

**Upper Pittsgrove Township Board of Education**

**For The Year Ended June 30, 2024**

**Upper Pittsgrove Township Board of Education  
Monroeville, New Jersey**

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



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## **Introductory Section**

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# UPPER PITTSBORO SCHOOL DISTRICT

235 Pine Tavern Road, Monroeville, New Jersey 08343

Phone: (856) 358-8116 – Fax (856) 358-1024

November 22, 2024

Honorable President and  
Members of the Board of Education  
Upper Pittsgrove Township School District  
County of Salem, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Upper Pittsgrove Township School District for the fiscal year ended 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 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 of the School District. All disclosures necessary to enable the reader to gain an understanding of the School 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 School District's organizational chart and a list of principal officials. The Financial Section includes the basic financial statements and schedules, as well as the auditor's report thereon. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis. The School District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the Title 2 U.S. Code of *Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the Single Audit Section of this report.

## **1. REPORTING ENTITY AND ITS SERVICES:**

Upper Pittsgrove Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds of the School District are included in this report. The Upper Pittsgrove Township Board of Education and all its schools constitute the School District's reporting entity. The School District provides a full range of educational services appropriate to grade levels PreK through 8. These include regular, vocational, as well as special education for handicapped children. The School District completed the 2023-2024 fiscal year with an enrollment of 458, including high school students, which is 13 students less than the previous year's enrollment. The following details the changes in the student enrollment of the School District over the last five years:

Year	Student Enrollment	Percent Change
2023-2024	458	-2.76%
2022-2023	471	4.43%
2021-2022	451	-0.88%
2020-2021	455	2.25%
2019-2020	445	-0.22%

## **2. ECONOMIC CONDITION AND OUTLOOK:**

Business remains minimal in Upper Pittsgrove Township. It is unlikely that an influx of industry will occur in this predominantly rural agriculture community.

## **3. MAJOR INITIATIVES:**

The Upper Pittsgrove School District continues to build an environment of achievement and success by maintaining and enriching the programmatic services of a comprehensive middle and elementary school for our students. While celebrating our rich history and farming heritage, we continue to seek new opportunities to reach our 21st century learners through a variety of wide-ranging professional development programs and a variety of learning opportunities for students throughout all ability ranges. The following is a sample of current district initiatives.

- Replaced staff laptops.
- Continued use of i-Ready in both ELA and Math.
- Updated several classrooms with new flooring.
- Completed several HVAC projects in the building.
- Upgrade upper wing student bathrooms.
- Increased playground equipment options for all students.
- Provided instructional coaching for English Language Arts.
- Continue to increase mental health services to students.
- Continue providing after school tutoring in a one-to-one setting
- Added a school security officer

## **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 School 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 School District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the School District management.

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

## **5. BUDGETARY CONTROLS:**

In addition to internal accounting controls, the School 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 re-appropriations of fund balance in the Subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance as of June 30, 2024.

## **6. ACCOUNTING SYSTEM AND REPORTS:**

The School District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the School District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements," Note 1.

## **7. DEBT ADMINISTRATION:**

At June 30, 2024, the District's outstanding debt consists of \$3,390,000 in general obligation bonds. This balance consists of \$3,240,000 from bonds issued on January 26, 2021, for improvements and renovations including roof restoration.

## **8. CASH MANAGEMENT:**

The investment policy of the School District is guided in a large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The School 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.

## **9. RISK MANAGEMENT:**

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

## **10. OTHER INFORMATION:**

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ford, Scott & Associates, L.L.C., CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related Uniform Guidance and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

