,634	\$ 70,065	\$ 85,710	\$ 114,738	\$ 98,373
Summer Camp	-	-	-	-	4,300	6,180	-	-	-	-
Milk Program	-	124,109	-	-	-	-	-	-	-	-
Extended School Year Program	55,493	-	-	-	-	-	-	-	-	-
Child Care	-	-	-	-	-	-	-	-	-	-
Safetytown	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities Expenses	189,646	124,109	171,442	105,898	59,011	72,814	70,065	85,710	114,738	98,373
Total District Expenses	7,244,960	6,682,647	5,465,884	5,974,304	5,526,374	6,385,894	7,556,916	5,738,135	5,985,700	5,905,425
Program Revenues										
Governmental Activities:										
Operating Grants and Contributions	406,697	363,767	913,854	1,579,556	963,116	1,394,975	1,956,174	1,287,787	1,087,399	1,082,973
Total Governmental Activities Expenses	446,638	390,185	913,854	1,579,556	963,116	1,394,975	1,956,174	1,287,787	1,087,399	1,082,973
Business-Type Activities:										
Charges for Services:										
Food Service	\$ -	\$ -	\$ 61,006	\$ 4,961	\$ 30,537	\$ 38,504	\$ 40,976	\$ 52,439	\$ 58,952	\$ 59,042
Summer Camp	-	-	-	-	6,375	7,075	-	-	-	-
Operating Grants and Contributions	23,827	57,486	196,493	118,858	23,458	23,371	29,558	37,611	39,721	33,712
Total Business-Type Activities Revenues	160,790	116,115	257,499	123,819	60,370	68,950	70,534	90,050	98,673	92,754
Total District Program Revenues	607,428	506,300	1,171,353	1,703,375	1,023,486	1,463,925	2,026,708	1,377,837	1,186,072	1,175,727
Net (Expense)/Revenue										
Governmental Activities	\$ (6,608,676)	\$ (6,168,353)	\$ (4,380,588)	\$ (4,288,850)	\$ (4,504,247)	\$ (4,918,105)	\$ (5,530,677)	\$ (4,364,638)	\$ (4,783,563)	\$ (4,724,079)
Business-Type Activities	(28,856)	(7,994)	86,057	17,921	1,359	(3,864)	469	4,340	(16,065)	(5,619)
Total District-Wide Net Expense	\$ (6,637,532)	\$ (6,176,347)	\$ (4,294,531)	\$ (4,270,929)	\$ (4,502,888)	\$ (4,921,969)	\$ (5,530,208)	\$ (4,360,298)	\$ (4,799,628)	\$ (4,729,698)

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
UNAUDITED

	Fiscal Year Ending June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied For:										
General Purposes	\$ 3,545,194	\$ 3,403,135	\$ -	\$ -	\$ 3,399,585	\$ 3,550,782	\$ 3,542,964	\$ 3,451,384	\$ -	\$ -
County Appropriations	-	476	\$ -	\$ -	-	-	-	-	-	-
Debt Service	284,118	286,219	-	-	-	-	-	-	-	-
Federal and State Aid Not Restricted	1,931,415	2,110,954	1,164,884	891,848	1,052,812	1,149,388	1,197,873	2,439,288	1,630,056	1,268,361
Tuition Revenue	-	-	35,257	23,316	36,452	47,248	61,171	60,472	31,925	-
Investment Earnings	62,448	47	-	-	-	-	-	1,774	76	40
Miscellaneous Income	115,957	106,090	34,218	53,068	29,045	38,571	79,399	8,008	32,072	31,444
Other Financing Sources - Transfer, Miscellaneous/Other	-	-	-	-	-	-	(77,693)	-	(15,000)	-
NJ Economic Development Authority Grants	-	-	-	-	-	-	-	-	-	-
Donated Capital Assets	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	5,939,132	5,906,921	4,853,160	4,413,109	4,517,894	4,785,989	4,803,714	5,960,926	5,151,378	4,750,094
Business-Type Activities:										
Miscellaneous Income	-	-	42	30	73	34	46	28	15,030	7
Total Business-Type Activities	15,306	894	42	30	73	34	46	28	15,030	7
Total District-wide	5,954,438	5,907,815	4,853,202	4,413,139	4,517,967	4,786,023	4,803,760	5,960,954	5,166,408	4,750,101
Change in Net Position										
Governmental Activities	\$ (669,544)	\$ (261,432)	\$ 472,572	\$ 124,259	\$ 13,647	\$ (132,116)	\$ (726,963)	\$ 1,596,288	\$ 367,815	\$ 26,015
Business-Type Activities	(13,550)	(7,100)	86,099	17,951	1,432	(3,830)	515	4,368	(1,035)	(5,612)
Total District	\$ (683,094)	\$ (268,532)	\$ 558,671	\$ 142,210	\$ 15,079	\$ (135,946)	\$ (726,448)	\$ 1,600,656	\$ 366,780	\$ 20,403

