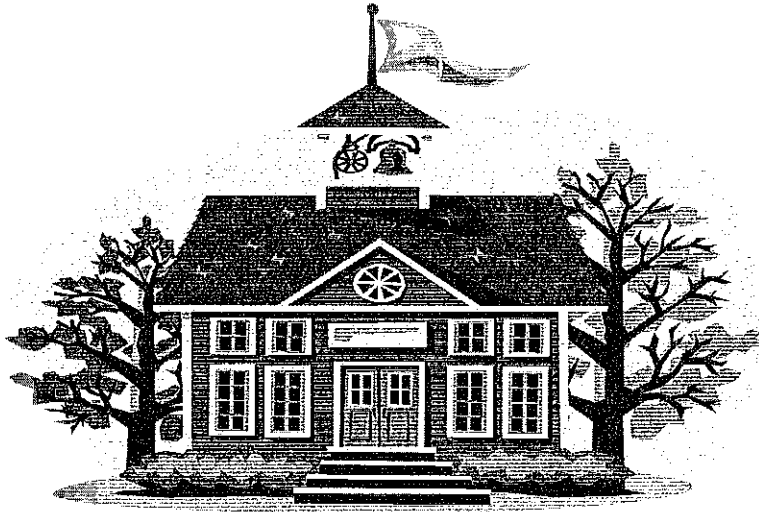


SCHOOL DISTRICT

OF

TUCKERTON



**TUCKERTON BOARD OF EDUCATION
TUCKERTON, NEW JERSEY**

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

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

OF THE

TUCKERTON BOARD OF EDUCATION

TUCKERTON, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

PREPARED BY

**TUCKERTON BOARD OF EDUCATION
FINANCE DEPARTMENT**

TUCKERTON SCHOOL DISTRICT

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INTRODUCTORY SECTION

**BOARD OF EDUCATION
TUCKERTON BOROUGH SCHOOL DISTRICT
MARINE STREET
TUCKERTON, NEW JERSEY**

January 10, 2025

Honorable President Trisha Horner and
Members of the Board of Education
Tuckerton Borough School District
Ocean County, New Jersey

Dear Board Members:

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

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the district's organizational chart and a list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The district is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. "C.F.R., Part 200", "Audits of State and Local Governments", and the state Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

- 1. Reporting Entity and its Services:** Tuckerton School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the district are included in this report. The Tuckerton Borough Board of Education constitutes the district's report entity.

The district provides a full range of educational services appropriate to grade levels Pre-K through 6. These include regular, as well as special education for special needs children. The district completed the 2023-2024 fiscal year with an enrollment of 306

students. The following details the changes in the student enrollment over the past ten years.

<u>AVERAGE DAILY ENROLLMENT</u>		
<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2023-2024	306	1.30%
2022-2023	302	1.00%
2021-2022	299	(1.97%)
2020-2021	305	(6.44%)
2019-2020	326	15.7%
2018-2019	285	1.00%
2017-2018	282	(2.19%)
2016-2017	288	(12.59%)
2015-2016	329	(1.5%)
2014-2015	334	2.09%
2013-2014	327	(1.2%)
2012-2013	331	(1.78%)
2011-2012	337	4.3%

2. **Economic Condition and Outlook:** Based upon the school district's Master Plan which was completed by University Associates in May of 1995, and the Long-Range Facilities Plan which was updated in January 2023. Tuckerton Borough is looked upon as one of the more desirable places to live in New Jersey. As a result, the Borough will continue to show some growth potential as a residential area. Local businesses may also prosper with the continued development of the Tuckerton Seaport. This project continues to evolve and should brighten the overall economic outlook of this area.
3. **Major Initiatives:** The Tuckerton Elementary School District continues to develop comprehensive learning experiences which include a robust STEAM program. The newly designed STEAM lab was the result of the 2017 building project aimed to repurpose office and instructional spaces in addition to a full renovation of the media center. Highlights from the project also included: redesigning our parking lot to create a dedicated safe drop off/pick lane for students and a new age-appropriate playground. With a new secure access to the interior of the building equipped with a new handicapped lift, there is equitable access to the main office areas. The new elevator in the media center also provides equitable access to all areas of the school building including the gymnasium. The district most recently installed swipe mechanisms on all interior doors replacing individual door locks with the capability of securing a single swipe lock-down for the building.

The district continuously evaluates its Information Technology assets and proactively upgrades or replaces obsolete items. In addition to end-user devices, the district invests in its network and cloud infrastructure and Internet access and security to provide access to online learning platforms and assessments such as the Measure of Academic Progress (MAP). The district provides 1:1 Chromebook for students in grades 2-6 and 1:1 iPad for students in grades Prek-1st

During the 2019-2020 school year, TES received Preschool Expansion funding from the New Jersey Department of Education's Division of Early Childhood Education. With this funding, our preschool program is now able to serve up to sixty 3 and 4 years in the Tuckerton Community within 4 classrooms moving well beyond the previous one classroom capacity of an AM/PM preschool program. The preschool program meets high -quality standards with the implementation of a research-based curriculum.

4. **Internal Accounting Controls:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the 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 a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5. **Budgetary Controls:** In addition to internal accounting controls, the 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 canceled or are included as reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2024.

6. **Accounting System and Reports:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Boards (GASB). The accounting system of the district is

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

7. **Cash Management:** The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The district has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
8. **Risk Management:** The Board carries various forms of insurance, including but not limited to general liability, hazard and theft insurance on property and contents, and fidelity bonds.
9. **Other Information: Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Robert A. Hulsart and Company, CPA, was selected by the Board. In addition to meeting the requirements of Title 2 U.S. "C.F.R., Part 200" and State Treasury circular letter 15-08 OMB, the auditor's report on the general-purpose financial statements and the combined and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.
10. **Acknowledgements:** We would like to express our appreciation to the members of the Tuckerton Borough School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully submitted,



Siobhan Grayson
Superintendent/Principal

SG/jf

TUCKERTON BOROUGH BOARD OF EDUCATION**ROSTER OF OFFICIALS****JUNE 30, 2024**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Trisha Horner, President	2025
David Colapietro, Vice-President	2026
TJ Page	2024
Deborah McMunn	2025
Justin Way	2024
Renee Gioiello	2024
Fred Everson	2025

Other Officials

Siobhan Grayson, Superintendent/Principal

Marian F. Smith, Interim BA/Board Sectary

Brett Gorman, Solicitor

TUCKERTON BOROUGH BOARD OF EDUCATION**CONSULTANTS AND ADVISORS****AUDIT FIRM**

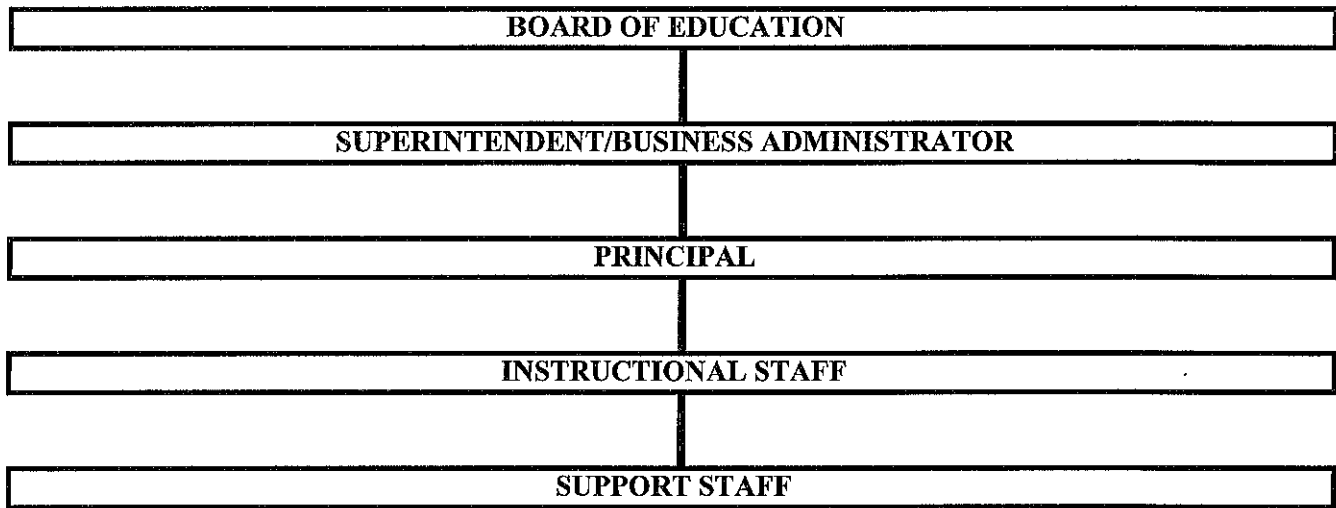
Robert A. Hulsart & Co.
2807 Hurley Pond Road
Wall, NJ 07719

ATTORNEY

Brett Gorman, Esq.
Parker McCay
9000 Midlantic Drive, Suite 300
Mount Laurel, NJ 08054

DEPOSITORY

Ocean First Bank
975 Hooper Avenue
Tuckerton, NJ 08753

TUCKERTON BOROUGH BOARD OF EDUCATION**ORGANIZATIONAL CHART**
(UNIT CONTROL)

FINANCIAL SECTION

Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
 ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
 ROBERT A. HULSART, JR., C.P.A., P.S.A.
 RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

Telecopier:
 (732) 280-8888
 e-mail:
 rah@monmouth.com

2807 Hurley Pond Road • Suite 100
 P.O. Box 1409
 Wall, New Jersey 07719-1409
 (732) 681-4990

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
 of the Board of Education
 Tuckerton School District
 County of Ocean
 Tuckerton, New Jersey

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

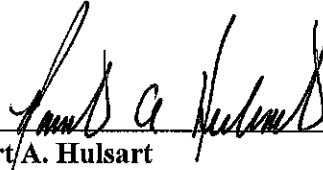
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.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

Other Reporting Required by Government Auditing Standards

In accordance with ***Government Auditing Standards***, we have also issued our report dated January 10, 2025, on our consideration of the 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** the District's internal control over financial reporting and compliance.

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

A handwritten signature in dark ink, appearing to read "Robert A. Hulsart", is written over a horizontal line.

Robert A. Hulsart
Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey

January 10, 2025

REQUIRED SUPPLEMENTARY INFORMATION
PART I

TUCKERTON SCHOOL DISTRICT
BOROUGH OF TUCKERTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
UNAUDITED

The discussion and analysis of Tuckerton 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; it should be read in conjunction with the Annual Comprehensive Financial Report's (ACFR) Letter of Transmittal which is found in the Introductory Section, and the School Board's financial statements found in the Financial Section and the notes thereto.

Financial Highlights

Key Financial highlights for the 2023-2024 fiscal year are as follows:

- General revenues accounted for \$7,081,010 in revenue. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$1,298,497.
- Total net position increased by \$43,440.
- The School District had \$8,336,067 in expenses; only \$1,298,497 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$7,081,010 were adequate to provide for these programs.

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 Tuckerton School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole school district, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Tuckerton School District, the General Fund is the most significant fund, with the Special Revenue Fund and Capital Project's Fund also having significance.

The School Board's auditor has provided assurance in his Independent Auditor's Report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, “How did we do financially during the 2023-2024 fiscal year?” The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the School District’s net position and changes in the activities. This change in net position is important because it tells the reader that, for the school district as a whole, the financial positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. 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, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-Type Activities** – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service Enterprise Fund is reported as a business activity.

Reporting the School District’s Most Significant Funds

Fund Financial Statements

The analysis of the School District’s major (all) funds begins on exhibit A-1. Fund financial reports provide detailed information about the School District’s major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District’s most significant funds. The School District’s major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

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. The Governmental Fund statements provide a detailed short-term view of the School District’s general government operations and the basic services it provides. Governmental Fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and Governmental Funds is reconciled in the financial statements.

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The School District as a Whole

Table 1 provides a summary of the School District's net position for the fiscal years ended 2024 and 2023.

Table 1
Net Position

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Current and Other Assets	\$ 2,462,116	2,901,301
Capital Assets, Net	<u>975,012</u>	<u>1,140,659</u>
Total Assets	<u>\$ 3,437,128</u>	<u>4,041,960</u>
<u>Deferred Outflow of Resources</u>		
Contribution to Pension Plan	<u>\$ 493,106</u>	<u>177,949</u>
<u>Deferred Inflow of Resources</u>		
Pension Deferrals	<u>\$ 204,882</u>	<u>349,663</u>
<u>Liabilities</u>		
Other Liabilities	\$ 1,011,217	1,301,318
Long-Term Liabilities	<u>3,724,932</u>	<u>3,625,235</u>
Total Liabilities	<u>\$ 4,736,149</u>	<u>4,926,553</u>
<u>Net Position</u>		
Invested in Capital Assets, Net of Debt	\$ 48,207	48,386
Restricted	1,695,497	1,816,119
Unrestricted	<u>(2,754,501)</u>	<u>(2,920,812)</u>
Total Net Position	<u>\$ (1,010,797)</u>	<u>(1,056,307)</u>

Table 2 shows the changes in net position for fiscal years ended 2024 and 2023.

Table 2
Changes in Net Position

	<u>2024</u>	<u>2023</u>
<u>Revenues</u>		
Program Revenues		
Charges for Services	\$ 59,454	33,431
Operating Grants and Contributions	1,298,497	1,378,347
General Revenues		
Property Taxes	3,282,522	3,265,444
Grants and Entitlements	3,544,149	3,805,698
Other	<u>157,814</u>	<u>67,197</u>
Total Revenues	<u>8,442,436</u>	<u>8,550,117</u>
 <u>Program Expenses</u>		
Instruction	3,507,206	2,994,723
Support Services		
Pupils and Instructional Staff	850,629	1,484,280
General Administration, School Administration,		
Business	2,984,171	2,636,803
Operations and Maintenance of Facilities	664,866	617,976
Pupil Transportation	242,433	325,837
Interest on Debt	86,762	98,015
Proprietary Funds	<u>60,859</u>	<u>21,666</u>
Total Expenses	<u>8,396,926</u>	<u>8,179,300</u>
 Change in Net Position	 <u>\$ 45,510</u>	 <u>370,817</u>

Business-Type Activities

Revenues for the District's business-type activities (food service program and aftercare program) were comprised of charges for services and federal and state reimbursements.

Governmental Activities

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.

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

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

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

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

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

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

Other includes unallocated depreciation and amortization.

School Board Funds

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

As the School Board completed the fiscal year ended June 30, 2024, it reported a combined net position balance of \$(1,010,797). The Reconciliation of the Statement of Revenue Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities presents the reader with a detailed explanation of the differences between the net change in fund balances and changes in net assets.

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

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

Capital Assets

At June 30, 2024, the School Board had approximately \$4,922,344 invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, instructional equipment and other equipment. This amount is net of accumulated depreciation to date. Table II below shows the net book value of capital assets at the end of the 2024 fiscal year.

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Table II		
Capital Assets at June 30, 2024		
Land	\$ 43,440	
Buildings	833,987	
Machinery and Equipment	<u>92,818</u>	<u>4,767</u>
Total	<u>\$ 970,245</u>	<u>4,767</u>

Debt Administration

At June 30, 2024, the School District had \$4,019,932 as outstanding debt. Of this amount \$136,000 is for compensated absences, and the balance \$2,670,000 for bonds for school construction and \$1,213,932 for pension liability.