## **11. ACKNOWLEDGMENTS:**

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

Respectfully submitted,

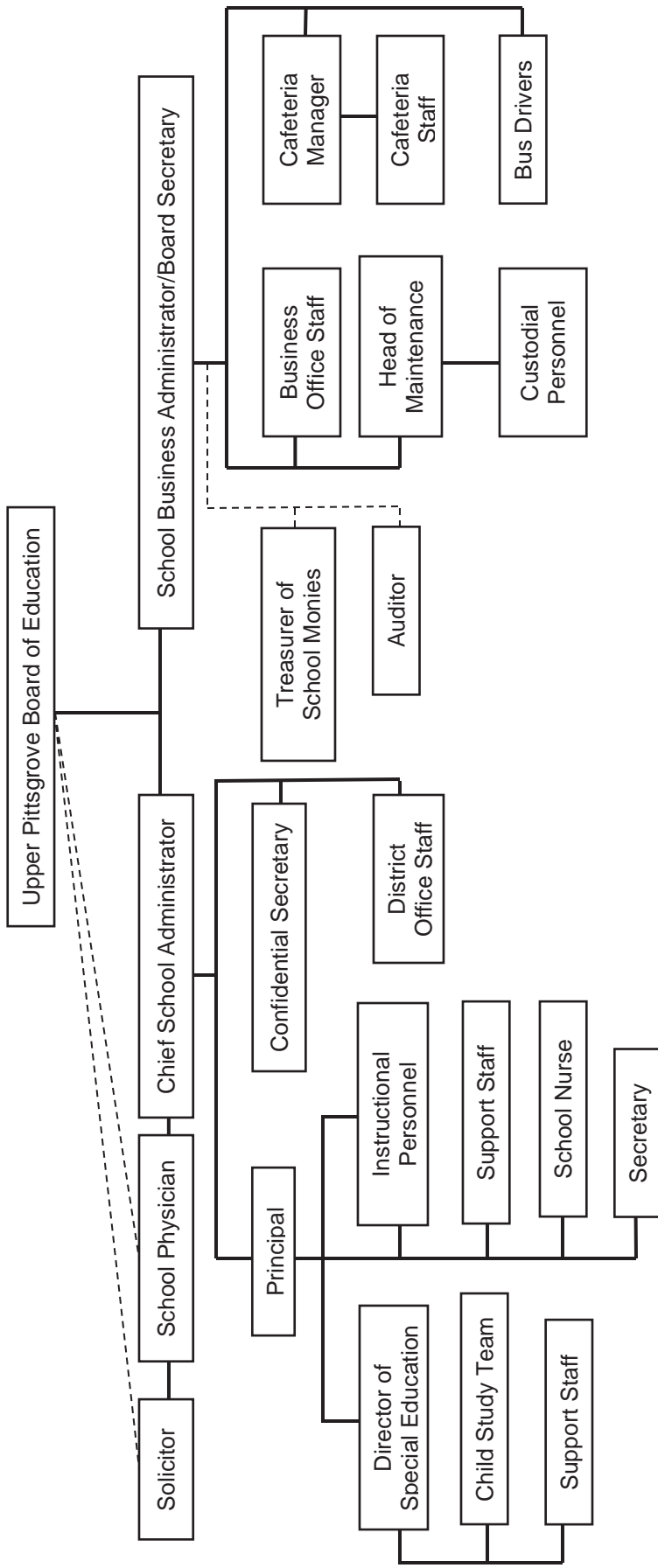
*Kristin Williams*

Kristin Williams  
Chief School Administrator

*Jessica Pate*

Jessica Pate  
Board Secretary/Business Administrator

## UPPER PITTSBURGH SCHOOL DISTRICT ORGANIZATION CHART



**UPPER PITTSBORO TOWNSHIP BOARD OF EDUCATION**  
**MONROEVILLE, NEW JERSEY**

**ROSTER OF OFFICIALS**  
**JUNE 30, 2024**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
James Parks, President	2026
Jessica Bishop, Vice-President	2025
Polly Deal	2024
Laura DiSilvestro	2024
Kari Foote	2025
John Gallagher	2025
Burroughs Timberman	2024
Brian Wasilewski	2026
Russel Wright III	2026