Source: District records

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
UNAUDITED

	Fiscal Year Ending June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Restricted	\$ 778,075	\$ 804,388	\$ 1,552,588	\$ 1,611,717	\$ 1,264,802	\$ 1,000,782	\$ 934,776	\$ 633,945	\$ 463,369	\$ 217,303
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	686,929	686,929	7,465	1,470	23,570	31,256	-	12,214	287,207	253,050
Unassigned	338,654	725,468	632,069	185,167	162,703	142,461	137,837	133,926	135,717	181,602
Total General Fund	\$ 1,803,658	\$ 2,216,785	\$ 2,192,122	\$ 1,798,354	\$ 1,451,075	\$ 1,174,499	\$ 1,072,613	\$ 780,085	\$ 886,293	\$ 651,955
All Other Governmental Funds										
Restricted	\$ 51,164	\$ 42,014	\$ 28,656	\$ 29,686	\$ 144,615	\$ 297,690	\$ 296,937	\$ 523,331	\$ 3,268,017	\$ (78,735)
Assigned	-	-	-	-	-	-	-	-	-	-
Reserved	-	-	-	-	-	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 51,164	\$ 42,014	\$ 28,656	\$ 29,686	\$ 144,615	\$ 297,690	\$ 296,937	\$ 523,331	\$ 3,268,017	\$ (78,735)

Source: District records

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
UNAUDITED

Fiscal Year Ending June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues:										
Local Sources:										
Local Tax Levy	\$ 3,829,312	\$ 3,689,354	\$ 3,618,801	\$ 3,444,877	\$ 3,399,585	\$ 3,550,782	\$ 3,542,964	\$ 3,451,384	\$ 3,472,249	\$ 3,450,249
Tuition (LEAs, Individuals, and Other)	54,463	97,573	35,257	23,316	36,452	47,248	61,171	60,472	31,925	-
Interest In Investments	62,448	2,847	248	429	330	300	718	1,774	76	40
Miscellaneous	91,163	32,611	33,970	52,639	28,715	38,271	78,681	8,008	31,903	31,444
State Sources	1,900,802	2,078,815	2,059,655	1,643,851	1,743,460	1,863,422	1,830,951	3,614,802	2,143,558	1,713,696
Federal Sources	407,941	395,906	314,905	199,952	155,724	147,439	159,682	112,273	117,901	135,980
Total Revenues	<u>6,346,129</u>	<u>6,297,106</u>	<u>6,062,836</u>	<u>5,365,064</u>	<u>5,364,266</u>	<u>5,647,462</u>	<u>5,674,167</u>	<u>7,248,713</u>	<u>5,797,612</u>	<u>5,331,409</u>
Expenditures:										
Instruction:										
Regular	1,694,047	1,407,624	1,311,169	1,277,777	1,182,276	1,333,927	1,438,601	1,466,239	2,522,903	2,504,017
Special Education	583,011	564,157	487,746	399,537	496,013	474,254	505,076	574,401	313,432	313,019
Other Special Education	34,554	-	-	-	-	-	-	-	-	-
Other Instruction	11,410	41,868	1,570	2,485	28,660	68,841	153,373	162,621	146,232	139,606
Support Services:										
Tuition	-	31,522	131,744	145,101	174,131	9,143	496	29,360	55,332	96
Student and Instructional Related Services	932,394	846,962	803,245	731,644	668,463	695,217	649,994	670,694	643,098	762,829
School Administrative Services	1,327,521	1,166,145	187,952	181,504	177,482	223,962	203,125	200,400	183,962	245,752
Central Services	-	-	88,322	102,462	130,581	145,156	152,718	122,642	71,450	64,252
Plant Operations and Maintenance	432,284	572,876	403,878	353,206	379,657	401,740	380,568	377,560	372,350	144,495
Pupil Transportation	334,189	298,016	210,847	204,396	180,147	226,928	194,294	186,430	186,573	466,735
Other Support Services	-	-	-	737,824	812,219	961,677	903,024	948,482	520,870	179,824
On-Behalf TPAF Pension & Soc. Sec. Contr.	-	-	-	752,003	690,648	714,034	633,078	561,120	-	443,335
Employee Benefits	1,062,721	964,047	1,713,132	-	-	58,113	27,490	4,587,737	1,174,103	-
Capital Outlay	53,557	68,765	33,205	10,600	35,194	-	-	-	-	194,676
Debt Service:										
Interest and Other Charges	109,118	114,917	120,694	125,569	130,294	134,944	139,503	211,921	-	-
Principal	175,000	182,186	176,594	171,030	155,000	149,000	149,000	-	-	-
Total Expenditures	<u>6,749,806</u>	<u>6,259,085</u>	<u>5,670,098</u>	<u>5,195,138</u>	<u>5,240,765</u>	<u>5,602,936</u>	<u>5,530,340</u>	<u>10,099,607</u>	<u>6,305,691</u>	<u>5,460,636</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(403,677)	38,021	392,738	169,926	123,501	44,526	143,827	(2,850,894)	(508,079)	(129,227)
Other Financing Sources (Uses):										
Proceeds from borrowing	-	-	-	-	-	58,113	(77,693)	-	4,104,169	-
Transfers In	-	-	-	(8,873)	-	-	-	-	(15,000)	-
Transfers Out	-	-	-	(8,873)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	(8,873)	-	58,113	(77,693)	-	4,089,169	-
Net Change in Fund Balance	<u>\$ (403,677)</u>	<u>\$ 38,021</u>	<u>\$ 392,738</u>	<u>\$ 161,053</u>	<u>\$ 123,501</u>	<u>\$ 102,639</u>	<u>\$ 66,134</u>	<u>\$ (2,850,894)</u>	<u>\$ 3,581,090</u>	<u>\$ (129,227)</u>
Debt service as a percentage of noncapital expenditures	2.61%	2.94%	3.13%	3.30%	2.98%	2.80%	2.71%	0.00%	0.00%	0.00%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
UNAUDITED