Economic Factors and Next Year's Budget

The Borough of Tuckerton is primarily a residential community, with few ratables. The majority of revenues needed to operate the District are derived from homeowners through property tax assessments and collections.

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

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact John Failla, School Business Administrator at Tuckerton Board of Education, Marine Street, Tuckerton, NJ 08087.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS – A

TUCKERTON SCHOOL DISTRICT**STATEMENT OF NET POSITION****Exhibit A-1****JUNE 30, 2024**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ -	54,011	54,011
Receivables, Net	74,903		74,903
Restricted Assets:			
Cash and Cash Equivalents	2,333,202		2,333,202
Capital Assets-Non Depreciable	43,440		43,440
Capital Assets, Net	926,805	4,767	931,572
Total Assets	<u>3,378,350</u>	<u>58,778</u>	<u>3,437,128</u>
<u>Deferred Outflow of Resources</u>			
Contribution to Pension Plan	<u>493,106</u>		<u>493,106</u>
<u>Deferred Inflow of Resources</u>			
Pension Deferrals	<u>204,882</u>		<u>204,882</u>
<u>Liabilities</u>			
Accounts Payable/Accrued Interest	172,805		172,805
Payroll Deductions and Withholdings	352,647		352,647
Deferred Revenue	190,765		190,765
Noncurrent Liabilities:			
Due Within One Year	295,000		295,000
Due Beyond One Year	3,724,932		3,724,932
Total Liabilities	<u>4,736,149</u>	<u>-</u>	<u>4,736,149</u>
<u>Net Position</u>			
Invested in Capital Assets, Net of Related Debt	43,440	4,767	48,207
Restricted For:			
Debt Service	26,851		26,851
Special Revenue	7,554		7,554
General Fund	1,661,092		1,661,092
Unrestricted	<u>(2,808,512)</u>	<u>54,011</u>	<u>(2,754,501)</u>
Total Net Position	<u>\$ (1,069,575)</u>	<u>58,778</u>	<u>(1,010,797)</u>

The accompanying notes to financial statements are an integral part of this statement.

TUCKERTON SCHOOL DISTRICT

Exhibit A-2

Sheet 1 of 2

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 1,466,044			(1,466,044)		(1,466,044)
Special Education	1,182,751		551,584	(631,167)		(631,167)
Other Special Instruction	858,411			(858,411)		(858,411)
Support Services:						
Tuition	123,113			(123,113)		(123,113)
Student & Instruction Related Services	651,036		525,228	(125,808)		(125,808)
School Administrative Services	230,468			(230,468)		(230,468)
Other Support Services	76,480			(76,480)		(76,480)
Plant Operations and Maintenance	664,866			(664,866)		(664,866)
Pupil Transportation	242,433			(242,433)		(242,433)
Unallocated Benefits	2,331,194			(2,331,194)		(2,331,194)
Interest on Long-Term Debt	86,762			(86,762)		(86,762)
Capital Outlay	257,041		221,685	(35,356)		(35,356)
Unallocated Depreciation	165,468			(165,468)		(165,468)
Total Government Activities	8,336,067	-	1,298,497	(7,037,570)	-	(7,037,570)
Business-Type Activities:						
Food Service & Aftercare Program	60,859	59,454			(1,405)	(1,405)
Total Business-Type Activities	60,859	59,454	-	-	(1,405)	(1,405)
Total Primary Government	8,396,926	59,454	1,298,497	(7,037,570)	(1,405)	(7,038,975)

TUCKERTON SCHOOL DISTRICT

Exhibit A-2

Sheet 2 of 2

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

	Net (Expense) Revenue and Changes in Net Position		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purpose, Net	3,086,164		3,086,164
Property Taxes for Debt Service	296,358		296,358
Federal and State Aid Not Restricted	3,544,149		3,544,149
Miscellaneous Income	154,339	3,475	157,814
Total General Revenues, Special Items, Extraordinary Items and Transfers	<u>7,081,010</u>	<u>3,475</u>	<u>7,084,485</u>
Change in Net Position	43,440	2,070	45,510
Net Position - Beginning	<u>(1,113,015)</u>	<u>56,708</u>	<u>(1,056,307)</u>
Net Position - Ending	<u><u>\$ (1,069,575)</u></u>	<u><u>58,778</u></u>	<u><u>(1,010,797)</u></u>

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

FUND FINANCIAL STATEMENTS – B

TUCKERTON SCHOOL DISTRICT

Exhibit B-1

BALANCE SHEETGOVERNMENTAL FUNDSJUNE 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<u>Assets</u>					
Cash and Cash Equivalents-Restricted	\$ 2,107,981	198,370	26,732	119	2,333,202
Interfund Receivable				26,732	26,732
Receivable - Net	74,903				74,903
Total Assets	<u>\$ 2,182,884</u>	<u>198,370</u>	<u>26,732</u>	<u>26,851</u>	<u>2,434,837</u>
<u>Liabilities and Fund Balance</u>					
Liabilities:					
Interfund Payable	\$ -		26,732		26,732
Deferred Revenue		190,765			190,765
Payroll Deductions and Withholdings	352,647				352,647
Accounts Payable	133,418	51			133,469
Total Liabilities	<u>486,065</u>	<u>190,816</u>	<u>26,732</u>	<u>-</u>	<u>703,613</u>
Fund Balance:					
Restricted To:					
Designated for Subsequent Years Expenditures -					
Maintenance Reserve Withdrawal	100,000				100,000
Committed To:					
Capital Reserve	1,101,559				1,101,559
Maintenance Reserve	264,927				264,927
Unemployment Compensation	51,039				51,039
Other Purposes	36,550				36,550
Excess Surplus	107,017				107,017
Assigned To:					
Special Revenue		7,554			7,554
Debt Service				26,851	26,851
Unassigned	35,727				35,727
Total Fund Balances	<u>1,696,819</u>	<u>7,554</u>	<u>-</u>	<u>26,851</u>	<u>1,731,224</u>
Total Liabilities and Fund Balance	<u>\$ 2,182,884</u>	<u>198,370</u>	<u>26,732</u>	<u>26,851</u>	

Amounts reported for governmental activities in the Statement of Net Position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$4,922,344 and the accumulated depreciation is \$3,952,099.

970,245

Accrued Interest

(39,336)

Deferred outflow of resources - contributions to pension plan

493,106

Deferred inflow of resources - acquisition of assets applicable to future reporting periods

(204,882)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(4,019,932)

Net position of governmental activities

\$ (1,069,575)

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

TUCKERTON SCHOOL DISTRICT

Exhibit B-2

Sheet 1 of 2

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>					
Local Sources:					
Local Tax Levy	\$ 3,086,164			296,358	3,382,522
Miscellaneous	149,457	4,581	301		154,339
Total Local Sources	3,235,621	4,581	301	296,358	3,536,861
State Sources	3,458,467	863,211		85,682	4,407,360
Federal Sources		435,286			435,286
Total Revenues	6,694,088	1,303,078	301	382,040	8,379,507
<u>Expenditures</u>					
Current:					
Regular Instruction	1,466,044				1,466,044
Special Education Instruction	631,167	551,584			1,182,751
Other Special Instruction	326,193	532,218			858,411
Support Services and Undistributed Costs:					
Tuition	123,113				123,113
Students and Instruction Related Services	651,036				651,036
School Administrative Services	230,468				230,468
Other Support Services	76,480				76,480
Plant Operations and Maintenance	664,866				664,866
Pupil Transportation	242,433				242,433
Unallocated Benefits	2,396,435				2,396,435
Debt Service:					
Principal				290,000	290,000
Interest and Other Charges				92,125	92,125
Capital Outlay	35,356	221,685			257,041
Total Expenditures	6,843,591	1,305,487	-	382,125	8,531,203

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

TUCKERTON SCHOOL DISTRICT

Exhibit B-2

Sheet 2 of 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(149,503)</u>	<u>(2,409)</u>	<u>301</u>	<u>(85)</u>	<u>(151,696)</u>
Other Financing Sources/(Uses):					
Transfer from Capital Projects to Debt Service			<u>(26,732)</u>	<u>26,732</u>	<u>-</u>
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>(26,732)</u>	<u>26,732</u>	<u>-</u>
Net Change in Fund Balances	(149,503)	(2,409)	(26,431)	26,647	(151,696)
Fund Balance - July 1	<u>1,846,322</u>	<u>9,963</u>	<u>26,431</u>	<u>204</u>	<u>1,882,920</u>
Fund Balance - June 30	<u>\$ 1,696,819</u>	<u>7,554</u>	<u>-</u>	<u>26,851</u>	<u>1,731,224</u>

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

TUCKERTON SCHOOL DISTRICT**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES****Exhibit B-3****AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS****TO THE STATEMENT OF ACTIVITIES****FOR THE YEAR ENDED JUNE 30, 2024**

Total Net Change in Fund Balances - Governmental Funds (From B-2)	\$ (151,696)
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Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:

Capital Outlays are reported in governmental funds as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation Expense	(165,468)
----------------------	-----------

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

	290,000
--	---------

Change in net pension liability	(325,047)
---------------------------------	-----------

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due.

	5,363
--	-------

Contributions to pension plan in the current fiscal year are deferred outflows of resources on the statement of net position

	315,157
--	---------

Pension related deferrals	144,781
---------------------------	---------

In the statement of activities, certain operating expenses as compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported when paid.

	(69,650)
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Change in Net Position of Governmental Activities	\$ 43,440
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The accompanying Notes to Financial Statements are an integral part of this statement.

TUCKERTON SCHOOL DISTRICT**STATEMENT OF NET POSITION****Exhibit B-4****PROPRIETARY FUNDS****JUNE 30, 2024**

	<u>Enterprise Fund</u>
<u>Assets:</u>	
Current Assets:	
Cash	\$ 54,011
Total Current Assets	<u>54,011</u>
Noncurrent Assets:	
Equipment	72,105
Less: Accumulated Depreciation	<u>(67,338)</u>
Total Noncurrent Assets	<u>4,767</u>
Total Assets	<u><u>\$ 58,778</u></u>
 <u>Net Position:</u>	
Investment in Capital Assets	\$ 4,767
Unrestricted	<u>54,011</u>
Total Net Position	<u><u>\$ 58,778</u></u>

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

TUCKERTON SCHOOL DISTRICT**STATEMENT OF REVENUES, EXPENSES AND CHANGES****Exhibit B-5****IN FUND NET POSITION****PROPRIETARY FUNDS****JUNE 30, 2024**

	Enterprise Fund
Operating Revenues:	
Local Sources:	
Fees	\$ 59,454
Total Operating Revenue	<u>59,454</u>
Operating Expenses:	
Salaries	30,482
Supplies	592
Utilities	29,606
Depreciation	179
Total Operating Expenses	<u>60,859</u>
Operating (Loss)/Profit	(1,405)
Non-Operating Revenues:	
Interest Revenue	<u>3,475</u>
Total Non-Operating Revenues	<u>3,475</u>
Change in Net Position	2,070
Net Position, July 1	<u>56,708</u>
Net Position, June 30	<u><u>\$ 58,778</u></u>

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

TUCKERTON SCHOOL DISTRICT**STATEMENT OF CASH FLOWS****Exhibit B-6****PROPRIETARY FUNDS****JUNE 30, 2024**

	<u>Enterprise Funds</u>
Cash Flows from Operating Activities:	
Receipts from Miscellaneous and Fees	\$ 59,454
Payments to Suppliers	(30,198)
Payments to Employees	(30,482)
Net Cash Used by Operating Activities	<u>(1,226)</u>
Cash Flows from Investing Activities:	
Interest	<u>3,475</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	2,249
Cash and Cash Equivalents July 1	<u>51,762</u>
Cash and Cash Equivalents June 30	<u><u>\$ 54,011</u></u>
Cash Flows from Operating Activities:	
Operating (Loss)/Profit	\$ (1,305)
Adjustments to Reconcile Operating Loss to Cash	
Provided (Used) by Operating Activities:	
Depreciation	<u>179</u>
Net Cash Used by Operating Activities	<u><u>\$ (1,126)</u></u>

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

NOTES TO FINANCIAL STATEMENTS

BOARD OF EDUCATION
TUCKERTON SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1: Summary of Significant Accounting Policies

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

A. Reporting Entity:

The Tuckerton School District is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-6. The Tuckerton School District had an approximate enrollment at June 30, 2024 of 262 students.

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

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

B. Government-Wide Financial Statements

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

NOTE 1: Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the School District segregates transaction related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Fiduciary funds are reported by fund type.

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

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Proprietary and fiduciary fund financial statements also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. County tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met. The Unemployment Trust Fund recognizes employer and employee contributions in the period in which contributions are due.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to apply current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term pension and compensated absences, which are reported as expenditures in the year due.

NOTE 1: Summary of Significant Accounting Policies (Continued)**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

Major revenue sources susceptible to accrual includes Intergovernmental revenues, and the county tax levy. In general, other revenues are recognized when cash is received.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for food sales and for services provided to other governmental entities. Principles operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

D. Fund Accounting:

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. Each fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental Fund Types

General Fund: The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund.

Special Revenue Fund: The District accounts for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes in the special revenue funds.

Capital Projects Fund: the capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

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

Proprietary Fund Type

Enterprise Fund: To account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the District is that the costs of providing goods or services to the District on a continuing basis be financed or recovered primarily through user charges.

NOTE 1: Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued):

Fiduciary Fund Types

Agency Funds (Payroll and Student Activities Fund): Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

Trust and Agency Funds: The trust and agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District.

Expendable Trust Fund: An expendable trust fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable trust funds account for assets where both the principal and interest may be spent. Expendable trust funds include Unemployment Compensation Insurance.

E. Basis of Accounting:

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

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

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recorded in the accounting period in which they are earned and expenses are recorded at the time liabilities are incurred.

NOTE 1: Summary of Significant Accounting Policies (Continued)**F. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. 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(g)1. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2024 were insignificant.

The Public School Education Act of 1975, limits the annual increase of any district's net current expense budget. The Commissioner of Education certifies the allowable amount for each district but may grant a higher level of increase if he determines that the sums so provided would be insufficient to meet the identified goals and needs of the district or that an anticipated enrollment increase requires additional funds.

The Commissioner must also review every proposed local school district budget for the next school year. He examines every item of appropriations for current expenses and budgeted capital outlay to determine their adequacy in relation to the identified needs and goals of the district. If, in his view, they are insufficient, the Commissioner must order remedial action. If necessary, he is authorized to order changes in the local district budget.

Once a budget is approved, it can be amended by transfers or additional appropriation of fund balances by approval of a majority of the members of the Board. Amendments are presented to the Board at their regular meetings. Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end as dictated by law. Individual transfers were not material in relation to the original appropriations. All uncommitted budget appropriations lapse at year-end.

G. Encumbrances:

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

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

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

H. Short-Term Interfund Receivables/Payables:

Short-Term interfund receivables/payables represents amounts that are owed, other than charges for good or services rendered to/from a particular fund in the District and that are due within one year.

NOTE 1: Summary of Significant Accounting Policies (Continued)

I. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund are recorded as an expenditure during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2024.

J. Capital Assets and Depreciation

The District's property, buildings and improvements, equipment, vehicles, furniture and fixtures with useful lives of five years or more are stated at historical or estimated historical cost and are reported in the government-wide financial statements. Proprietary Fund capital assets are reported in its respective fund.