**Other Officials**

Kristin Williams., Chief School Administrator

Jessica Pate, Business Administrator/Board Secretary

Kelly Righter, Treasurer of School Monies

**UPPER PITTSBORO TOWNSHIP BOARD OF EDUCATION**  
**CONSULTANTS AND ADVISORS**

**AUDIT FIRM**

**Ford, Scott & Associates, L.L.C.**  
**1535 Haven Avenue**  
**Ocean City, New Jersey**

**ATTORNEY**

**Paul C. Kalac, Esq.**  
**Weiner Law Group LLP**  
**629 Parsippany Road**  
**Parsippany, New Jersey 07054**

**OFFICIAL DEPOSITORIES**

**First National Bank of Elmer**  
**10 South Main Street**  
**Elmer, New Jersey 08318**

## **Financial Section**

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

Honorable President and  
Members of the Board of Education  
Upper Pittsgrove Township School District  
County of Salem, New Jersey

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

#### **Opinions**

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

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

#### **Basis for Opinions**

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

#### **Responsibility 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 misstatements, 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 Upper Pittsgrove Township School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

- exercise professional judgement 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 the 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 entity'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 judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charge 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.

## **Other Matters**

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's 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 Upper Pittsgrove Township School District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections 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, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB 15-08 is 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 Comprehensive Financial Report. The other information comprises of the introductory and statistical sections and have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

## **Other Reporting Required by Government Auditing Standards**

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

*Ford, Scott & Associates, L.L.C.*  
**FORD, SCOTT & ASSOCIATES, L.L.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

*Michael S. Garcia*

**Michael S. Garcia**  
**Certified Public Accountant**  
**Licensed Public School Accountant**  
**No. 2080**

**November 22, 2024**

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**REQUIRED SUPPLEMENTARY INFORMATION**  
**PART 1**

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**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024  
UNAUDITED**

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

**Financial Highlights**

Key financial highlights for 2024 are as follows:

- In total, net position increased \$265,927, which represents an increase of approximately 3% over the prior year.
- General revenues accounted for \$9,432,139 in revenue or 93% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$707,618 or 7% of total revenues of \$10,139,757.
- Total assets decreased \$110,572 as cash and cash equivalents decreased by \$385,108, receivables increased by \$243,698, and net capital assets increased by \$28,397.
- The School District had \$9,873,830 in expenses; \$707,618 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$9,432,139 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$9,375,903 in revenues and \$9,362,556 in expenditures. The General Fund's fund balance decreased \$80,592 from the prior year.

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

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

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

**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024  
UNAUDITED (CONTINUED)**

**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 FY 2024?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's 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. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.



**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024  
UNAUDITED (CONTINUED)**

**Reporting the School District's Most Significant Funds (Continued)**

Enterprise Fund

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

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

**The School District as a Whole**

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

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

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**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024  
UNAUDITED (CONTINUED)**

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

**Table 1  
Net Position**

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Current and Other Assets	\$ 3,071,996	3,210,965
Capital Assets	5,609,136	5,580,739
	<u>8,681,132</u>	<u>8,791,704</u>
<b>Deferred Outflows of Resources</b>		
Deferred Outflows Related to Pensions	<u>281,490</u>	<u>71,169</u>
<b>Liabilities</b>		
Long-Term Liabilities	4,307,798	4,260,901
Other Liabilities	369,325	406,250
	<u>4,677,123</u>	<u>4,667,151</u>
<b>Deferred Inflows of Resources</b>		
Deferred Inflows Related to Pensions	<u>231,758</u>	<u>407,908</u>
<b>Total Liabilities</b>	<u>231,758</u>	<u>407,908</u>
<b>Net Position</b>		
Net Investment in Capital Assets	2,342,746	2,144,899
Restricted	2,429,393	2,375,449
Unrestricted	(718,398)	(732,534)
	<u>4,053,741</u>	<u>3,787,814</u>
<b>Total Net Position</b>	<u>\$ 4,053,741</u>	<u>\$ 3,787,814</u>

The overall increase in net position is the result of the operations in the current year. The variance in the restricted and unrestricted net position is primarily due to the classification of committed balances reflected as restricted in the prior year.