Fiscal Year Ending June 30,	Tuition	Prior Year Refunds	Miscellaneous Revenue	Interest on Investments	Summer Transportation Fees - Other LEA's	SHIF Dividend	Cancel Other		Annual Total
							Current	Liabilities	
2024	\$ 54,463	\$ -	\$ 61,243	\$ 60,635	\$ -	\$ -	\$ -	-	176,341
2023	97,573	-	1	2,830	-	-	-	-	100,404
2022	-	1,300	11,306	1,464	-	4,119	-	-	18,189
2021	7,822	4,852	4,695	2,393	-	20,412	-	-	40,174
2020	-	7,131	17,207	2,452	-	-	-	-	26,790
2019	-	27,944	6,179	3,395	-	-	-	-	37,518
2018	42,658	975	26,053	1,995	-	-	-	-	71,681
2017	-	-	1,103	2,082	2,015	-	2,808	8,008	26,170
2016	-	5,065	14,817	3,620	-	-	2,668	-	31,444
2015	28,402	-	1,967	1,075	-	-	-	-	-

Source: District records

REVENUE CAPACITY

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

Year Ended December 31,	Vacant Land	Residential	Farm	QFarm	Commercial	Total Assessed Value	Public Utilities	Net Valuation Taxable	Less: Tax Exempt Property	Total Direct School Tax Rate	Estimated Actual (County Equalized) Value
2024	\$ 6,216,700	\$ 287,676,900	\$ 47,874,600	\$ 6,838,400	\$ 43,677,600	392,284,200	\$ 68	\$ 392,284,268	\$ 45,805,320	0.955	\$ 624,159,535
2023	4,931,454	247,200,561	58,837,326	4,668,388	82,784,041	398,421,770	910,471	355,090,521	44,241,720	0.878	470,694,916
2022	7,635,300	283,327,200	49,368,800	6,859,900	39,352,400	386,543,600	910,471	343,212,351	44,241,720	0.935	470,694,916
2021	7,544,500	283,098,600	49,033,600	6,932,500	39,738,430	386,347,630	886,408	344,951,188	42,282,850	0.890	443,369,202
2020	8,160,100	282,856,300	48,146,700	6,835,900	40,164,230	386,163,230	886,408	345,036,388	42,013,250	0.882	446,732,396
2019	8,543,600	281,147,900	48,502,700	7,016,500	39,600,630	384,813,330	919,229	343,524,309	42,208,250	0.920	422,641,962
2018	8,363,000	279,399,200	50,542,200	7,245,940	39,591,530	385,141,870	915,705	344,736,825	41,320,750	0.920	426,648,955
2017	8,087,100	278,881,500	50,180,000	7,001,900	40,198,430	384,348,930	907,931	344,062,611	41,194,250	0.898	421,641,864
2016	8,249,050	280,081,300	48,562,500	7,491,860	39,312,130	383,696,940	969,755	343,790,645	40,875,950	0.899	401,868,515
2015	8,960,950	280,027,800	48,404,200	8,247,250	39,626,130	385,266,330	1,042,493	345,918,273	40,390,550	0.882	391,454,551

(1) Revaluation effective

Source: Municipal Tax Assessor

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(rate per \$100 of assessed value)
UNAUDITED

Year Ended December 31, _____	School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Local School	Regional School	Total Direct	Municipality	Regional School	County	
2024	0.955	N/A	0.955	0.812	0.867	0.428	3.170
2023	1.014	N/A	1.014	0.760	0.889	0.419	3.082
2022	0.878	N/A	0.878	0.749	0.889	0.457	2.973
2021	0.935	N/A	0.935	0.719	0.945	0.448	3.047
2020	0.890	N/A	0.890	0.691	0.989	0.457	3.027
2019	0.882	N/A	0.882	0.673	0.993	0.437	2.985
2018	0.920	N/A	0.920	0.623	1.012	0.443	2.998
2017	0.920	N/A	0.920	0.591	1.083	0.445	3.039
2016	0.898	N/A	0.898	0.547	1.000	0.426	2.871
2015	0.899	N/A	0.899	0.532	0.925	0.415	2.771

(1) Revaluation effective

Source: Municipal Tax Collector

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Taxpayer	2024		2015	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Columbus Farmers Market				
Helis Enterprise				
Transcontinental Pipeline				
NJ Land				
Milo Corporation				
Interstate Storage & Pipeline				
K&P Ganesh Corporation				
Store & Lock Self Storage				
Verizon				
Taxpayer #1				
Total	\$ -	0.00%	\$ -	\$ -