The District contracted with an outside service company to provide a report with a comprehensive detail of capital assets and depreciation. The report included capital assets purchased during the 2023-2024 fiscal year and prior with a historical cost of \$2,000 or more. Accumulated depreciation prior to fiscal year 2024, fiscal year 2024 depreciation expense, total accumulated depreciation and book values were also provided. The costs of normal maintenance and repairs that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings and Improvements	20 – 50
Equipment and Vehicles	5 – 20
Furniture and Fixtures	5 – 20

The District is currently in the process of obtaining and installing software that will maintain proper capital asset and depreciation records.

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

NOTE 1: Summary of Significant Accounting Policies (Continued)J. Capital Assets and Depreciation (Continued)

	<u>Balance</u> <u>July 1, 2023</u>	<u>Adjustments</u>	<u>Additions</u>	<u>Balance</u> <u>June 30, 2024</u>
Governmental Activities:				
Capital Assets That are Not Being Depreciated:				
Land	\$ 43,440	_____	_____	43,440
Total Capital Assets Not Being Depreciated	43,440	_____	_____	43,440
Depreciable Assets:				
Buildings & Sites	3,967,724			3,967,724
Machinery & Equipment	911,180	_____	_____	911,180
Total	4,878,904	_____	_____	4,878,904
Less: Accumulated Depreciation for:				
Buildings and Sites	(3,010,475)		(123,262)	(3,133,737)
Machinery & Equipment	(776,156)	_____	(42,206)	(818,362)
Total Accumulated Depreciation	(3,786,631)	_____	(165,468)	(3,952,099)
Net Depreciable Assets	1,092,273	_____	(165,468)	926,805
Governmental Activities Capital Assets, Net	\$ 1,135,713	=====	(165,468)	970,245

Depreciation expense was charged to governmental functions as follows:

Unallocated	<u>\$ 165,468</u>
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	<u>Balance</u> <u>July 1, 2023</u>	<u>Adjustments</u>	<u>Additions</u>	<u>Balance</u> <u>June 30, 2024</u>
Business-Type Activities:				
Equipment	\$ 72,105			72,105
Less: Accumulated Depreciation for:				
Equipment	(67,159)	_____	(179)	(67,338)
	\$ 4,946	=====	(179)	4,767

NOTE 1: Summary of Significant Accounting Policies (Continued)**K. Compensated Absences**

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the general long-term debt account group. The current portion of the compensated absence balance is not considered material to the applicable fund total liabilities, and therefore is not shown separately from the long-term liability balance of compensated absences.

L. Deferred Revenue

Deferred revenue in the special revenue fund represents cash, which has been received but not yet earned. See note 1(e) regarding the special revenue fund.

M. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

N. Fund Equity

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Grants, entitlements, or shared revenues which are restricted for the acquisition or construction of capital assets are also recorded as contributed capital. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

O. Tuition Receivable

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

P. Tuition Payable

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

Q. Net Position

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

Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the 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 School 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.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable – The nonspendable fund balance 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. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted – The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed – The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, 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) if employed to previously commit those amounts.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Assigned – The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

Unassigned – The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order; committed, assigned, then unassigned.

NOTE 2: Cash and Cash Equivalents and Investments

Cash and cash equivalents for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

Investments are stated at cost, which approximates market. The District 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.

Deposits

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

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

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

NOTE 2: Cash and Cash Equivalents and Investments (Continued)

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

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

Investments

New Jersey statutes permit the Board to purchase the following types of securities:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or any United States Bank of Cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the school district.

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following two categories described below:

	<u>2024</u>
FDIC	\$ 250,000
GUPDA	<u>2,225,601</u>
	<u>\$ 2,475,601</u>

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

	<u>Cash and Cash Equivalents</u>
Interest Bearing Checking Accounts	<u>\$ 2,387,213</u>
Total	<u>\$ 2,387,213</u>

The carrying amount of the Board's cash, cash equivalents and investments at June 30, 2024 was \$2,387,213 and the bank balance was \$2,475,601. Of the bank balance \$250,000 was covered by federal depository insurance and \$2,225,601 was covered by a collateral pool maintained by the banks as required by New Jersey statutes.

NOTE 2: Cash and Cash Equivalents and Investments (Continued)**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a formal policy for custodial credit risk.

The District had no uninsured deposits.

NOTE 3: General Long-Term Debt

During the fiscal year ended June 30, 2024, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2024</u>	<u>Due Within One Year</u>	<u>Long-Term Portion</u>
Compensated						
Absences Payable	\$ 66,350	69,650		136,000		136,000
Pension Liability	888,885	325,047		1,213,932		1,213,932
Bonds Payable	<u>2,960,000</u>	<u> </u>	<u>(290,000)</u>	<u>2,670,000</u>	<u>295,000</u>	<u>2,375,000</u>
	<u>\$ 3,915,235</u>	<u>394,697</u>	<u>(290,000)</u>	<u>4,019,932</u>	<u>295,000</u>	<u>3,724,932</u>

A. Bonds Payable

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year Ending June 30,			
2025	\$ 295,000	81,066	376,066
2026	160,000	72,906	232,906
2027	165,000	67,828	232,828
2028	170,000	62,594	232,594
2029	180,000	57,125	237,125
2030-2034	995,000	196,173	1,191,173
2035-2037	<u>705,000</u>	<u>35,783</u>	<u>740,783</u>
	<u>\$ 2,670,000</u>	<u>573,475</u>	<u>3,243,475</u>

Bonds issued 10/1/92 for \$2,443,000 at 4.0% thru 4.62% interest, maturing 7/15/24 with a balance of \$140,000 at June 30, 2024.

Bonds issued 2/9/17 for \$3,386,000 at 2.75% thru 3.375% interest maturing 7/15/36 with a balance of \$2,530,000 at June 30, 2024.

NOTE 4: Pension Plans

Description of Plans – All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625.

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

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

Vesting and Benefit Provisions – The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

NOTE 4: Pension Plans – (Continued)

Significant Legislation - During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

Contribution Requirements – The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/24	\$ 112,014	100%	0
6/30/23	74,276	100%	0
6/30/22	79,881	100%	0

Three-Year Trend Information for TPAF (Paid On-Behalf of the District)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/24	\$ 1,100,648	100%	0
6/30/23	1,212,866	100%	0
6/30/22	1,193,585	100%	0

During the fiscal year ended June 30, 2024, the State of New Jersey contributed \$1,100,648 to the TPAF for normal and post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$202,742 during the year ended June 30, 2024 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as revenue and expenditure in accordance with GASB 24.

NOTE 4: Pension Plans – (Continued)**Public Employees' Retirement System (PERS)****Plan Description**

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

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

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

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

Basis of Presentation

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

NOTE 4: Pension Plans – (Continued)

Allocation Methodology and Reconciliation to Financial Statements

GASB Statement No. 68, *Accounting and Financial Reporting for Pension*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented in the schedule of employer allocations and applied to amounts presented in the schedule of pension amounts by employer based on the ratio of the contributions of an individual employer to the total contributions to PERS during the measurement period July 1, 2022 through June 30, 2023. Employer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of pension amounts by employer may result in immaterial differences. Contributions from employers are recognized when due, based on statutory requirements.

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedule of pension amount by employer. The allocation percentages for each group of June 30, 2023 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2023.

A special funding situation exists for certain Local employers of the Public Employees' Retirement System. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by local employers under Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The Chapter 366, P.L. 2001 legislation established the Prosecutors Part of the PERS which provides enhanced retirement benefits for prosecutors enrolled in the PERS. The State is liable for the increased pension costs to a County that resulted from the enrollment of prosecutors in the Prosecutors Part. The June 30, 2023 State special funding situation net pension liability amount of \$122.1 million is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2023, there is no net pension liability associated with this special funding situation there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense of \$55.7 million, for the fiscal year ending June 30, 2023, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2023. The pension expense is deemed to be a State administrative expense due to the special funding situation.

NOTE 4: Pension Plans – (Continued)

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

For the year ended June 30, 2024, the District recognized pension expense of \$112,014. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 11,607	4,962
Changes of Assumptions	2,667	73,569
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	5,590	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	361,228	126,351
District Contributions Subsequent to the Measurement Date	<u>112,014</u>	<u> </u>
Total	<u>\$ 493,106</u>	<u>204,882</u>

NOTE 4: Pension Plans – (Continued)

\$112,014 reported as deferred outflows of resources related to pensions resulting from school district, project contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2024, the plan measurement date is June 30, 2023) will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending**June 30,**

2024	\$ (63,555)
2025	(35,474)
2026	49,573
2027	(8,872)
2028	<u>151</u>
	<u>\$ (58,177)</u>

Additional Information

Collective balances at June 30, 2023 and 2022 are as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Collective Deferred Outflows of Resources	\$ 493,106	177,949
Collective Deferred Inflows of Resources	204,882	349,663
Collective Net Pension Liability	1,213,932	888,885
District's Proportion	.00831%	.00584%

Components of Net Pension Liability

The components of the collective net pension liability of the participating employers as of June 30, 2023 were as follows:

	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$ 29,889,262,049	42,006,927,506	71,896,189,555
Plan Fiduciary Net Position	<u>7,431,214,496</u>	<u>27,400,438,440</u>	<u>34,831,652,936</u>
Net Pension Liability	<u>\$ 22,458,047,553</u>	<u>14,606,489,066</u>	<u>37,064,536,619</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.86%	65.23%	48.45%

NOTE 4: Pension Plans – (Continued)

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

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

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

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

NOTE 4: Pension Plans – (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% 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.

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

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

	<u>2023</u>		
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
School District's Proportionate Share of the Net Pension Liability	<u>\$ 1,580,281</u>	<u>1,213,932</u>	<u>902,120</u>

NOTE 4: Pension Plans – (Continued)**Teachers Pensions and 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 contribution, 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 financial statements which can be found at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

The following represents the membership tiers for TPAF:

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

Service retirement benefits of $1/55^{\text{th}}$ of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of $1/60^{\text{th}}$ of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more 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.

NOTE 4: Pension Plans – (Continued)

Basis of Presentation

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

Allocation Methodology

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense. The employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocation and applied to, presented in the schedule of pension amount by employer and nonemployer are based on the ratio of the State's actual contributions made as an employer and nonemployer adjusted for unpaid early retirement incentives to total contributions to TPAF during the year ended June 30, 2023. Employer and nonemployer allocation percentages have been rounded for presentation purposes, therefore amounts presented in the schedule of pension amounts by employer and nonemployer may result in immaterial differences.

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 had 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, State's pension contribution was less than the actuarial determined amount.

Special Funding Situation

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

NOTE 4: Pension Plans – (Continued)**Components of Net Pension Liability**

The components of the net pension liability of the State as of June 30, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Total Pension Liability	\$ 78,240,143,092	76,317,117,835
Plan Fiduciary Net Position	<u>27,130,181,268</u>	<u>24,640,530,532</u>
Net Pension Liability	<u>\$ 51,109,961,824</u>	<u>51,676,587,303</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.68%	32.29%

State Proportionate Share of Net Pension Liability Attributable to District

	<u>2023</u>	<u>2022</u>
District's Liability	<u>\$ 11,823,108</u>	<u>11,953,915</u>
District's Proportion	.02313%	.02313%

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 (benefit) as follows:

Year Ending June 30:	
2024	\$ (906,495)
2025	(797,156)
2026	(371,115)
2027	(403,120)
2028	(386,965)
Thereafter	<u>13,094</u>
Total	<u>\$ (2,851,757)</u>

NOTE 4: Pension Plans – (Continued)

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

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

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

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

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2023 are summarized in the following table:

NOTE 4: Pension Plans – (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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 Net Pension Liability to Changes in the Discount Rate

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

	<u>2023</u>		
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
School District's Proportionate Share Of the Net Pension Liability	\$ 0	0	0
State of New Jersey's Proportionate Share Of the District's Net Pension Liability	<u>13,941,590</u>	<u>11,823,108</u>	<u>10,038,843</u>
	<u>\$ 13,941,590</u>	<u>11,823,108</u>	<u>10,038,843</u>

NOTE 5: Post-Retirement Benefits**General Information about the OPEB Plan****Plan description and benefits provided**

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefit for State Health 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 Pension*. 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.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

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

Additional information on Pensions and OPEB can be accessed at state.nj.us/treasury/pensions/financial-reports.shtml.

NOTE 5: Post-Retirement Benefits (Continued)**Total OPEB Liability**

The total OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 20, 2022, with was rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Total OPEB Liability \$52,361,668,239

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

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

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

(a) Health Care Trend Assumptions

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

(b) Discount Rate

The discount rate for June 30, 2023 was 3.65%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

NOTE 5: Post-Retirement Benefits (Continued)

Changes in the total OPEB Liability reported by the State of New Jersey:

	Total OPEB Liability
Balances at June 30, 2022	\$ 50,646,462,966
Changes for the Year:	
Service Cost	2,136,235,476
Interest	1,844,113,951
Change of Benefit Terms	
Difference Between Expected and Actual Experience	(980,424,863)
Changes in Assumptions or Other Inputs	105,539,463
Member Contributions	47,258,104
Benefit Payments	<u>(1,437,516,858)</u>
Balance at June 30, 2023	<u>\$ 52,361,668,239</u>

There were no changes in benefit terms between the June 30, 2022 measurement date and the June 30, 2023 measurement date.

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

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

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
State of New Jersey's Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 61,385,066,712</u>	<u>52,361,668,239</u>	<u>45,116,926,835</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 43,468,257,358</u>	<u>52,361,668,239</u>	<u>63,998,719,320</u>

NOTE 5: Post-Retirement Benefits (Continued)

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended June 30, 2023, the Board of Education recognized OPEB expense of \$635,072 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 7,639,717,639	13,791,541,217
Assumption Changes	7,445,895,322	14,449,948,556
Changes in Proportion	<u>2,262,198,933</u>	<u>2,262,198,933</u>
Total	<u>\$ 17,347,811,894</u>	<u>30,503,688,706</u>

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

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

NOTE 6: Contingent Liabilities

It is the opinion of the school board officials that there is no litigation threatened or pending that would materially affect the financial position of the school district.

NOTE 7: Equity Balance

At June 30, 2024, the General Fund equity balance was as follows:

Unassigned Fund Balance	\$ 315,130
Capital Reserve	1,101,559
Reserved for Encumbrances	36,550
Maintenance Reserve	264,927
Unemployment Compensation	51,039
Designated for Subsequent Years Expenditures – Maintenance	
Reserve Withdrawal	100,000
Excess Surplus	<u>107,017</u>
	<u>\$ 1,976,222</u>

Reserved excess surplus represents a calculation under N.J.S.A. 18A:7F-7 which identifies an amount of surplus under the statute which must be restricted for use in the next succeeding budget.