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**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024  
UNAUDITED (CONTINUED)**

Table 2 shows changes in net position for fiscal year 2024 and 2023

**Table 2 - Changes in Net Position**

	2024	2023
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 115,391	69,529
Operating Grants and Contributions	592,227	660,292
General Revenues:		
Property Taxes	4,929,416	4,826,226
Grants and Entitlements	4,408,738	4,426,214
Other	93,985	251,952
Total Revenues	<u>10,139,757</u>	<u>10,234,213</u>
<b>Program Expenses</b>		
Instruction	2,411,056	2,618,960
Support Services:		
Tuition	1,750,675	1,588,699
Pupils and Instructional Staff	1,232,494	815,336
General and School Administration, Business	356,796	408,037
Operations and Maintenance of Facilities	611,829	423,558
Pupil Transportation	587,012	627,361
Unallocated Benefits	2,637,702	2,559,244
Charter Schools	95,100	125,374
Interest on Debt	64,912	67,171
Food Service	126,254	120,553
Total Expenses	<u>9,873,830</u>	<u>9,354,293</u>
Increase in Net Position	<u>\$ 265,927</u>	<u>879,920</u>

**Governmental Activities**

Property taxes made up 49% of revenues for governmental activities for the Upper Pittsburgh Township School District for the fiscal year 2024. The School District's total governmental revenues were \$10,139,757 for the year ended June 30, 2024. Charges for services represent 2% of revenue and federal, state, and local grants accounted for another 44% of revenue.

The total cost of all programs and services was \$9,873,830. Instruction comprises 25% of the District's expenses.

**Business-Type Activities**

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

- Revenues exceeded expenses by \$5,614.
- Charges for services represent \$66,019 of revenue. This represents amounts paid by patrons for daily food service and childcare services.

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024  
UNAUDITED (CONTINUED)**

- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$73,308.

**Governmental Activities**

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

**Table 3**

	<u>Total Cost of Services 2024</u>	<u>Net Cost of Services 2024</u>	<u>Total Cost of Services 2023</u>	<u>Net Cost of Services 2023</u>
Instruction	\$ 3,797,727	3,846,457	2,618,960	3,962,021
Support Services:				
Tuition	1,750,675	1,750,675	1,588,699	1,588,699
Student and Instructional Staff	1,804,598	1,336,223	815,336	913,882
General Administration, School				
Admin & Business Services	522,416	526,447	408,037	659,929
Operation of Plant	852,654	693,346	423,558	346,376
Pupil Transportation	859,494	866,125	627,361	1,014,652
Unallocated Benefits			2,559,244	
Unallocated Depreciation				
Interest and Finance Charges	64,912	64,912	67,171	67,171
Charter School	95,100	95,100	125,374	125,374
Food Service	126,254	(13,073)	120,553	(53,632)
Total Expenses	\$ <u>9,873,830</u>	<u>9,166,212</u>	<u>9,354,293</u>	<u>8,624,472</u>

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

Tuition is predominately made up of charges for private schools for disabled students.

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 School District.

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

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

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

None of the variances are unusual or unexpected.

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024  
UNAUDITED (CONTINUED)**

**The School District's Funds**

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$10,867,063 and expenditures were \$10,955,223. The net decrease in fund balance of operations for the year was (\$110,599).

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

Revenue	Amount	Percent of Total	Increase (Decrease) from 2023	Percent of Increase (Decrease)
Local Sources	\$ 5,234,338	48.2%	42,596	0.8%
State Sources	5,229,298	48.1%	304,078	6.2%
Federal Sources	403,427	3.7%	(263,141)	-39.5%
Total	<u>\$ 10,867,063</u>	100.0%	<u>83,533</u>	0.8%

The increase in State funding is due to increased on-behalf Contributions. The increase in local sources is mostly due to an increase in tax levy.