NOT AVAILABLE

Source: Municipal Tax Assessor

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Year Ended December 31,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal year of the Levy ^a		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2024	\$ 3,545,194	\$ 3,545,194	100.00%	-	\$ 3,545,194	100.00%
2023	3,403,135	3,403,135	100.00%	-	3,403,135	100.00%
2022	3,618,801	3,618,801	100.00%	-	3,618,801	100.00%
2021	3,444,877	3,444,877	100.00%	-	3,444,877	100.00%
2020	3,399,585	3,399,585	100.00%	-	3,399,585	100.00%
2019	3,550,782	3,550,782	100.00%	-	3,550,782	100.00%
2018	3,542,964	3,542,964	100.00%	-	3,542,964	100.00%
2017	3,451,384	3,451,384	100.00%	-	3,451,384	100.00%
2016	3,472,249	3,472,249	100.00%	-	3,472,249	100.00%
2015	3,450,249	3,450,249	100.00%	-	3,450,249	100.00%

Source: Municipal Tax Collector

DEBT CAPACITY

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income	Per Capita
	General Obligation Bonds ^b	Financed Purchases			
2024	\$ 2,975,000	\$ -	\$ 2,975,000	0.00%	\$ -
2023	3,150,000	-	3,150,000	0.00%	-
2022	6,470,000	12,186	6,482,186	3.17%	1,029
2021	3,485,000	23,780	3,508,780	0.00%	1,087
2020	3,645,000	34,810	3,679,810	1.69%	1,132
2019	3,800,000	45,304	3,845,304	1.86%	1,180
2018	3,955,000	-	3,955,000	1.98%	1,211
2017	4,104,000	-	4,104,000	2.11%	1,253
2016	4,104,000	-	4,104,000	2.16%	1,244
2015	-	-	-	0.00%	-

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2024	\$ 2,975,000	\$ -	\$ 2,975,000	0.00%	\$ -
2023	3,150,000	-	3,150,000	0.00%	-
2022	3,320,000	-	3,320,000	0.71%	1,029
2021	3,485,000	-	3,485,000	0.74%	1,087
2020	3,645,000	-	3,645,000	0.82%	1,132
2019	3,800,000	-	3,800,000	0.85%	1,180
2018	3,955,000	-	3,955,000	0.94%	1,211
2017	4,104,000	-	4,104,000	0.96%	1,253
2016	4,104,000	-	4,104,000	0.97%	1,244
2015	-	-	-	0.00%	-

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022
UNAUDITED

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Share Overlapping Debt
Net Overlapping Debt of School District:			
Township of Springfield			
Burlington County General Obligation Debt			
Northern Burlington County Regional School District			
Subtotal Overlapping Debt			-
Springfield Township School District Debt			_____
Total Direct and Overlapping Bonded Debt			
As of December 31, 2022			\$ _____

Source: Assessed value data used to estimate applicable percentages provided by the Burlington County Board of Taxation

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2024

Equalized Valuation Basis	
2024	\$ 623,131,424
2023	\$ 571,159,200
2022	\$ 533,016,547
	<u>\$ 1,727,307,171</u>
Average Equalized Valuation of Taxable Property	
	\$ 575,769,057
Debt Limit (3% of Average Equalization Value)	
	14,394,226
Total Net Debt Applicable To Limit	
	2,975,000
Legal Debt Margin	
	<u>\$ 11,419,226</u>

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Debt Limit	\$ 14,394,226	\$ 12,014,650	\$ 11,263,039	\$ 10,867,890	\$ 10,723,390	\$ 10,521,604	\$ 10,359,200	\$ 10,114,141	\$ 9,945,272	\$ 10,028,456
Total Net Debt Applicable to Limit	2,975,000	3,150,000	3,320,000	3,485,000	3,645,000	3,800,000	3,955,000	4,104,000	4,104,000	-
Legal Debt Margin	<u>\$ 11,419,226</u>	<u>\$ 8,864,650</u>	<u>\$ 7,943,039</u>	<u>\$ 7,382,890</u>	<u>\$ 7,078,390</u>	<u>\$ 6,721,604</u>	<u>\$ 6,404,200</u>	<u>\$ 6,010,141</u>	<u>\$ 5,841,272</u>	<u>\$ 10,028,456</u>
As a Percentage of Debt Limit	20.67%	26.22%	29.48%	32.07%	33.99%	36.12%	38.18%	40.58%	41.27%	0.00%

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

DEMOGRAPHIC AND ECONOMIC INFORMATION

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

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2023	3,239	191,010,308	58,972	3.7%
2022	3,237	204,575,163	63,199	4.2%
2021	3,228	N/A	N/A	7.6%
2020	3,251	218,317,654	67,154	3.0%
2019	3,258	206,974,224	63,528	3.4%
2018	3,267	199,744,380	61,140	3.8%
2017	3,276	194,171,796	59,271	5.1%
2016	3,298	189,908,734	57,583	6.0%
2015	3,321	185,726,925	55,925	6.1%

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO
UNAUDITED

Employer	2024			2015		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment
	Not Available			Not Available		
	<u>-</u>		<u>0.00%</u>	<u>-</u>		<u>0.00%</u>