2% Calculation of Excess Surplus

2023-24 Total General Fund Expenditures Per the ACFR	\$ 6,843,591
Decreased by:	
On-Behalf TPAF Pension & Social Security	<u>1,303,390</u>
Adjusted 2023-24 General Fund Expenditures	<u>\$ 5,540,201</u>
2% of Adjusted 2023-24 General Fund Expenditures	<u>\$ 110,804</u>
Minimum Allowed	\$ 250,000
Increased by Allowable Adjustment	<u>65,130</u>
Maximum Unassigned Fund Balance	<u>\$ 315,130</u>
Total General Fund – Fund Balance @ 6-30-24	\$ 1,976,222
Decreased by:	
Reserved for Encumbrances	36,550
Designated for Subsequent Years Expenditures – Maintenance	
Reserve	100,000
Reserves	<u>1,417,525</u>
Total Unassigned Fund Balance	<u>\$ 422,147</u>
Maximum Unassigned Fund Balance	<u>\$ 315,130</u>
Reserved Fund Balance – Excess Surplus	<u>\$ 107,017</u>

NOTE 7: Equity Balance (Continued)**Recapitulation of Excess Surplus as of June 30, 2024**

Reserved Fund Balance – Excess Surplus	\$ 107,017
Designated for Subsequent Years Expenditures – Excess Surplus	<u> </u>
	<u>\$ 107,017</u>

Detail of Allowable Adjustments

Extraordinary Aid	\$ 59,670
Non-Public Transportation Aid	<u>5,460</u>
	<u>\$ 65,130</u>

Detail of Reserves

Capital Reserve	\$ 1,101,559
Maintenance Reserve	264,927
Unemployment Reserve	<u>51,039</u>
	<u>\$ 1,417,525</u>

NOTE 8: Risk Management

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

Property and Liability Insurance – The District maintains commercial insurance coverage for property, liability, student accident and surety bonds.

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 the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s expendable trust fund for the current year:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Reimbursed</u>	<u>Ending Balance</u>
2021-2022	\$ 13,973	0	0	33,233
2022-2023	7,657	0	20,280	20,610
2023-2024	57,982	0	27,553	51,039

NOTE 9: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances existed at June 30, 2024.

	<u>Due To</u>	<u>Due From</u>
Capital Projects Fund	\$	26,732
Debt Service Fund	<u>26,732</u>	<u> </u>
	<u>\$ 26,732</u>	<u>26,732</u>

All interfunds are expected to be liquidated in 2023-2024.

NOTE 10: FAIR VALUES OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used by the Tuckerton Board of Education in estimating its fair value disclosures for financial instruments.

Cash and Cash Equivalents: The carrying amounts reported in the combined balance sheet for cash and cash equivalents are the fair values of those assets.

NOTE 11: FUND BALANCE APPROPRIATED

General Fund – Of the \$1,976,222 General Fund fund balance at June 30, 2024, \$36,550 is reserve for encumbrances; \$1,101,559 is Capital Reserve; \$264,927 is in Maintenance Reserve; \$100,000 is Designated for Subsequent Years Expenditures; \$315,130 is unassigned; and \$51,039 is for unemployment compensation; and \$107,017 is excess surplus.

NOTE 12: ECONOMIC DEPENDENCY

The 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, may have an effect on the District's programs and activities.

NOTE 13: Subsequent Events

Subsequent events have been evaluated through January 10, 2025, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES – C

TUCKERTON SCHOOL DISTRICT

Exhibit C-1
Sheet 1 of 10

GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCE -BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 3,086,164		3,086,164	3,086,164	-
Interest Earned on Capital Reserve	500		500	500	-
Interest Earned on Maintenance Reserve	500		500	500	-
Miscellaneous	20,000		20,000	90,475	70,475
Other Restricted Miscellaneous Revenues			-	57,982	57,982
Total Local Sources	<u>3,107,164</u>	<u>-</u>	<u>3,107,164</u>	<u>3,235,621</u>	<u>128,457</u>
State Sources:					
Equalization Aid	1,315,352		1,315,352	1,315,583	231
Special Education Aid	207,010		207,010	207,010	-
Security Aid	51,045		51,045	51,045	-
School Choice	481,120		481,120	481,120	-
Transportation Aid	35,403		35,403	35,403	-
Extraordinary Aid			-	59,670	59,670
Non-Public Transportation Aid			-	5,460	5,460
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)			-	235,389	235,389
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)			-	864,881	864,881
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability			-	378	378
TPAF Social Security (Reimbursed - Non-Budgeted)			-	202,742	202,742
Total State Sources	<u>2,089,930</u>	<u>-</u>	<u>2,089,930</u>	<u>3,458,681</u>	<u>1,368,751</u>
Total Revenues	<u>5,197,094</u>	<u>-</u>	<u>5,197,094</u>	<u>6,694,302</u>	<u>1,497,208</u>

TUCKERTON SCHOOL DISTRICT

Exhibit C-1
Sheet 2 of 10

GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCE -BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>Expenditures:</u>					
Current Expense:					
Regular Programs - Instruction:					
Local Contribution	85,578		85,578	85,578	-
Kindergarten-Salaries	210,457	(23,537)	186,920	186,920	-
Grades 1-5 - Salaries of Teachers	938,889	(70,962)	867,927	867,927	-
Grades 6-8 - Salaries of Teachers	139,490	30,907	170,397	170,397	-
Regular Programs - Undistributed Instruction:					
Purchased Professional Services	1,000	146	1,146	987	159
Other Salaries for Instruction	45,201	29,220	74,421	74,421	-
Purchased Professional/Ed Services	500	477	977	977	-
Other Purchased Services	200	7,851	8,051	8,051	-
General Supplies	20,000	46,467	66,467	66,434	33
Textbooks	10,000	(7,938)	2,062	2,062	-
Other Objects	12,000	(8,230)	3,770	2,290	1,480
Total Regular Programs - Instruction	<u>1,463,315</u>	<u>4,401</u>	<u>1,467,716</u>	<u>1,466,044</u>	<u>1,672</u>
Learning & Language Disabilities:					
Salaries of Teachers	79,498	(2,986)	76,512	76,130	382
Total Learning & Language Disabilities	<u>79,498</u>	<u>(2,986)</u>	<u>76,512</u>	<u>76,130</u>	<u>382</u>
Multiple Disabilities:					
Salaries of Teachers	396,914	(80,376)	316,538	316,538	-
Other Salaries For Instruction	72,802	(2,314)	70,488	70,406	82
Total Multiple Disabilities	<u>469,716</u>	<u>(82,690)</u>	<u>387,026</u>	<u>386,944</u>	<u>82</u>
Resource Rooms/Resource Center					
Salaries of Teachers		107,238	107,238	107,238	-
Other Salaries for Instruction	67,802	(6,761)	61,041	60,855	186
Total Preschool Disabilities-Full-Time	<u>67,802</u>	<u>100,477</u>	<u>168,279</u>	<u>168,093</u>	<u>186</u>

TUCKERTON SCHOOL DISTRICT

GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCE -BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit C-1
Sheet 3 of 10

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Total Special Education - Instruction	<u>617,016</u>	<u>14,801</u>	<u>631,817</u>	<u>631,167</u>	<u>650</u>
Basic Skills/Remedial Instruction:					
Salaries of Teachers	<u>206,953</u>	<u>98,875</u>	<u>305,828</u>	<u>305,828</u>	<u>-</u>
Total Basic Skills/Remedial Instruction	<u>206,953</u>	<u>98,875</u>	<u>305,828</u>	<u>305,828</u>	<u>-</u>
School Sponsored Co-Curricular Activities - Instruction:					
Salaries	<u>25,000</u>	<u>(4,635)</u>	<u>20,365</u>	<u>20,365</u>	<u>-</u>
Total School Sponsored Co-Curricular	<u>25,000</u>	<u>(4,635)</u>	<u>20,365</u>	<u>20,365</u>	<u>-</u>
Total Instruction	<u>2,312,284</u>	<u>113,442</u>	<u>2,425,726</u>	<u>2,423,404</u>	<u>2,322</u>
Undistributed Expenditures-Instruction:					
Tuition to Other LEA's - Within State-Special	<u>116,772</u>	<u>(81,588)</u>	<u>35,184</u>	<u>23,717</u>	<u>11,467</u>
Tuition to County Special Services		<u>99,396</u>	<u>99,396</u>	<u>99,396</u>	<u>-</u>
Tuition to Private Schools - Disabled	<u>131,977</u>	<u>(131,977)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Undistributed Expenditures-Instruction	<u>248,749</u>	<u>(114,169)</u>	<u>134,580</u>	<u>123,113</u>	<u>11,467</u>
Undistributed Expenditures-Health:					
Salaries	<u>50,861</u>	<u>298</u>	<u>51,159</u>	<u>51,159</u>	<u>-</u>
Purchased Professional Services	<u>2,500</u>	<u>230</u>	<u>2,730</u>	<u>2,730</u>	<u>-</u>
Supplies and Materials	<u>1,500</u>	<u>(401)</u>	<u>1,099</u>	<u>1,099</u>	<u>-</u>
Total Undistributed Expenditures-Health:	<u>54,861</u>	<u>127</u>	<u>54,988</u>	<u>54,988</u>	<u>-</u>

TUCKERTON SCHOOL DISTRICTExhibit C-1
Sheet 4 of 10**GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES****AND CHANGES IN FUND BALANCE -BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures-Other Sup. Serv. Students - Related					
Salaries	62,634	(1,412)	61,222	61,222	-
Purchased Professional Educational Services	25,000	96,194	121,194	121,194	-
Supplies and Materials	1,000	(574)	426	426	-
Total Undistributed Expenditures-Other Sup. Serv. Students-Related Services	<u>88,634</u>	<u>94,208</u>	<u>182,842</u>	<u>182,842</u>	<u>-</u>
Undistributed Expenditures-Guidance					
Salaries - Other Professional Staff	70,473	1,069	71,542	71,542	-
Total Undistributed Expenditures-Guidance	<u>70,473</u>	<u>1,069</u>	<u>71,542</u>	<u>71,542</u>	<u>-</u>
Undistributed Expenditures-Child Study Teams					
Salaries of Other Professional Staff	73,384	1	73,385	73,385	-
Salaries of Secretarial & Clerical Assistants	36,400	(6,900)	29,500	29,423	77
Purchased Prof./Educational Services	9,000	9,648	18,648	18,648	-
Supplies and Materials	3,000	1,505	4,505	4,505	-
Total Undistributed Expenditures-Other Supp. Serv.	<u>121,784</u>	<u>4,254</u>	<u>126,038</u>	<u>125,961</u>	<u>77</u>
Undistributed Expenditures-Improvement of Inst. Serv.:					
Salaries of Supervisors of Instruction	57,400	350	57,750	57,750	-
Salaries of Secretarial & Clerical Assistants	40,000	6,575	46,575	46,575	-
Other Purchased Services	500	(60)	440	191	249
Supplies and Materials	1,000	(1,000)	-	-	-
Other Objects	800	159	959	959	-
Total Undistributed Expenditures-Improvement of Inst. Serv.:	<u>99,700</u>	<u>6,024</u>	<u>105,724</u>	<u>105,475</u>	<u>249</u>

TUCKERTON SCHOOL DISTRICTExhibit C-1
Sheet 5 of 10**GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES****AND CHANGES IN FUND BALANCE -BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures - Edu. Media Serv./Sch. Library:					
Salaries of Technology Coordinators	66,202		66,202	66,202	-
Purchased Professional and Tech Services	23,000	39,000	62,000	44,026	17,974
Supplies and Materials	2,000	18,598	20,598		20,598
Total Undistributed Expenditures - Edu. Media Serv./School Library	<u>91,202</u>	<u>57,598</u>	<u>148,800</u>	<u>110,228</u>	<u>38,572</u>
Undistributed Expenditures - Supp. Serv. - General					
Administration:					
Salaries	81,400	(7,380)	74,020	72,362	1,658
Legal Services	15,000	17,154	32,154	32,154	-
Audit Fees	9,000	(500)	8,500	8,500	-
Other Purchased Professional Services	5,000	6,357	11,357	11,357	-
Communications/Telephone	14,000	(7,010)	6,990	5,698	1,292
BOE Other Purchased Services	2,700	(125)	2,575	2,575	-
Miscellaneous Purchased Services	2,500	(75)	2,425	2,425	-
General Supplies	1,000	(138)	862	748	114
Judgements		5,000	5,000	5,000	-
Miscellaneous Expenditures	2,500	(713)	1,787	1,787	-
BOE Dues and Fees	2,800	587	3,387	3,387	-
Total Undistributed Expenditures - Supp. Serv. - General Administration	<u>135,900</u>	<u>13,157</u>	<u>149,057</u>	<u>145,993</u>	<u>3,064</u>
Undistributed Expenditures - School Administration:					
Salaries of Principals/Assistant Principals	76,400	(5,000)	71,400	71,400	-
Salaries of Secretarial & Clerical Assistants	5,400	2,392	7,792	7,792	-
Other Purchased Services	500	360	860	860	-
Supplies and Materials	4,000	423	4,423	4,423	-
Total Undistributed Expenditures - School Administration	<u>86,300</u>	<u>(1,825)</u>	<u>84,475</u>	<u>84,475</u>	<u>-</u>

TUCKERTON SCHOOL DISTRICT

Exhibit C-1

Sheet 6 of 10

GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES**AND CHANGES IN FUND BALANCE -BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures - Central Services					
Salaries	56,768	8,401	65,169	65,152	17
Purchased Professional Services	9,000	(817)	8,183	8,183	-
Supplies and Materials	4,500	(2,170)	2,330	2,330	-
Other Objects	225	590	815	815	-
Total Undistributed Expenditures - Central Services	<u>70,493</u>	<u>6,004</u>	<u>76,497</u>	<u>76,480</u>	<u>17</u>
Undistributed Expenditures-Allow. Maint. School Facilities:					
Salaries	75,769	(8,039)	67,730	67,671	59
Cleaning, Repair and Maintenance Services	28,000	31,383	59,383	59,383	-
General Supplies	<u>35,000</u>	<u>(26,754)</u>	<u>8,246</u>	<u>8,246</u>	<u>-</u>
Total Undistributed Expenditures-Allow. Maint. School Facilities	<u>138,769</u>	<u>(3,410)</u>	<u>135,359</u>	<u>135,300</u>	<u>59</u>
Undistributed Expenditures-Other Oper. & Maint. Of Plant:					
Salaries	146,298	43,083	189,381	188,987	394
Purchased Professional & Tech. Services	70,000	15,269	85,269	85,269	-
Insurance	50,000	8,093	58,093	58,093	-
Supplies	20,000	26,078	46,078	46,078	-
Other Objects	700	(75)	625	625	-
Energy (Oil)	3,000	(2,281)	719	719	-
Energy (Natural Gas)	30,000	(5,109)	24,891	24,364	527
Energy (Electricity)	<u>80,642</u>	<u>7,354</u>	<u>87,996</u>	<u>87,996</u>	<u>-</u>
Total Undistributed Expenditures-Other Oper. & Maint. of Plant	<u>400,640</u>	<u>92,412</u>	<u>493,052</u>	<u>492,131</u>	<u>921</u>

TUCKERTON SCHOOL DISTRICT

Exhibit C-1

Sheet 7 of 10

GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCE -BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Care and Upkeep of Grounds:					
Cleaning, Repair and Maintenance	1,500	(1,000)	500		500
General Supplies	5,000	(3,701)	1,299	734	565
Total Care and Upkeep of Grounds	<u>6,500</u>	<u>(4,701)</u>	<u>1,799</u>	<u>734</u>	<u>1,065</u>
Security:					
Salaries	-	10,000	10,000	10,000	-
Purchased Professional and Tech Services	17,500	7,500	25,000	25,000	-
Other Objects		1,701	1,701	1,701	-
Total Security	<u>17,500</u>	<u>19,201</u>	<u>36,701</u>	<u>36,701</u>	<u>-</u>
Total Undistributed Expenditures - Operation & Maintenance of Plant Services	<u>563,409</u>	<u>103,502</u>	<u>666,911</u>	<u>664,866</u>	<u>2,045</u>
Undistributed Expenditures - Student Transportation Serv:					
Salaries for Transportation Aides	3,000	3,302	6,302	6,302	-
Cleaning and Repairs	3,000	(3,000)	-		-
Contr. Serv. - Aid in Lieu of Payments - NonPublic Schools	14,308	(4,088)	10,220	10,220	-
Contr. Serv. (Bet. Home & Sch.)-Joint Agreement	123,329	3,237	126,566	126,566	-
Contr. Serv. (Special Ed.)-Joint Agreement	80,000	17,691	97,691	97,691	-
General Supplies	1,500	154	1,654	1,654	-
Total Undistributed Expenditures - Student Transportation Services	<u>225,137</u>	<u>17,296</u>	<u>242,433</u>	<u>242,433</u>	<u>-</u>