OPERATING INFORMATION

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

Function/Program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instruction										
Regular	18.00	15.40	15.40	14.40	15.70	17.60	18.90	19.30	19.40	32.95
Special Education	12.60	10.80	10.80	10.56	10.93	6.00	12.46	12.16	12.94	-
Other Special Education	-	-	-	-	-	2.00	-	-	1.67	-
Other Instruction	-	-	-	-	-	1.00	-	-	0.33	-
Support Services:										
Student and Instruction Related Services	4.00	6.60	6.60	4.00	4.00	4.50	7.00	7.00	7.63	5.80
School Administrative Services	2.00	2.00	2.00	2.00	3.00	2.25	-	-	-	2.40
General and Business Administration Services	1.40	1.40	1.40	2.00	2.00	2.00	2.10	2.10	1.83	1.70
Plant Operations and Maintenance	3.20	3.20	3.20	3.38	3.63	3.50	4.30	4.30	4.99	4.10
Pupil Transportation	-	-	-	0.50	0.05	0.05	0.05	0.05	0.10	0.90
Business and Other Support Services	-	-	-	-	-	-	-	-	-	-
Total	41.20	39.40	39.40	36.84	39.31	38.90	44.81	44.91	48.89	47.85

Source: District Personnel Records

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil / Teacher Ratio	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	Percent Change In Average Daily Enrollment	Student Attendance Percentage
2024	288	\$ 6,412,131	\$ 22,264	4.10%	27	1:11	301.9	282.9	5.37%	93.71%
2023	276	5,893,217	21,352	4.72%	26	1:11	285.7	266.4	9.10%	93.24%
2022	248	5,045,597	20,345	0.18%	22	1:11	259.7	236.2	11.51%	90.95%
2021	231	4,691,376	20,309	-1.59%	25	1:9	229.8	219.8	-5.74%	95.65%
2020	232	4,786,448	20,631	-7.63%	30	1:7	243.0	240.5	6.75%	98.97%
2019	230	5,107,440	22,206	-3.32%	29	1:8	226.6	217.3	4.41%	95.90%
2018	220	5,047,665	22,944	5.40%	29	1:7	216.6	206.0	-9.33%	95.11%
2017	239	5,187,676	21,706	-2.21%	33	1:7	236.8	225.4	-3.29%	95.19%
2016	227	5,036,055	22,185	3.25%	33	1:7	244.6	234.5	0.00%	95.87%
2015	239	5,129,980	21,464	14.17%	33	1:7	244.6	234.5	-7.24%	95.87%

Sources: District records

Note: Enrollment based on annual October district count.

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<u>District Building</u>										
<u>Elementary School</u>										
Springfield Township Elementary (1939)										
Square Feet	43,320	43,320	43,320	43,320	43,320	43,320	43,320	43,320	43,320	43,320
Capacity (students)	432	432	432	432	432	432	432	432	432	432
Enrollment	276	276	248	231	232	230	220	239	227	239
<u>Other Buildings</u>										
Athletic Building (1979)										
Square Feet	4,120	4,120	4,120	4,120	4,120	4,120	4,120	4,120	4,120	4,120

Number of Schools at June 30, 2024

- Elementary = 1
- Other = 1

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of alterations and additions.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS
UNAUDITED

	Ten Year Total	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
* School Facility											
Springfield School	\$ 1,745,011	\$ 178,213	\$ 169,166	\$ 166,933	\$ 175,239	\$ 168,235	\$ 163,831	\$ 150,000	\$ 162,610	\$ 247,137	\$ 163,647

* 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

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2024**

COVERAGE	Amount	Retention	Deductible
School Package Policy (1)			
Building & Contents (All Locations) - Limits of Liability per Occurrence	174,749,500	250,000	500
Boiler and Machinery	125,000,000	-	1,000
General Automobile Liability	14,750,000	250,000	-
Workers' Compensation	Statutory	250,000	-
Crime Coverage	249,500	250,000	500
Educators Legal Liability	14,750	175,000	-
Pollution Legal Liability	3,000,000	-	25,000
Volunteer Accident & Health (2)	1,000,000	-	-
Surety Bonds (3)	160,000	-	-
Treasurer	100,000	-	-
Board Secretary			

(1) Burlington County Insurance Pool Joint Insurance Fund (BCIPJIF)

(2) National Union Fire Insurance

(3) Selective Insurance Company

Source: District Records

SINGLE AUDIT SECTION

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Springfield Township School District
County of Burlington
Jobstown, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Springfield Township School District (School District), in the , State of New Jersey, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in table of contents and have issued our report thereon dated March 11, 2025.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weakness or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weakness. However, material weakness may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, as #2024-001 that we consider to be a deficiency.


Report on Compliance and Other Matters

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

Purpose of this Report

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


BARRE & COMPANY, LLC
Certified Public Accountants
Public School Accountants


Richard M. Barre, CPA
Public School Accountant
PSA Number CS-01181

Union, New Jersey
March 11, 2025

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR STATE PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH NEW JERSEY CIRCULAR
15-08 OMB**

INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Springfield Township School District
County of Burlington
Jobstown, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the compliance of the Springfield Township School District (School District), in the , State of New Jersey, with the types of compliance requirements identified as subject to audit in the *New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major state programs for the year ended June 30, 2024. The School District's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Springfield Township School District, in the , State of New Jersey, 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 state programs for the year ended June 30, 2024.