TUCKERTON SCHOOL DISTRICTExhibit C-1
Sheet 8 of 10**GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES****AND CHANGES IN FUND BALANCE -BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Unallocated Benefits:					
Social Security Contributions	90,000	(7,031)	82,969	82,969	-
T.P.A.F. Contributions-ERIP	35,000	9,030	44,030	43,246	784
Other Retirement Contributions- PERS	110,000	2,014	112,014	112,014	-
Other Retirement Contributions- Regular	5,000	(4,274)	726	726	-
Unemployment Compensation		27,690	27,690	27,690	-
Workmen's Compensation	48,000	3,549	51,549	51,549	-
Health Benefits	906,610	(128,157)	778,453	772,438	6,015
Tuition Reimbursement	10,000	(6,568)	3,432		3,432
Other Employee Benefits	7,000		7,000	2,413	4,587
Total Unallocated Benefits	<u>1,211,610</u>	<u>(103,747)</u>	<u>1,107,863</u>	<u>1,093,045</u>	<u>14,818</u>
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)			-	235,389	(235,389)
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)			-	864,881	(864,881)
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability			-	378	(378)
Reimbursed TPAF Social Security Contributions - (Non Budgeted)	-	-	-	202,742	(202,742)
Total On-Behalf Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,303,390</u>	<u>(1,303,390)</u>
Total Undistributed Expenditures	<u>3,068,252</u>	<u>83,498</u>	<u>3,151,750</u>	<u>4,384,831</u>	<u>(1,233,081)</u>
Total Current Expense	<u>5,380,536</u>	<u>196,940</u>	<u>5,577,476</u>	<u>6,808,235</u>	<u>(1,230,759)</u>

TUCKERTON SCHOOL DISTRICT

Exhibit C-1
Sheet 9 of 10

GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCE -BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Capital Outlay:					
Interest Earned on Maintenance Reserve	500	(500)	-		-
Interest Deposit on Capital Reserve	500	(500)	-		-
Facilities, Acquisition & Construction Services:					
Architectural/Engineering Services		860	860	860	-
Constructions Services		15,525	15,525	15,525	-
Assessment for Debt Service	18,971		18,971	18,971	-
Total Capital Outlay	<u>19,971</u>	<u>15,385</u>	<u>35,356</u>	<u>35,356</u>	<u>-</u>
 Total Expenditures	 <u>5,400,507</u>	 <u>212,325</u>	 <u>5,612,832</u>	 <u>6,843,591</u>	 <u>(1,230,759)</u>
 Excess/(Deficiency) of Revenues Over/(Under) Expenditures	 (203,413)	 (212,325)	 (415,738)	 (149,289)	 266,449
 Fund Balance, July 1	 <u>2,125,511</u>	 <u></u>	 <u>2,125,511</u>	 <u>2,125,511</u>	 <u>-</u>
 Fund Balance, June 30	 <u>\$ 1,922,098</u>	 <u>(212,325)</u>	 <u>1,709,773</u>	 <u>1,976,222</u>	 <u>266,449</u>

TUCKERTON SCHOOL DISTRICT

Exhibit C-1
Sheet 10 of 10

GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCE -BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Recapitulation:					
Committed Fund Balances					
Capital Reserve				\$ 1,101,559	
Maintenance Reserve				264,927	
Unemployment Compensation				51,039	
Assigned Fund Balances:					
Year End Encumbrances				36,550	
Excess Surplus				107,017	
Designated For Subsequent Years Expenditures - Withdrawal from Maintenance Reserve				100,000	
Unassigned				<u>315,130</u>	
				1,976,222	
Reconciliation to Governmental Funds Statements (GAAP):					
Final State Aid Payments not Recognized on GAAP Basis				<u>(279,403)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 1,696,819</u>	

TUCKERTON SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

Exhibit C-2
Sheet 1 of 2

SPECIAL REVENUE FUND

JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources	<u>\$ -</u>	<u>4,581</u>	<u>4,581</u>	<u>4,581</u>	<u>-</u>
State Sources					
Preschool Education Aid	855,780	565	856,345	856,345	-
SDA -Emergent		6,866	6,866	6,866	-
Total State Sources	<u>855,780</u>	<u>7,431</u>	<u>863,211</u>	<u>863,211</u>	<u>-</u>
Federal Sources:					
Title I, Part A	64,145	13,006	77,151	77,151	-
Title IIA, Part A	9,731		9,731	7,580	2,151
Title IV	8,000		8,000	4,480	3,520
IDEA Part B, Basic	74,272	3,662	77,934	77,934	-
IDEA Part B, Preschool		5,692	5,692	5,692	-
ARP - ESSER	237,333		237,333	204,206	33,127
ARP - Mental Health	25,000		25,000	18,618	6,382
ARP - Summer Learning	39,000		39,000	30,825	8,175
ARP - Beyond School Day	39,000		39,000	8,800	30,200
Total Federal Sources	<u>496,481</u>	<u>22,360</u>	<u>518,841</u>	<u>435,286</u>	<u>83,555</u>
Total Revenues	<u>1,352,261</u>	<u>34,372</u>	<u>1,386,633</u>	<u>1,303,078</u>	<u>83,555</u>
Expenditures:					
Instruction:					
Salaries of Teachers	325,003		325,003	324,606	397
Other Salaries for Instruction	99,500		99,500	99,065	435
Purchased Services	11,320		11,320	11,319	1
Other Purchased Services	79,000		79,000	78,626	374
General Supplies	35,000		35,000	34,889	111
Purchased Professional/Ed. Services	6,100		6,100	3,079	3,021
Total Instruction	<u>555,923</u>	<u>-</u>	<u>555,923</u>	<u>551,584</u>	<u>4,339</u>

TUCKERTON SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

Exhibit C-2
Sheet 2 of 2

SPECIAL REVENUE FUND

JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Support Services:					
Salaries of Supervisors of Instruction	24,750		24,750	24,750	-
Salaries of Program Director	35,700		35,700	35,700	-
Salaries of Other Professional Staff	37,550		37,550	37,542	8
Salaries of Secretarial & Clerical	15,600		15,600	12,610	2,990
Other Salaries	63,084		63,084	63,084	-
Salaries of Community Parent	9,350		9,350	9,173	177
Employee Benefits	170,851		170,851	168,624	2,227
Professional and Technical Services	34,800		34,800	34,748	52
Other Purchased Services	70,000		70,000	69,834	166
Cleaning, Repair & Maintenance	13,200		13,200	13,117	83
Contracted Services - Transportation	5,000		5,000	4,840	160
Supplies and Materials	51,210		51,210	51,206	4
Student Activities		6,990	6,990	6,990	-
Total Support Services	<u>531,095</u>	<u>6,990</u>	<u>538,085</u>	<u>532,218</u>	<u>5,867</u>
Facilities Acquisition and Construction Services:					
Buildings and Renovations	198,000		198,000	195,485	2,515
Instructional Equipment	67,243		67,243	26,200	41,043
Total Facilities Acquisition and Construction Services	<u>265,243</u>	<u>-</u>	<u>265,243</u>	<u>221,685</u>	<u>43,558</u>
Total Expenditures	<u>1,352,261</u>	<u>6,990</u>	<u>1,359,251</u>	<u>1,305,487</u>	<u>53,764</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>27,382</u>	<u>27,382</u>	<u>(2,409)</u>	<u>(29,791)</u>
Fund Balance, July 1				<u>9,963</u>	
Fund Balance, June 30				<u>\$ 7,554</u>	
Recapitulation:					
Restricted - Student Activities				<u>\$ 7,554</u>	

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

TUCKERTON SCHOOL DISTRICT**Exhibit C-3****REQUIRED SUPPLEMENTARY INFORMATION****BUDGET-TO-GAAP RECONCILIATION****NOTE TO RSI****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<u>Sources/Inflows of Resources</u>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 6,694,302	1,303,078
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized		
State aid payment recognized for GAAP statements in the the current year, previously recognized for budgetary purposes.	279,189	
The last state aid payment is recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33)	<u>(279,403)</u>	<u>-</u>
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 6,694,088</u>	<u>1,303,078</u>
<u>Uses/Outflows of Resources</u>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 6,843,591	1,305,487
Differences-Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 6,843,591</u>	<u>1,305,487</u>

REQUIRED SUPPLEMENTARY INFORMATION – PART III

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

TUCKERTON SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE

Exhibit L-1

NET PENSION LIABILITY - PERS

LAST TEN FISCAL YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Pension Liability	0.00831%	0.00584%	0.00667%	0.00691%	0.00637%	0.00740%	0.00717%	0.00609%	0.00515%	0.00577%
District's Proportionate Share of the Net Pension Liability	<u>\$ 1,213,932</u>	<u>888,885</u>	<u>797,986</u>	<u>1,134,906</u>	<u>1,155,070</u>	<u>1,457,496</u>	<u>1,668,072</u>	<u>1,804,360</u>	<u>1,155,545</u>	<u>1,079,892</u>
District's Covered-Employee Payroll	\$ 777,631	609,285	469,004	509,580	548,030	453,696	515,164	467,238	385,920	336,444
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	64.06%	68.54%	58.77%	44.90%	47.45%	31.13%	30.88%	25.89%	33.40%	31.16%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.45%	46.41%	42.90%	42.90%	42.04%	40.45%	36.78%	31.20%	38.21%	42.74%

TUCKERTON SCHOOL DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS - PERS

Exhibit L-2

LAST TEN FISCAL YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 74,276	79,881	76,133	62,677	74,246	68,078	54,273	62,154	40,670	44,300
Contributions in Relation to the Contractually Required Contribution	74,276	79,881	76,133	62,677	74,246	68,078	54,273	62,154	40,670	44,300
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's Covered-Employee Payroll	\$ 777,631	609,285	469,004	509,580	548,030	453,696	515,164	467,238	385,920	336,444
Contributions as a Percentage of Covered-Employee Payroll	9.55%	13.11%	16.23%	12.30%	13.55%	15.01%	10.54%	13.30%	10.54%	13.17%

TUCKERTON SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - TPAF
LAST TEN FISCAL YEARS

Exhibit L-3

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net Pension Liability	\$ -	-	-	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>11,823,108</u>	<u>11,953,915</u>	<u>10,292,369</u>	<u>13,310,579</u>	<u>11,115,465</u>	<u>11,402,069</u>	<u>11,941,401</u>	<u>14,467,586</u>	<u>12,498,424</u>	<u>9,969,695</u>
Total	<u>\$11,823,108</u>	<u>11,953,915</u>	<u>10,292,369</u>	<u>13,310,579</u>	<u>11,115,465</u>	<u>11,402,069</u>	<u>11,941,401</u>	<u>14,467,586</u>	<u>12,498,424</u>	<u>9,969,695</u>
District's Covered-Employee Payroll	\$ 2,465,464	2,460,433	2,626,648	2,542,754	2,434,902	2,144,600	2,011,728	1,850,172	1,777,801	1,832,479
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	20.85%	20.58%	25.52%	19.10%	21.91%	18.81%	16.85%	12.79%	14.22%	18.38%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.68%	32.29%	32.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

TUCKERTON SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS
TEACHER'S PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS

L-4

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

TUCKERTON SCHOOL DISTRICT**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PART III**

L-5

FOR THE FISCAL YEAR ENDED JUNE 30, 2024**Public Employee's Retirement System (PERS)**

Changes in Benefit Terms – None

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

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms – None

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

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING
FOR OPEB (GASB 75) - M**

TUCKERTON SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

LAST EIGHT FISCAL YEARS

Exhibit M-1

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's Proportionate Share of OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate of the Net OPEB Liability	\$ -	-	-	-	-	-	-	-
<u>State's OPEB Liability Attributable to the District</u>								
Service Cost	\$ 579,203	753,490	835,854	449,289	413,756	455,006	548,823	*
Interest	486,503	346,714	413,377	376,601	437,012	440,883	380,732	*
Change of Benefit Terms		-	(16,961)					*
Benefit Payments	(379,237)	(343,430)	(325,625)	(306,539)	(321,032)	(295,014)	(277,976)	*
Member Contributions	12,467	11,017	10,568	9,291	9,516	10,196	10,236	*
Difference between Expected and Actual Experience	3,976	(110,386)	(2,605,596)	3,404,809	(1,269,931)	(313,495)		*
Change of Assumptions or Other Inputs	<u>27,843</u>	<u>(3,509,632)</u>	<u>15,721</u>	<u>3,216,356</u>	<u>155,931</u>	<u>(1,266,072)</u>	<u>(1,603,620)</u>	*
Net Change in Total OPEB Liability	730,755	(2,852,227)	(1,672,662)	7,149,807	(574,748)	(968,496)	(941,805)	*
Total Attributable OPEB Liability - Beginning	<u>13,082,998</u>	<u>15,935,225</u>	<u>17,607,887</u>	<u>10,458,080</u>	<u>11,032,828</u>	<u>12,001,324</u>	<u>12,943,129</u>	*
Total Attributable OPEB Liability - Ending	<u>\$13,813,753</u>	<u>13,082,998</u>	<u>15,935,225</u>	<u>17,607,887</u>	<u>10,458,080</u>	<u>11,032,828</u>	<u>12,001,324</u>	<u>12,943,129</u>
District's Covered Payroll	\$ 3,243,095	3,069,718	3,095,652	3,052,334	2,982,932	2,598,296	2,526,892	2,317,410
District's Contribution	None	None	None	None	None	None	None	None
District's Proportionate Share of OPEB Liability as a Percentage of its Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of OPEB Liability as a Percentage of its Covered-Employee Payroll	425.94%	426.20%	514.76%	576.87%	350.60%	424.62%	474.94%	558.52%

* - Information not available

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

Note: This schedule is required by GASB 75 to show information for a 10 year period. However, information is only currently available for eight years. Additional years will be presented as they become available.

TUCKERTON SCHOOL DISTRICT**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION****FOR THE FISCAL YEAR ENDED JUNE 30, 2024****Exhibit M-2****Change of Benefit Terms**

Refer to Note 5 - Notes to Financial Statements

Difference Between Expected and Actual Experience

The change in the liability from June 30, 2022 to June 30, 2023 is due to changes in the census, claims and premiums experience.

Changes of Assumptions

The Discount Rate changed from 3.54% as of June 30, 2022 to 3.65% as of June 30, 2023.