Basis for Opinion on Each Major 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; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; the audit requirements of Title 2 U.S. Code of Federal Regulations (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*. Our responsibilities under those standards, the Uniform Guidance, and New Jersey OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, we:

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

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

Other Matters

The results of our auditing procedures disclosed one instance of noncompliance which is required to be reported in accordance with New Jersey OMB's Circular 15-08 and which is described in the accompanying schedule of findings and questioned costs as Finding No. 2024-002. Our opinion on each major state program is not modified with respect to this matter.

School District's Response to Findings

The School District's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 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 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 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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance as findings numbers 2024-002, to be significant deficiencies. 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 that the testing based on the requirements of the Uniform Guidance and New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purposes.


BARRE & COMPANY LLO
Certified Public Accountants
Public School Accountants


Richard M. Barre, CPA
Public School Accountant
PSA Number CS-01181

Union, New Jersey
March 11, 2025

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal AL/CFDA Number	FAIN	Grant or State Project Number	Program or Award Amount	Grant Period From To	Balance at June 30, 2023	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment Of Prior Years' Balances	Accounts Receivable	Balance at June 30, 2024 Unearned Revenue	Due to Grantor
Special Revenue Fund:													
U.S. Department of Education													
Passed-through State Department of Education													
<u>Every Student Succeeds Act Cluster:</u>													
84.010	S010A230030	ESSA - - 24	\$ 30,588	7/1/23 9/30/24	\$ -	\$ -	-	\$ (30,588)	\$ -	\$ -	\$ (30,588)	\$ -	-
84.010	S010A230030	ESSA - - 23	-	7/1/22 9/30/23	(35,891)	-	35,891	-	-	-	-	-	-
84.367	S367B230029	ESSA - - 24	4,580	7/1/23 9/30/24	-	-	-	(4,580)	-	-	(4,580)	-	-
84.367	S367B230029	ESSA - - 23	-	7/1/22 6/30/23	(2,570)	-	2,570	-	-	-	-	-	-
84.424A	S424A230031	ESSA - - 24	10,000	7/1/23 9/30/24	-	-	-	(10,000)	-	-	(10,000)	-	-
84.424A	S424A230031	ESSA - - 23	-	7/1/22 9/30/23	(16,909)	-	15,409	-	-	-	(1,500)	-	-
84.358	S358A210030	ESSA - - 24	18,869	7/1/23 6/30/24	(9,559)	-	28,428	(18,869)	-	-	-	-	-
84.358	S358A210030	ESSA - - 23	-	7/1/22 6/30/23	(349)	-	349	-	-	-	-	-	-
					(65,278)	-	82,647	(64,037)	-	-	(46,668)	-	-
Special Education Cluster:													
84.027A	H027A230100	IDEA - - 24	86,319	7/1/23 9/30/24	-	-	-	(86,319)	-	-	(86,319)	-	-
84.027A	H027A230100	IDEA - - 23	-	7/1/22 9/30/23	(76,537)	-	76,537	-	-	-	-	-	-
84.173A	H173A230114	IDEA - - 24	5,523	7/1/23 9/30/24	-	-	-	(5,523)	-	-	(5,523)	-	-
84.173A	H173A230114	IDEA - - 23	-	7/1/22 6/30/23	(4,757)	-	4,757	-	-	-	-	-	-
					(81,294)	-	81,294	(91,842)	-	-	(91,842)	-	-
Total Special Education Cluster													
Other Special Revenue Funds:													
84.425D	S425D210027	N/A	-	3/13/21 9/30/24	(28,512)	-	28,512	-	-	-	-	-	-
84.425D	S425D210027	N/A	-	3/13/23 9/30/25	(5,655)	-	5,655	-	-	-	-	-	-
84.425D	S425D210027	N/A	-	3/13/21 9/30/24	(10,190)	-	10,190	-	-	-	-	-	-
84.425U	S425U230027	N/A	117,919	3/13/20 9/30/24	(34,880)	-	104,226	(117,919)	-	-	(48,573)	-	-
84.425U	S425U230027	N/A	25,924	3/13/20 9/30/24	-	-	-	(25,924)	-	-	(25,924)	-	-
84.425U	S425U230027	N/A	33,838	3/13/20 9/30/24	-	-	21,115	(33,838)	-	-	(12,723)	-	-
84.425U	S425U230027	N/A	28,251	3/13/20 9/30/24	(3,802)	-	7,188	(28,251)	-	-	(21,063)	-	-
84.425U	S425U210027	N/A	26,216	3/13/20 9/30/24	(2,398)	-	5,988	(26,216)	-	-	(24,030)	-	-
84.425U	S425U200031	N/A	-	7/1/22 6/30/23	-	-	2,398	-	-	-	-	-	-
84.425V	S425V200031	N/A	19,914	7/1/23 6/30/24	(7,593)	-	19,914	(19,914)	-	-	-	-	-
84.425V	S425V200031	N/A	-	9/1/23 8/31/24	(7,593)	-	7,593	-	-	-	-	-	-
					(83,600)	-	212,779	(232,062)	-	-	(132,313)	-	-
Total Other Special Revenue Funds													
Total U.S. Department of Education													
					(239,602)	-	376,720	(407,941)	-	-	(270,823)	-	-
Enterprise Fund:													
U.S. Department of Agriculture													
Passed-through State Department of Education													
<u>Child Nutrition Program Cluster:</u>													
10.553	241NJ304N1099	N/A	1,145	7/1/23 6/30/24	-	-	977	(1,145)	-	-	(168)	-	-
10.555	241NJ304N1099	N/A	20,719	7/1/23 6/30/24	-	-	16,800	(20,719)	-	-	(3,919)	-	-
10.555	231NJ304N1099	N/A	-	7/1/22 6/30/23	(1,744)	-	1,744	-	-	-	-	-	-
10.556	241NJ304N1099	N/A	10,808	7/1/23 6/30/24	-	-	10,808	(10,808)	-	-	(4,087)	-	-
					(1,744)	-	30,329	(32,672)	-	-	-	-	-
Total Enterprise Fund/U.S. Department of Agriculture													
					(1,744)	-	30,329	(32,672)	-	-	(4,087)	-	-
Total Federal Financial Awards													
					(241,346)	\$ -	\$ 407,049	\$ (440,613)	\$ -	\$ -	\$ (274,910)	\$ -	\$ -