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES – D

N/A

SPECIAL REVENUE FUND – E

TUCKERTON SCHOOL DISTRICT

SPECIAL REVENUE FUND

Exhibit E-1
Sheet 1 of 2

COMBINING STATEMENT OF REVENUES AND EXPENDITURES - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

				<u>I.D.E.A.</u>		<u>ARP</u>	
	<u>Title I</u>	<u>Title II Part A</u>	<u>Title IV</u>	<u>Preschool</u>	<u>Basic</u>	<u>ESSER</u>	<u>Mental Health</u>
Revenues:							
Federal Sources	\$ 77,151	7,580	4,480	77,934	5,692	204,206	18,618
Local Sources							
State Sources							
Total Revenue	<u>77,151</u>	<u>7,580</u>	<u>4,480</u>	<u>77,934</u>	<u>5,692</u>	<u>204,206</u>	<u>18,618</u>
Expenditures:							
Instruction:							
Salaries of Teachers	26,072						
Other Salaries for Instructions							
Purchased Services	5,627				5,692		
Other Purchased Services				77,934			
General Supplies	27,373						
Other Objects	3,079						
Total Instruction	<u>62,151</u>	<u>-</u>	<u>-</u>	<u>77,934</u>	<u>5,692</u>	<u>-</u>	<u>-</u>
Support Services:							
Salaries of Supervisors of Instruction							
Salaries of Program Director							
Salaries of Other Professional Staff							
Salaries of Secretarial & Cleric Asst.							
Other Salaries			2,796			8,720	
Salaries of Community Parent							
Personal Services - Employee Benefits						1	
Professional and Tech. Services		7,580	1,684				18,618
Other Purchased Services							
Cleaning, Repair and Maintenance							
Contr. Services - Transportation	3,800						
Supplies and Materials	11,200						
Student Activities							
Total Support Services	<u>15,000</u>	<u>7,580</u>	<u>4,480</u>	<u>-</u>	<u>-</u>	<u>8,721</u>	<u>18,618</u>
Facilities, Acquisition and Construction Services:							
Building and Renovation						195,485	
Instructional Equipment							
Total Facilities, Acquisition and Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>195,485</u>	<u>-</u>
Total Expenditures	<u>77,151</u>	<u>7,580</u>	<u>4,480</u>	<u>77,934</u>	<u>5,692</u>	<u>204,206</u>	<u>18,618</u>
Excess (Deficiency) of Revenues							
Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

TUCKERTON SCHOOL DISTRICT

SPECIAL REVENUE FUND

Exhibit E-1
Sheet 2 of 2

COMBINING STATEMENT OF REVENUES AND EXPENDITURES - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>ARP</u>					
	<u>Summer Learning</u>	<u>Beyond School Day</u>	<u>SDA Emergent</u>	<u>Preschool Education Aid</u>	<u>Student Activity</u>	<u>Totals 2024</u>
Revenues:						
Federal Sources	30,825	8,800				435,286
Local Sources					4,581	4,581
State Sources			6,866	856,345		863,211
Total Revenue	<u>30,825</u>	<u>8,800</u>	<u>6,866</u>	<u>856,345</u>	<u>4,581</u>	<u>1,303,078</u>
Expenditures:						
Instruction:						
Salaries of Teachers	30,825	8,800		258,909		324,606
Other Salaries for Instructions				99,065		99,065
Purchased Services						11,319
Other Purchased Services				692		78,626
General Supplies				7,516		34,889
Other Objects						3,079
Total Instruction	<u>30,825</u>	<u>8,800</u>	<u>-</u>	<u>366,182</u>	<u>-</u>	<u>551,584</u>
Support Services:						
Salaries of Supervisors of Instruction				24,750		24,750
Salaries of Program Director				35,700		35,700
Salaries of Other Professional Staff				37,542		37,542
Salaries of Secretarial & Cleric Asst.				12,610		12,610
Other Salaries				51,568		63,084
Salaries of Community Parent				9,173		9,173
Personal Services - Employee Benefits				168,623		168,624
Professional and Tech. Services			6,866			34,748
Other Purchased Services				69,834		69,834
Cleaning, Repair and Maintenance				13,117		13,117
Contr. Services - Transportation				1,040		4,840
Supplies and Materials				40,006		51,206
Student Activities					6,990	6,990
Total Support Services	<u>-</u>	<u>-</u>	<u>6,866</u>	<u>463,963</u>	<u>6,990</u>	<u>532,218</u>
Facilities, Acquisition and Construction Services:						
Building and Renovation						195,485
Instructional Equipment				26,200		26,200
Total Facilities, Acquisition and Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,200</u>	<u>-</u>	<u>221,685</u>
Total Expenditures	<u>30,825</u>	<u>8,800</u>	<u>6,866</u>	<u>856,345</u>	<u>6,990</u>	<u>1,305,487</u>
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,409)</u>	<u>(2,409)</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,963</u>	<u>9,963</u>
Fund Balance, June 30	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,554</u>	<u>7,554</u>

TUCKERTON SCHOOL DISTRICT**SPECIAL REVENUE FUND**

Exhibit E-2

PRESCHOOL EDUCATION AID**SCHEDULE OF EXPENDITURES****BUDGETARY BASIS****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 258,909	258,909	-
Other Salaries for Instruction	101,620	99,065	2,555
Purchased Professional/Ed. Services	692	692	-
General Supplies	7,516	7,516	-
Total Instruction	<u>368,737</u>	<u>366,182</u>	<u>2,555</u>
Support Services:			
Salaries of Supervisors of Instruction	24,750	24,750	-
Salaries of Program Director	35,700	35,700	-
Salaries of Other Professional Staff	37,784	37,542	242
Salaries of Secretarial & Cleric Asst.	12,610	12,610	-
Other Salaries	52,639	51,568	1,071
Salaries of Community Parent	9,173	9,173	-
Personal Services - Employee Benefits	168,623	168,623	-
Other Purchased Services	69,834	69,834	-
Cleaning, Repair Services	13,117	13,117	-
Contr. Services - Transportation (Field Trips)	1,040	1,040	-
Supplies and Materials	40,006	40,006	-
Total Support Services	<u>465,276</u>	<u>463,963</u>	<u>1,313</u>
Facilities, Acquisition and Construction Services:			
Non Instructional Equipment	212,098	26,200	185,898
Total Facilities, Acquisition and Construction Services	<u>212,098</u>	<u>26,200</u>	<u>185,898</u>
Total Expenditures	<u>\$ 1,046,111</u>	<u>856,345</u>	<u>189,766</u>

Calculation of Budget and Carryover

Total 2023-2024 Preschool Education Aid Allocation	\$ 770,202
Add: Actual ECPA/PEA Carryover (June 30, 2023)	190,331
Add: Budgeted Transfer from the General Fund 2023-24	85,578
Total Preschool Education Aid Funds Available for 2023-2024 Budget	<u>1,046,111</u>
Less: 2023-2024 Budgeted Preschool Education Aid (Including Prior Year Budget Carryover)	
Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2023	
Add: June 30, 2024 Unexpended Preschool Education Aid	<u>189,766</u>
2023-2024 Carryover - Preschool Education Aid Programs	<u>\$ 189,766</u>
2023-2024 Preschool Education Aid Carryover Budgeted for Preschool Programs 2024-2025	<u>\$ -</u>

CAPITAL PROJECTS FUND – F

TUCKERTON SCHOOL DISTRICTCAPITAL PROJECTS FUND

Exhibit F-1

SUMMARY SCHEDULE OF PROJECT EXPENDITURESFOR THE YEAR ENDED JUNE 30, 2024

Revenues:	
Interest	\$ 301
Total Revenues	<u>301</u>
Expenditures:	
Construction Services	<u>-</u>
Revenues Over/(Under) Expenditures	301
Other Financing Sources/(Uses):	
Transfer to Debt Service	<u>(26,732)</u>
Total Other Financing Sources/(Uses)	<u>(26,732)</u>
Revenues Over/(Under) Expenditures and Other Financing Sources/(Uses)	(26,431)
Fund Balance - Beginning	<u>26,431</u>
Fund Balance - Ending	<u>\$ -</u>

PROPRIETARY FUNDS – G

TUCKERTON SCHOOL DISTRICT**SCHEDULE OF NET POSITION****Exhibit G-1****ENTERPRISE FUNDS****JUNE 30, 2024**

	Business - Type Activities Enterprise Funds		Totals
	Food Services	Aftercare	
<u>Assets:</u>			
Current Assets:			
Cash	\$ -	54,011	54,011
Total Current Assets	-	54,011	54,011
Noncurrent Assets:			
Equipment	72,105		72,105
Less: Accumulated Depreciation	(67,338)		(67,338)
Total Noncurrent Assets	4,767	-	4,767
Total Assets	\$ 4,767	54,011	58,778
<u>Net Position:</u>			
Investment in Capital Assets	\$ 4,767		4,767
Unrestricted		54,011	54,011
Total Net Position	\$ 4,767	54,011	58,778

TUCKERTON SCHOOL DISTRICT**SCHEDULE OF REVENUES, EXPENSES AND CHANGES****Exhibit G-2****IN FUND NET POSITION****ENTERPRISE FUNDS****JUNE 30, 2024**

	Business - Type Activities		
	Enterprise Funds		
	Food Services	Aftercare Program	Totals
Operating Revenues:			
Local Sources:			
Fees	\$ -	59,454	59,454
Total Operating Revenue	-	59,454	59,454
Operating Expenses:			
Salaries		30,482	30,482
Supplies		592	592
Utilities		29,606	29,606
Depreciation	179		179
Total Operating Expenses	179	60,680	60,859
Operating (Loss)/Profit	(179)	(1,226)	(1,405)
Non-Operating Revenues:			
Interest Revenue	-	3,475	3,475
Total Non-Operating Revenues	-	3,475	3,475
Excess/(Deficiency) of Revenues Over/(Under)			
Expenditures	(179)	2,249	2,070
Net Position, July 1	4,946	51,762	56,708
Net Position, June 30	\$ 4,767	54,011	58,778

TUCKERTON SCHOOL DISTRICT**SCHEDULE OF CASH FLOWS****Exhibit G-3****ENTERPRISE FUNDS****JUNE 30, 2024**

	Business - Type Activities		
	Enterprise Funds		
	Food Services	Aftercare Program	Totals
Cash Flows from Operating Activities:			
Receipts from Miscellaneous and Fees	\$ -	59,454	59,454
Payments to Suppliers		(30,198)	(30,198)
Payments to Employees		(30,482)	(30,482)
Net Cash Used by Operating Activities	-	(1,226)	(1,226)
Cash Flows from Investing Activities:			
Interest		3,475	3,475
Net Increase/(Decrease) in Cash and Cash Equivalents	-	2,249	2,249
Cash and Cash Equivalents July 1		51,762	51,762
Cash and Cash Equivalents June 30	\$ -	54,011	54,011
Cash Flows from Operating Activities:			
Operating (Loss)/Profit	\$ (179)	(1,126)	(1,305)
Adjustments to Reconcile Operating Loss to Cash			
Provided (Used) by Operating Activities:			
Depreciation	179		179
Net Cash Used by Operating Activities	\$ -	(1,126)	(1,126)

FIDUCIARY FUND – H

N/A

LONG-TERM DEBT -- I

TUCKERTON SCHOOL DISTRICT

Exhibit I-1

LONG-TERM DEBT**SCHEDULE OF SERIAL BONDS PAYABLE****FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount Of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance</u>	<u>Retired</u>	<u>Balance</u>
			<u>Date</u>	<u>Amount</u>		<u>July 1, 2023</u>		<u>June 30, 2024</u>
Renovations to Elementary School	7/14/2004	\$ 2,443,000	7/15/2024	\$ 140,000	4.62%	\$ 280,000	140,000	140,000
Renovations to Elementary School	2/9/2017	3,386,000	7/15/2024	155,000	3.125%	2,680,000	150,000	2,530,000
			7/15/2025	160,000				
			7/15/2026	165,000				
			7/15/2027	170,000				
			7/15/2028	180,000				
			7/15/2029	185,000				
			7/15/2030	190,000				
			7/15/2031	200,000				
			7/15/2032	205,000				
			7/15/2033	215,000				
			7/15/2034	225,000	3.25%			
			7/15/2035	235,000				
			7/15/2036	245,000	3.375%			
						<u>\$ 2,960,000</u>	<u>290,000</u>	<u>2,670,000</u>

TUCKERTON SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE

Exhibit I-3

DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative) Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 296,358		296,358	296,358	
State Aid	85,682	-	85,682	85,682	-
Total Revenues	<u>382,040</u>	<u>-</u>	<u>382,040</u>	<u>382,040</u>	<u>-</u>
Expenditures:					
Regular Debt Service:					
Interest	92,125	-	92,125	92,125	-
Redemption of Principal	290,000	-	290,000	290,000	-
Total Expenditures	<u>382,125</u>	<u>-</u>	<u>382,125</u>	<u>382,125</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(85)	-	(85)	(85)	-
Other Financing Sources/(Uses):					
Transfer from Capital Projects				26,732	26,732
Excess (Deficiency) of Revenues Over (Under) Expenditures and Financing Sources/(Uses)	(85)	-	(85)	26,647	26,732
Fund Balance July 1	<u>204</u>		<u>204</u>	<u>204</u>	
Fund Balance June 30	<u>\$ 119</u>	<u>-</u>	<u>119</u>	<u>26,851</u>	<u>26,732</u>

STATISTICAL SECTION

(Unaudited)

BOROUGH OF TUCKERTON SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-1

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Governmental Activities										
Invested in Capital Assets, net of related Debt	\$ 43,440	43,440	43,440	43,440	43,440	43,440	43,440	260,298	245,372	236,459
Restricted	1,695,497	1,816,119	1,743,437	1,870,418	1,793,528	1,867,141	1,630,195	4,560,060	1,783,257	1,576,360
Unrestricted	<u>(2,808,512)</u>	<u>(2,972,574)</u>	<u>(3,258,368)</u>	<u>(3,671,009)</u>	<u>(3,798,065)</u>	<u>(3,858,889)</u>	<u>(3,889,948)</u>	<u>(4,671,739)</u>	<u>(1,095,474)</u>	<u>(1,031,887)</u>
Total Governmental Activities	<u>\$ (1,069,575)</u>	<u>(1,113,015)</u>	<u>(1,471,491)</u>	<u>(1,757,151)</u>	<u>(1,961,097)</u>	<u>(1,948,308)</u>	<u>(2,216,313)</u>	<u>148,619</u>	<u>933,155</u>	<u>780,932</u>
Business Type Activities										
Invested in Capital Assets, net of related Debt	\$ 4,767	4,946	5,125	5,304	5,483	5,662	5,841	4,097	4,097	1,568
Unrestricted	<u>54,011</u>	<u>51,762</u>	<u>39,242</u>	<u>31,026</u>	<u>30,898</u>	<u>28,406</u>	<u>34,858</u>	<u>33,081</u>	<u>16,166</u>	<u>37,096</u>
Total Business Type Activities	<u>\$ 58,778</u>	<u>56,708</u>	<u>44,367</u>	<u>36,330</u>	<u>36,381</u>	<u>34,068</u>	<u>40,699</u>	<u>37,178</u>	<u>20,263</u>	<u>38,664</u>
District-wide										
Invested in Capital Assets, net of related Debt	\$ 48,207	48,386	48,565	48,744	48,923	49,102	49,281	264,395	249,469	238,027
Restricted	1,695,497	1,816,119	1,743,437	1,870,418	1,793,528	1,867,141	1,630,195	4,560,060	1,783,257	1,576,360
Unrestricted	<u>(2,754,501)</u>	<u>(2,920,812)</u>	<u>(3,219,126)</u>	<u>(3,639,983)</u>	<u>(3,767,167)</u>	<u>(3,830,483)</u>	<u>(3,855,090)</u>	<u>(4,638,658)</u>	<u>(1,079,308)</u>	<u>(994,791)</u>
Total District Net Position	<u>\$ (1,010,797)</u>	<u>(1,056,307)</u>	<u>(1,427,124)</u>	<u>(1,720,821)</u>	<u>(1,924,716)</u>	<u>(1,914,240)</u>	<u>(2,175,614)</u>	<u>185,797</u>	<u>953,418</u>	<u>819,596</u>

BOROUGH OF TUCKERTON SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-2

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses:										
Governmental Activities	\$ 8,336,067	8,157,634	8,325,922	7,410,954	7,042,407	6,400,003	8,565,130	6,675,887	5,705,983	5,238,626
Business Type Activities	60,859	21,666	20,665	179	21,758	43,563	25,100	20,097	52,635	37,859
Total District Expenses	8,396,926	8,179,300	8,346,587	7,411,133	7,064,165	6,443,566	8,590,230	6,695,984	5,758,618	5,276,485
Program Revenues:										
Governmental Activities	1,298,497	1,378,347	1,280,088	960,858	798,175	211,736	199,595	194,698	243,665	201,549
Business Type Activities	59,454	33,431	28,558		23,857	36,797	26,578	27,857	31,636	36,694
Total District Program Revenues	1,357,951	1,411,778	1,308,646	960,858	822,032	248,533	226,173	222,555	275,301	238,243
Net (Expense):										
Governmental Activities	(7,037,570)	(6,779,287)	(7,045,834)	(6,450,096)	(6,244,232)	(6,188,267)	(8,365,535)	(6,481,189)	(5,462,318)	(5,037,077)
Business Type Activities	(1,405)	11,765	7,893	(179)	2,099	(6,766)	1,478	7,760	(20,999)	(1,165)
Total District-wide Net Expense	(7,038,975)	(6,767,522)	(7,037,941)	(6,450,275)	(6,242,133)	(6,195,033)	(8,364,057)	(6,473,429)	(5,483,317)	(5,038,242)
General Revenues and Other Changes in Net Position:										
Governmental Activities	7,081,010	7,137,763	7,331,494	6,624,363	6,231,443	6,456,272	6,000,603	5,696,653	5,614,541	5,549,811
Business Type Activities	3,475	576	144	128	214	135	120	9,155	2,598	64
Total District-wide	7,084,485	7,138,339	7,331,638	6,624,491	6,231,657	6,456,407	6,000,723	5,705,808	5,617,139	5,549,875
Change in Net Position:										
Governmental Activities	43,440	358,476	285,660	174,267	(12,789)	268,005	(2,364,932)	(784,536)	152,223	512,734
Business Type Activities	2,070	12,341	8,037	(51)	2,313	(6,631)	1,598	16,915	(18,401)	(1,101)
Total District	\$ 45,510	370,817	293,697	174,216	(10,476)	261,374	(2,363,334)	(767,621)	133,822	511,633

BOROUGH OF TUCKERTON SCHOOL DISTRICT
FUND BALANCES, GOVERNMENT FUNDS
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-3

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund:										
Reserved	\$ 1,661,092	1,779,521	1,766,223	1,905,277	1,769,208	1,673,291	1,395,056	1,677,948	1,686,277	1,479,380
Unreserved	<u>35,727</u>	<u>66,801</u>	<u>73,813</u>	<u>34,150</u>	<u>27,803</u>	<u>26,256</u>	<u>25,681</u>	<u>31,334</u>	<u>30,053</u>	<u>35,756</u>
Total General Fund	<u>\$ 1,696,819</u>	<u>1,846,322</u>	<u>1,840,036</u>	<u>1,939,427</u>	<u>1,797,011</u>	<u>1,699,547</u>	<u>1,420,737</u>	<u>1,709,282</u>	<u>1,716,330</u>	<u>1,515,136</u>
All Other Governmental Funds:										
Unreserved, Reported in:										
Special Revenue Fund	\$ 7,554	9,963	(62,870)	(61,365)	(74,078)	(3,273)	(2,725)	(3,130)	(3,711)	(3,133)
Capital Projects Fund		26,431	26,431	26,431	98,339	195,898	235,151	2,880,590	94,220	94,220
Debt Service Fund	<u>26,851</u>	<u>204</u>	<u>13,653</u>	<u>75</u>	<u>59</u>	<u>1,225</u>	<u>2,713</u>	<u>1,522</u>	<u>2,760</u>	<u>2,760</u>
Total All Other Government Funds	<u>\$ 34,405</u>	<u>36,598</u>	<u>(22,786)</u>	<u>(34,859)</u>	<u>24,320</u>	<u>193,850</u>	<u>235,139</u>	<u>2,878,982</u>	<u>93,269</u>	<u>93,847</u>

BOROUGH OF TUCKERTON SCHOOL DISTRICT
NET CHANGES IN FUND BALANCE
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-4

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues:										
Local Tax Levy	\$ 3,382,522	3,265,444	3,242,290	3,190,807	3,128,073	3,056,550	2,973,743	2,834,436	2,789,062	2,746,490
Other Local Revenue	154,339	66,621	182,725	117,306	33,467	247,062	165,095	3,526,747	138,391	115,806
State Revenue	4,407,360	4,603,517	4,646,792	3,974,797	3,705,875	3,153,362	2,896,649	2,824,866	2,761,307	2,684,021
Federal Revenue	435,286	580,528	539,775	302,310	162,203	164,291	164,711	161,644	169,446	168,025
Total Revenues	8,379,507	8,516,110	8,611,582	7,585,220	7,029,618	6,621,265	6,200,198	9,347,693	5,858,206	5,714,342
Expenditures:										
Instruction:										
Regular	1,466,044	1,378,545	1,449,687	1,236,207	1,218,909	1,332,140	1,196,915	1,252,545	1,203,987	1,198,144
Special	631,167	650,919	659,092	683,800	739,973	692,186	588,044	578,022	565,295	579,702
Other	326,193	298,920	221,283	239,050	155,606	173,366	171,408	221,445	105,303	155,085
Total Instruction	2,423,404	2,328,384	2,330,062	2,159,057	2,114,488	2,197,692	1,956,367	2,052,012	1,874,585	1,932,931
Undistributed:										
Instruction	123,113	269,301	292,052	98,800	28,572	8,483	64,708	49,078	59,308	169,461
Support Service:										
Students	651,036	586,928	663,689	624,626	586,518	602,422	659,509	577,255	534,409	413,076
School Administration	306,948	303,622	353,492	305,950	291,901	312,338	279,897	264,893	186,305	264,633
Operations and Maintenance	664,866	557,760	660,505	540,339	585,388	523,211	495,899	561,327	632,780	469,511
Student Transportation	242,433	325,837	168,735	107,744	130,062	149,670	236,698	150,899	178,569	146,907
Business and Other Support Services:									91,725	
Employee Benefits	2,396,435	2,336,152	2,491,568	2,079,502	1,722,418	1,889,004	1,710,382	1,624,177	1,624,367	1,481,780
Other										
Total Undistributed	4,384,831	4,379,600	4,630,041	3,756,961	3,344,859	3,485,128	3,447,093	3,227,629	3,307,463	2,945,368
Capital Outlay:										
Facilities Acq. and Construction Serv.										
Other	35,356	38,633	54,828	166,918	271,060	26,714	110,811	77,648	73,379	99,257
Total Capital Outlay	35,356	38,633	54,828	166,918	271,060	26,714	110,811	77,648	73,379	99,257
Total General Fund Expenditures	6,843,591	6,746,617	7,014,931	6,082,936	5,730,407	5,709,534	5,514,271	5,357,289	5,255,427	4,977,556
Special Revenue:										
Federal	442,276	580,528	539,775	305,971	162,203	164,839	164,711	161,644	169,446	168,025
State	863,211	735,445	750,909	658,548	703,120	32,415	27,834	32,473	37,112	32,473
Total Special Revenue Expenditures	1,305,487	1,315,973	1,290,684	964,519	865,323	197,254	192,545	194,117	206,558	200,498
Debt Service Expenditures	382,125	387,850	393,285	412,299	408,395	434,446	280,331	191,870	195,605	201,125
Capital Project Expenditures	-	-	-	71,908	97,559	89,253	3,145,439	755,410		-
Total Governmental Fund Expenditures	8,531,203	8,450,440	8,698,900	7,531,662	7,101,684	6,430,487	9,132,586	6,498,686	5,657,590	5,379,179
Other Financing Sources/(Uses)						46,743		(70,342)		37,018
Net Changes in Fund Balance	\$ (151,696)	65,670	(87,318)	53,558	(72,066)	237,521	(2,932,388)	2,778,665	200,616	372,181

Source: District Records

BOROUGH OF TUCKERTON SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-5

<u>Fiscal Year Ended June 30</u>	<u>Interest</u>	<u>Tuition/ Transportation</u>	<u>Misc.</u>	<u>Total</u>
2015	\$ -	49,051	66,755	115,806
2016	2,285	37,685	98,421	138,391
2017	1,522	11,748	127,477	140,747
2018	-	50,509	113,395	163,904
2019	-	53,175	193,853	247,028
2020	-	5,457	27,985	33,442
2021	2,660	-	161,597	164,257
2022			182,725	182,725
2023	1,119		65,502	66,621
2024	1,301		153,038	154,339

Source: District Records

BOROUGH OF TUCKERTON SCHOOL DISTRICT
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

Exhibit J-6

<u>Year Ended December 31,</u>	<u>Net Assessed Valuations</u>	<u>Estimated Full Cash Valuations</u>	<u>Percentage of Net Assessed to Estimated Full Cash Valuations</u>
2014	\$ 411,829,747	420,964,681	97.83%
2015	404,952,400	392,700,155	103.12%
2016	403,656,400	388,542,112	103.89%
2017	405,555,300	404,867,026	100.17%
2018	407,072,959	405,572,341	100.37%
2019	414,731,900	417,319,280	99.38%
2020	418,682,900	426,357,332	98.20%
2021	425,252,800	447,163,828	95.10%
2022	432,978,800	477,796,072	90.62%
2023	440,097,500	556,521,877	79.08%

Source: Abstract of Ratables, Ocean County Board of Taxation

BOROUGH OF TUCKERTON SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING
PER \$100 OF ASSESSED VALUATION
LAST TEN YEARS
UNAUDITED

Exhibit J-7

Assessment Year	Tuckerton		Pinelands Regional	Ocean County	Total
	School District	Borough			
2014	\$ 0.667	0.626	0.553	0.417	2.263
2015	0.689	0.633	0.554	0.401	2.277
2016	0.702	0.661	0.541	0.401	2.305
2017	0.733	0.679	0.604	0.416	2.432
2018	0.751	0.698	0.691	0.411	2.551
2019	0.754	0.737	0.712	0.412	2.615
2020	0.762	0.759	0.686	0.413	2.620
2021	0.762	0.776	0.644	0.413	2.595
2022	0.754	0.836	0.632	0.420	2.642
2023	0.769	0.893	0.698	0.462	2.822

Source: Tax Collector

BOROUGH OF TUCKERTON SCHOOL DISTRICT
MUNICIPAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
UNAUDITED

Exhibit J-9

<u>Year Ended December 31,</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Tax Levy Collected</u>
2014	\$ 9,358,024	8,991,914	96.09%
2015	9,294,575	8,970,099	96.51%
2016	9,385,420	9,107,462	97.04%
2017	9,967,656	9,610,308	96.41%
2018	10,431,234	10,140,776	97.22%
2019	10,960,278	10,704,490	97.67%
2020	11,113,682	10,869,033	97.80%
2021	11,135,156	10,902,799	97.91%
2022	*	*	*
2023	*	*	*

Source: Municipal Tax Collector

* - Information Not Available

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

Exhibit J-10

Information not available

BOROUGH OF TUCKERTON SCHOOL DISTRICT
RATIO OF NET GENERAL BONDED DEBT
TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-11

<u>Year</u>	<u>School District Population *</u>	<u>Net Assessed Valuation Taxable</u>	<u>Net Bonded Debt</u>	<u>Ratio of Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
2014	3,396	411,829,747	1,398,000	0.34%	411.66
2015	3,364	404,952,400	1,260,000	0.31%	374.55
2016	3,362	403,656,400	4,555,855	1.13%	1,355.10
2017	3,352	405,555,300	4,415,855	1.09%	1,317.38
2018	3,357	407,072,959	4,426,855	1.09%	1,318.69
2019	3,393	414,731,900	4,151,855	1.00%	1,223.65
2020	3,426	418,682,900	3,564,884	0.85%	1,040.54
2021	3,628	425,252,800	3,245,000	0.76%	894.43
2022	3,671	432,978,800	2,960,000	0.68%	806.32
2023	3,681	440,097,500	2,670,000	0.61%	725.35

Source: Tax Collector/School District Records

*Estimates

TUCKERTON SCHOOL DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023
UNAUDITED

Exhibit J-12

Net Direct Debt of School District: as of December 31, 2023	\$ 2,670,000
Net Overlapping Debt of School District: Borough of Tuckerton (100%)	<u>3,972,000</u>
Total Direct and Overlapping Bonded Debt as of December 31, 2023	<u><u>\$ 6,642,000</u></u>

Source: Tax Collector & School District

BOROUGH OF TUCKERTON SCHOOL DISTRICT
COMPUTATION OF LEGAL DEBT MARGIN
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
UNAUDITED

Exhibit J-13

<u>Year</u>	<u>Equalized Valuation Basis</u>
2023	\$ 556,521,877
2022	556,170,584
2021	469,270,359
	<u>\$ 1,581,962,820</u>
Average Equalized Valuation	\$ 527,320,940
School Borrowing Margin(3% of \$527,320,940)	\$ 15,819,628
Net Bonded Debt at June 30, 2024	<u>2,670,000</u>
School Borrowing Margin Available	<u>\$ 13,149,628</u>

* - Other Information Not Available

Source: State of New Jersey, Department of Treasury,
Division of Taxation

TUCKERTON SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-14

<u>Year</u>	<u>Population</u>	<u>Per Capita Income*</u>	<u>Personal Income</u>	<u>Unemployment Rate</u>
2014	3,396	44,951	152,653,596	7.5%
2015	3,364	47,115	158,494,860	6.0%
2016	3,362	48,578	163,319,236	4.9%
2017	3,355	50,356	168,944,380	5.5%
2018	3,361	51,725	173,847,725	5.2%
2019	3,393	53,517	181,583,181	4.7%
2020	3,426	57,344	196,460,544	10.5%
2021	3,628	60,823	220,665,844	6.3%
2022	3,671	59,332	217,807,772	3.8%
2023	3,681	Unavailable	Unavailable	4.9%

Source: District Records and State
of New Jersey

*County information available only

TUCKERTON SCHOOL DISTRICT
PRINCIPAL EMPLOYERS

Exhibit J-15

Information not available

TUCKERTON SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
UNAUDITED

Exhibit J-16

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Function/Program:										
Instruction:										
Regular	22.0	22.0	23.0	23.0	23.0	24.0	24.0	24.0	24.0	24.5
Special Education	11.0	11.0	9.0	9.0	9.0	9.0	9.0	8.0	8.0	7.5
Other Instruction	16.0	16.0	15.0	11.0	10.0	10.0	10.0	10.0	11.0	13.0
Total Instruction	<u>49.0</u>	<u>49.0</u>	<u>47.0</u>	<u>43.0</u>	<u>42.0</u>	<u>43.0</u>	<u>43.0</u>	<u>42.0</u>	<u>43.0</u>	<u>45.0</u>
Support Services:										
Student & Instruction Related Services	3.00	3.00	4.00	2.50	2.50	2.50	2.50	2.50	2.50	2.00
General Administration	2.90	2.90	2.80	2.00	2.00	2.00	2.00	2.00	2.00	2.00
District Administration	0.70	0.70	0.70							
Pupil Transportation	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.75
Other Support Services	11.00	11.00	10.00	1.25	1.25	1.25	1.25	1.25	1.25	1.00
Total Support Services	<u>17.60</u>	<u>17.60</u>	<u>18.50</u>	<u>6.75</u>	<u>6.75</u>	<u>6.75</u>	<u>6.75</u>	<u>6.75</u>	<u>6.75</u>	<u>5.75</u>
Total District	<u>66.60</u>	<u>66.60</u>	<u>65.50</u>	<u>49.75</u>	<u>48.75</u>	<u>49.75</u>	<u>49.75</u>	<u>48.75</u>	<u>49.75</u>	<u>50.75</u>