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2023		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Year's Balance	Balance at June 30, 2024		MEMO	
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor					(Accounts Receivable)	Unearned Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable
State Department of Education														
General Fund:														
State Aid-Public Cluster:														
Equalization Aid	24-495-034-5120-078	\$ 403,705	7/1/23	6/30/24	\$ (22,795)	\$ -	\$ -	\$ 426,500	\$ (403,705)	\$ -	\$ -	\$ -	\$ (22,795)	\$ 403,705
Special Education Categorical Aid	24-495-034-5120-089	249,387	7/1/23	6/30/24	(11,605)			260,992	(249,387)				(11,605)	249,387
Special Education Categorical Aid	23-495-034-5120-089	-	7/1/22	6/30/23										
Security Aid	24-495-034-5120-084	23,129	7/1/23	6/30/24	(1,627)			24,756	(23,129)				(1,627)	23,129
Security Aid	23-495-034-5120-084	-	7/1/22	6/30/23										
Additional Nonpublic School Transportation Aid	24-495-034-5120-014	144,597	7/1/23	6/30/24	(10,168)			154,765	(144,597)				(10,168)	144,597
School Transportation Aid	24-495-034-5120-014	-	7/1/22	6/30/23	(46,195)			867,013	(820,818)				(46,195)	820,818
Total State Aid-Public Cluster														
Other General Funds:														
Extraordinary Aid	24-495-034-5120-044	12,713	7/1/23	6/30/24					(12,713)				12,713	12,713
Nonpublic School Transportation Costs	24-495-034-5120-078	4,550	7/1/23	6/30/24					(4,550)				4,550	4,550
On-Behalf TPAF Post-Retirement Medical Contributions	24-495-034-5094-001	192,467	7/1/23	6/30/24				192,467	(192,467)					192,467
On-Behalf TPAF Pension Contributions	24-495-034-5094-002	707,175	7/1/23	6/30/24				707,175	(707,175)					707,175
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-003	162,861	7/1/23	6/30/24				162,861	(162,861)					162,861
Reimbursed TPAF - Social Security	23-495-034-5094-003	-	7/1/22	6/30/23	(7,296)			7,296					16,547	162,861
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	218	7/1/23	6/30/24	(7,296)			1,053,470	(1,079,984)			(33,810)	33,810	218
Total Other General Funds					(7,296)									1,079,984
Total General Fund					(53,491)			1,920,483	(1,900,802)			(33,810)	(12,385)	1,900,802
Special Revenue Fund:														
SDA Emergent and Capital Maintenance Needs Grant	24-XXX-XXX-XXXX-XXX	5,424	7/1/22	7/1/23	5,424				(5,424)				5,424	5,424
Total Special Revenue Fund					5,424				(5,424)				5,424	5,424
State Department of Agriculture														
Enterprise Fund:														
National School Lunch Program (State Share)	24-100-010-3350-023	1,963	7/1/23	6/30/24	(1,744)			1,540	(1,963)		(423)		423	1,963
National School Lunch Program (State Share)	23-100-010-3350-023	-	7/1/22	6/30/23				1,744						
Total Enterprise Fund					(1,744)			3,284	(1,963)		(423)		423	1,963
Total State Financial Assistance					\$ (49,811)	\$ -	\$ -	\$ 1,923,767	\$ (1,908,189)	\$ -	\$ (34,233)	\$ -	\$ (6,538)	\$ 1,908,189
State Financial Assistance Not Subject to Major Program Determination:														
General Fund:														
On-Behalf TPAF Post-Retirement Medical Contributions	24-495-034-5094-001	192,467	7/1/23	6/30/24				(192,467)	192,467					(192,467)
On-Behalf TPAF Pension Contributions	24-495-034-5094-002	707,175	7/1/23	6/30/24				(707,175)	707,175					(707,175)
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	218	7/1/23	6/30/24				(218)	218					(218)
Total On-Behalf TPAF Pension System Contributions					-	-	-	(899,860)	899,860	-	-	-	-	(899,860)
Total State Financial Assistance Subject to Major Program Determination					\$ (49,811)	\$ -	\$ -	\$ 1,023,907	\$ (1,008,329)	\$ -	\$ (34,233)	\$ -	\$ (6,538)	\$ 1,008,329