Source: District Records

TUCKERTON SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-17

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Enrollment</u>	<u>Operating</u> <u>Expenditures</u>	<u>Cost Per</u> <u>Pupil</u>	<u>Percentile</u> <u>Change</u>	<u>Teaching</u> <u>Staff</u>
2015	334	\$ 4,550,252	13,624	-5.63%	45
2016	339	5,386,772	15,890	16.70%	43
2017	286	5,357,289	18,732	17.80%	43
2018	293	5,370,547	18,330	-2.10%	43
2019	285	5,709,534	20,033	9.29%	43
2020	324	5,730,407	17,686	1.00%	42
2021	305	6,082,936	19,944	12.00%	43
2022	299	7,014,931	23,461	17.50%	47
2023	289	6,746,617	23,345	-0.50%	49
2024	262	6,843,591	26,121	11.89%	49

Source: District Records

BOROUGH OF TUCKERTON SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-18

<u>Tuckerton Elementary School</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Square Feet	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Capacity	380	380	380	380	380	380	380	380	380	380
Enrollment	262	289	299	305	324	285	293	286	329	327

Source: District Records

BOROUGH OF TUCKERTON SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-19

<u>Fiscal Year</u> <u>Ended June 30</u>	<u>Tuckerton</u> <u>Elementary</u> <u>School</u>
2015	\$ 258,265
2016	203,075
2017	141,321
2018	84,391
2019	67,716
2020	84,009
2021	22,695
2022	34,375
2023	73,824
2024	135,300

Source: District Records

BOROUGH OF TUCKERTON SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2024
UNAUDITED

Exhibit J-20

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy:		
Property - Blanket	\$ 10,825,138	\$
School District Legal Liability	100,000	
Umbrella	5,000,000	10,000
Employee Benefit Program Liability	1,000,000	
Data Processing	225,000	250
Commercial General Liability Coverage	3,000,000	1,000
Worker's Compensation	Statutory	
 Administrator - Bond	 50,000	
 Treasurer - Bond	 180,000	
 Student Accident	 1,000,000	

Source: District Records

SINGLE AUDIT SECTION

Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)

ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.

ROBERT A. HULSART, JR., C.P.A., P.S.A.

RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

Telecopier:
(732) 280-8888

e-mail:
rah@monmouth.com

2807 Hurley Pond Road • Suite 100
P.O. Box 1409
Wall, New Jersey 07719-1409
(732) 681-4990

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

K-1

Honorable President and Members
of the Board of Education
Tuckerton School District
County of Ocean
Tuckerton, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Tuckerton Board of Education, County of Ocean, State of New Jersey as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Tuckerton Board of Education, County of Ocean, State of New Jersey's basic financial statements, and have issued our report thereon dated January 10, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Tuckerton Board of Education, County of Ocean, State of New Jersey'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 of the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Tuckerton Board of Education, County of Ocean, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tuckerton Board of Education, County of Ocean, State of New Jersey'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Tuckerton Board of Education, County of Ocean, State of New Jersey's financial statements are free from material misstatement, we performed tests of it 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*.

Purpose of this Report

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

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

**Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey**

January 10, 2025

Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
 ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
 ROBERT A. HULSART, JR., C.P.A., P.S.A.

Telecopier:
 (732) 280-8888
 e-mail:
 rah@monmouth.com

2807 Hurley Pond Road • Suite 100
 P.O. Box 1409
 Wall, New Jersey 07719-1409
 (732) 681-4990

RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM;

REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE

OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

REQUIRED BY UNIFORM ADMINISTRATIVE AWARDS (UNIFORM GUIDANCE), AND

NEW JERSEY OMB'S CIRCULAR 15-08

K-2

Honorable President and Members
 of the Board of Education
 Tuckerton School District
 County of Ocean
 Tuckerton, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Tuckerton Board of Education's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Tuckerton Board of Education's major state programs for the year ended June 30, 2024. The Tuckerton Board of Education'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 Tuckerton Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2024.

Basis for Opinion on Each Major State Program

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

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to its 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 have occurred, whether due to fraud or error, and express an opinion on the Tuckerton Board of Education's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and NJ OMB 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Tuckerton Board of Education's compliance with the requirements of each major state program as a whole.

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

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

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

Other Matters

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 a 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 purposes described in the Auditor's Responsibilities for the Audit of Compliance paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

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

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

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

**Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey**

January 10, 2025

TUCKERTON SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDING JUNE 30, 2024

Schedule A
K-3

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Federal FAIN Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance June 30, 2023	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years Balances/ Adjustment	Balance at June 30, 2024		
				From	To							(Accounts Receivable)	Deferred Revenue	Due to Grantor
U.S. Department of Education:														
Passed Through State Department of Education:														
NCLB:														
Title I	84.010	S010A150030	NCLB 24	09/01/2023	08/31/2024	\$ 86,646	\$ -		77,151	(77,151)				
Title IIA	84.367A	S367A150029	NCLB 23	09/01/2022	08/31/2023	18,652	(11,336)		11,336					
Title IIA	84.367A	S367A150029	NCLB 24	09/01/2023	08/31/2024	7,580			7,580	(7,580)				
Title IV	84.424	S424A220031	NCLB 24	09/01/2023	08/31/2024	10,000			4,480	(4,480)				
ARP:														
ESSER	84.425U	S425U210027	NA	3/11/2021	9/30/2024	534,914	(11,680)		215,886	(204,206)				
ESSER Accelerated Learning	84.425U	S425U210027	NA	3/11/2021	9/30/2024	50,000	(18,396)		18,396					
ESSER Mental Health	84.425U	S425U210027	NA	3/11/2021	9/30/2024	45,000	(20,084)		38,702	(18,618)				
ESSER Summer Learning	84.425U	S425U210027	NA	3/11/2021	9/30/2024	40,000	(1,000)		31,825	(30,825)				
ESSER Beyond School Day	84.425U	S425U210027	NA	3/11/2021	9/30/2024	40,000	(31,200)		40,000	(8,800)				
IDEA:														
Part B - Basic	84.027	H027A210100	IDEA24	07/01/2023	6/30/2024	77,934			77,934	(77,934)				
Preschool	84.173	H173A210114	IDEA24	07/01/2023	6/30/2024	5,692			5,692	(5,692)				
							(93,696)	-	528,982	(435,286)	-	-	-	-
							<u>\$ (93,696)</u>	<u>-</u>	<u>528,982</u>	<u>(435,286)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

TUCKERTON SCHOOL DISTRICT

Schedule B
K-4

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State Grantor/Program	Grant or State Project Number	Grant Period		Program or Award Amount	Balance June 30, 2023	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years Balances/ Adjustments	Balance at June 30, 2024			MEMO	
		From	To							(Accounts Receivable)	Deferred Revenue	Due to Grantor	Budgetary Receivable	Total Cumulative Expenditures
Education:				\$ 1,315,583	\$ -		1,315,583	(1,315,583)					(279,403)	1,315,583
Equalization Aid	24-495-034-5120-078	07/01/2023	06/30/2024	207,010			207,010	(207,010)						207,010
Special Education Aid	24-495-034-5120-089	07/01/2023	06/30/2024	51,045			51,045	(51,045)						51,045
Security Aid	24-495-034-5120-084	07/01/2023	06/30/2024	481,120			481,120	(481,120)						481,120
School Choice Aid	24-495-034-5120-068	07/01/2023	06/30/2024	35,403			35,403	(35,403)						35,403
Transportation Aid	24-495-034-5120-014	07/01/2023	06/30/2024	5,460			5,460	(5,460)		(5,460)				5,460
Non-Public Transportation Aid	24-495-034-5120-014	07/01/2023	06/30/2024	3,432	(3,432)		3,432	(3,432)						3,432
Non-Public Transportation Aid	23-495-034-5120-014	07/01/2022	06/30/2023	59,670			59,670	(59,670)		(59,670)				59,670
Extraordinary Aid	24-495-034-5120-044	07/01/2023	06/30/2024	92,558	(92,558)		92,558	(92,558)						92,558
Extraordinary Aid	23-495-034-5120-044	07/01/2022	06/30/2023											
On-Behalf T.P.A.F. Pension Contributions - Post Retirement Medical (non-budgeted)	24-495-034-5094-001	07/01/2023	06/30/2024	235,389			235,389	(235,389)						235,389
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	24-495-034-5094-002	07/01/2023	06/30/2024	864,881			864,881	(864,881)						864,881
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability	24-495-034-5094-004	07/01/2023	06/30/2024	378			378	(378)						378
Reimbursed TPAF Social Security	23-100-034-5095-003	07/01/2022	06/30/2023	191,822	(19,647)		19,647	(19,647)		(9,773)				19,647
Reimbursed TPAF Social Security	24-100-034-5095-003	07/01/2023	06/30/2024	202,742			202,742	(202,742)		(9,773)				202,742
					(115,637)	-	3,499,415	(3,499,415)	-	(74,903)	-	-	(279,403)	3,499,415
Special Revenue:														
SDA Emergent		07/01/2023	06/30/2024	6,866			6,866	(6,866)						6,866
Preschool Education Aid	24-495-034-5120-086	07/01/2023	06/30/2024	770,202	190,331		855,780	(855,780)			189,766		-	855,780
					190,331	-	862,646	(862,646)	-	-	189,766	-	-	862,646
Debt Service														
Debt Service Type II Aid	24-495-034-5120-125	07/01/2023	06/30/2024	85,682			85,682	(85,682)						85,682
					-	-	85,682	(85,682)	-	-	-	-	-	85,682
Total State Financial Assistance					\$ 74,694	-	4,447,743	(4,407,574)	-	(74,903)	189,766	-	(279,403)	4,407,574
Less: State Financial Assistance Not Subject to Major Program Determination														
On-Behalf TPAF Contribution - Pension (Non-Budgeted)	24-495-034-5094-002	07/01/2023	06/30/2024	864,881				864,881						864,881
On-Behalf TPAF Contribution - Post-Retirement Medical (Non-Budgeted)	24-495-034-5094-001	07/01/2023	06/30/2024	235,389				235,389						235,389
On-Behalf TPAF Contribution - LTDL (Non-Budgeted)	24-495-034-5094-004	07/01/2023	06/30/2024	378				378						378
Total for State Financial Assistance - Major Program Determination								\$ (3,306,926)						

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

BOARD OF EDUCATION

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TUCKERTON SCHOOL DISTRICT**NOTES TO SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE****JUNE 30, 2024****NOTE 1: GENERAL**

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

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedule of financial assistance are presented using the modified accrual basis of accounting with the exception of programs recorded in the food service fund which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1(C) to the Board's general-purpose financial statements.

NOTE 3: RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payments in the current budget year, which is mandated pursuant to P.L. 2003, c.97. (A3521). For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not.

Awards and financial assistance revenues are reported in the Board's general-purpose financial statements on a GAAP basis as presented on the following page:

NOTE 3: Relationship to General Purpose Financial Statements (Continued)

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service</u>	<u>Total</u>
<u>State Assistance</u>				
Actual Amounts (Budgetary)				
“Revenues” from the Schedule				
of Expenditures of State				
Financial Assistance	\$ 3,458,681	863,211	85,682	4,407,574
 Difference -- Budget to “GAAP”				
Grant Accounting Budgetary				
Basis Differs from GAAP				
in that Encumbrances are				
Recognized as Expenditures				
and the Related Revenue				
is Recognized				
 The Last State Aid Payment				
Is Recognized as Revenue				
for Budgetary Purposes,				
and Differs from GAAP				
Which does not Recognize				
This Revenue Until the				
Subsequent Year When the				
State Recognizes the Related				
Expense (GASB 33)	<u>(214)</u>	<u> </u>	<u> </u>	<u>(214)</u>
 Total State Revenue as Reported				
on the Statement of Revenues,				
Expenditures and Changes in				
Fund Balances	<u>\$ 3,458,467</u>	<u>863,211</u>	<u>85,682</u>	<u>4,407,360</u>

NOTE 3: Relationship to General Purpose Financial Statements (Continued)

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
<u>Federal Assistance</u>			
Actual Amounts (Budgetary)			
“Revenues” from the Schedule of Expenditures of Federal Awards	\$	435,286	435,286
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures, and the Related Revenue is Recognized	_____	_____	_____
Total Federal Revenue as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances	\$ _____	<u>435,286</u>	<u>435,286</u>

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5: OTHER

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

TUCKERTON SCHOOL DISTRICTSCHEDULE OF FINDINGS AND QUESTIONED COSTS

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FOR THE FISCAL YEAR ENDED JUNE 30, 2024*Part 1 - Summary of Auditor's Results*Financial Statement Section

Unmodified

Type of auditor's report issued:

Internal control over financial reporting:

1) Material weakness(es) identified?

_____ Yes ☒ No2) Reportable condition(s) identified that are
not considered to be material weaknesses?_____ Yes ☒ None ReportedNoncompliance material to general purpose financial
statements noted?_____ Yes ☒ NoFederal Awards

Not Applicable

State Awards

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

\$750,000

Auditee qualified as low-risk auditee?

☒ Yes _____ No

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

Unmodified

Internal Control over major programs:

(1) Material Weakness(es) identified?

_____ Yes ☒ No(2) Reportable condition(s) identified that are
not considered to material weaknesses?_____ Yes ☒ None ReportedAny audit findings disclosed that are required to be reported
in accordance with N.J. OMB's Circular 98-07?_____ Yes ☒ No

Identification of major programs:

GMIS Number(s)Name of State Program

24-495-034-5120-078

Equalization Aid - Public Cluster

24-495-034-5120-089

Special Education Aid - Public Cluster

24-495-034-5120-084

Security Aid - Public Cluster

24-495-034-5120-068

School Choice Aid - Public Cluster

TUCKERTON SCHOOL DISTRICTSCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2024*Part 2 - Financial Statement Findings*

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the general purpose financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

Finding: None

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's Response: N/A

TUCKERTON SCHOOL DISTRICTSCHEDULE OF FINDINGS AND QUESTIONED COSTS

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FOR THE FISCAL YEAR ENDED JUNE 30, 2024*Part 3 - State Awards Financial Assistance Findings and Questioned Costs*

This section identifies audit findings required to be reported by Title 2 U.S. Code of Federal Regulations Part 200 and New Jersey OMB's Circular 15-08, as amended.

Federal Awards

Not Applicable

State Awards

Finding: None

Information on the State Program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's response: N/A

TUCKERTON SCHOOL DISTRICT**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

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FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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, Title 2 U.S. Code of Federal Regulations Part 200 and New Jersey OMB's Circular 15-08.

Status of Prior Year Findings

There were none.