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

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2024**

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

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

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

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

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2024**

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$27,404 for the general fund and none for the special revenue fund. See Notes to the Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the board's basic financial statements on a GAAP basis as presented below:

	Federal	State	Total
General Fund	\$ -	\$ 1,900,802	\$ 1,900,802
Special Revenue Fund	407,941	5,424	413,365
Food Service Fund	32,672	1,963	34,635
Total Awards & Financial Assistance	<u>\$ 440,613</u>	<u>\$ 1,908,189</u>	<u>\$ 2,348,802</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. FEDERAL AND STATE LOANS OUTSTANDING

Springfield Township School District has no loan balances outstanding at June 30, 2024.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2024**

NOTE 6. OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amounts reported as TPAF Pension Contributions, TPAF Post-Retirement Medical Contributions, and TPAF Long-Term Disability Insurance Contributions represent the amount paid by the State on behalf of the school district for the year ended June 30, 2024. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2024.

NOTE 7. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits, and Long-Term Disability Insurance Contributions payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the School District's basic financial statements and the amount subject to State single audit and major program determination.

NOTE 8. DE MINIMIS INDIRECT COST RATE

The School District did not elect to use the 10% de Minimis indirect cost rate as allowed by the Uniform Guidance.

NOTE 9. MAJOR PROGRAMS

Major programs are identified in the summary of auditors results section of Findings and Questioned Costs

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditors’ report issued on financial statements		<u>Unmodified</u>
Internal control over major programs:		
1) Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
2) Were significant deficiency(ies) identified that are not considered to be material weaknesses?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> None Reported
Noncompliance material to basic financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Federal Awards – N/A

State Awards

Internal control over compliance:		
1) Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
2) Significant deficiency(ies) identified that are not considered to be material weaknesses?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> None Reported
Type of auditors’ report issued on compliance for major programs		<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section I – Summary of Auditor's Results (Continued)

Identification of major state programs:

State Awards Section

<u>State Grant / Project Number(s)</u>	<u>Name of State Program</u>
	State Aid-Public Cluster
495-034-5120-078	Equalization Aid
495-034-5120-084	Categorical Security Aid
495-034-5120-089	Special Education Categorical Aid

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

\$750,000

Auditee qualified as low-risk auditee?

 X Yes No

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Section II – Schedule Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting in the Uniform Guidance audit.

Item #2024-001

Criteria: In order to effectively reconcile their bank accounts with the board secretaries report, we found in our audit a number of adjustments identified by the treasurers of school monies. Reconciliation of cash balances to the treasurers report was a significant problem in 2023-24.

Context:

Condition: Unreconciled differences.

Cause: Not postings adjustments on timely manner.

Effect: Increases risks of fraud, waste and mismanagement. Could affect the government's ability to effectively monitor the execution of the budget and affects the ability to accurately measure the full cost of the boards programs.

Recommendations: We recommend the business administrator to review the treasurers reports on a monthly basis to determine what if any reconciling items exists and if they do exist determine the proper adjustment to the accounting records so the adjustments are properly reflected.

Views of the responsible official and planned corrective actions: Management agrees with the finding and will implement better internal controls in this area as described in the recommendation.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

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

FEDERAL AWARDS – N/A

Findings

There were no matters reported.

STATE FINANCIAL ASSISTANCE

Findings

Item #2024-002

Information on the State Program:

State Aid Public:

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

Criteria or Specific Requirement: N.J.A.C. 6A:23A-16.10 states that a school district board of education shall not incur any obligation or approve any payment in excess of the amount appropriated by the district in the applicable line item account or program category account.

Condition: The District over-expended individual budget line item accounts in violation of N.J.A.C. 6A:23A-16.10.

Questioned Costs: None

Context: Budget line item account was over-expended on the District's budgetary comparison schedule.

Effect: The District did not comply with N.J.A.C. 6A:23A-16.10.

Cause: Unknown

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

***Section III – Federal Awards and State Financial Assistance
Findings and Questioned Costs (continued)***

Recommendations: That the District comply with N.J.A.C. 6A:23A-16.10 by approving budget transfers prior to the over expenditure of any budget line item account.

Views of the responsible official and planned corrective actions: Management agrees with the finding and will implement better internal controls in this area as described in the recommendation.

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

STATUS OF PRIOR YEAR FINDINGS

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, USOMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (511 (a)(b)) and NJ Circular 04-04-OMB and/or 15-08-OMB, as applicable.

Findings

Item #2023-001 - The District over-expended individual budget line item accounts.

Status: Not corrected by Management

Item #2023-002 – The reconciliation of bank accounts with the board secretary’s report

Status: Not corrected by Management