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

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2023	Percent of Increase (Decrease)
Current expense:				
Instruction	\$ 3,046,393	27.8%	(123,084)	-3.9%
Undistributed expenditures	7,136,779	65.1%	513,703	7.8%
Capital Outlay	461,383	4.2%	(193,184)	-29.5%
Special Schools & Charter Schools	95,100	0.9%	(30,274)	-24.1%
Debt Service:				
Principal	150,000	1.4%	(3,000)	-2.0%
Interest	65,568	0.6%	(2,272)	-3.3%
Total	<u>\$ 10,955,223</u>	100.0%	<u>161,889</u>	1.5%

Changes in expenditures were the results of varying factors. The significant change in Capital Outlay is partly due to no current construction projects going on within District.

**General Fund Budgeting Highlights**

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

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024  
UNAUDITED (CONTINUED)**

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

- On-behalf TPAF Pension contributions appear as both a revenue and an expense in the School District's financial statements. The State of New Jersey made on behalf TPAF Pension Contributions of \$1,083,299 for FY 2024 and also made on-behalf TPAF post-retirements contributions of \$294,835 and long-term disability insurance for the School District in the amount of \$369.
- The State of New Jersey reimbursed the District for TPAF Social Security contributions made during the school year. The amount of \$222,134.

**Capital Assets**

At the end of the fiscal year 2024, the School District had \$5,609,136 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2024 balances compared to 2023.

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

	2024	2023
Land	\$ 781,429	781,429
Construction in Progress	103,271	103,271
Site Improvements	223,668	164,958
Buildings	3,961,246	4,178,989
Land Improvements	162,353	
Machinery and Equipment	333,369	236,970
Lease Assets	25,713	44,998
Vehicles	18,087	70,124
Total	<u>\$ 5,609,136</u>	<u>5,580,739</u>

**Debt Administration**

At June 30, 2024, the School District had \$4,260,901 of outstanding long term liabilities. Of this amount, \$178,789 is for compensated absences, \$3,390,000 of serial bonds net of unamortized premiums on bonds issued, net pension liability of \$646,272 and a lease agreement of \$45,840.

**Table 5  
Bonded Outstanding Debt as of June 30,**

	2024	2023
2021 General Obligation Bonds	\$ 3,240,000	3,390,000
Lease Agreement	26,390	45,840
Pension liability	901,806	646,272
Compensated Absences	139,602	178,789
Total	<u>\$ 4,307,798</u>	<u>4,260,901</u>

As of June 30, 2024, the School District was within its overall legal debt margin.

**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024  
UNAUDITED (CONTINUED)**

**For the Future**

The Upper Pittsgrove Township School District is in good financial condition presently.

In conclusion, the Upper Pittsgrove Township School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue to identify operational efficiencies which will allow it to meet the challenges of declining or stable state aid.

**Contacting the School District's 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 Business Administration/Board Secretary at Upper Pittsgrove Board of Education, 253 Pine Tavern Road, Monroeville, NJ 08343. Please visit our website at <https://upsnj.org>.

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## **BASIC FINANCIAL STATEMENTS**

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## **DISTRICT-WIDE FINANCIAL STATEMENTS**

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**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2024**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 2,486,174	94,045	2,580,219
Receivables, Net	486,026	3,039	489,065
Internal Balances	(26,016)	26,016	-
Inventory		2,712	2,712
Capital Assets			
Assets not depreciated	884,700		884,700
Capital Assets being Depreciated, net	4,692,902	31,534	4,724,436
<b>Total Assets</b>	<b>8,523,786</b>	<b>157,346</b>	<b>8,681,132</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows Related to Pensions	281,490		281,490
<b>LIABILITIES</b>			
Accounts Payable	3,880	32,450	36,330
Payroll Taxes Payable	33,478		33,478
Unearned Revenue	281,160	2,324	283,484
Accrued Interest	16,033		16,033
Noncurrent Liabilities			
Due Within One Year	174,744		174,744
Due Beyond One Year	3,231,248		3,231,248
Net Pension Liability	901,806		901,806
<b>Total Liabilities</b>	<b>4,642,349</b>	<b>34,774</b>	<b>4,677,123</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Pensions	231,758		231,758
Total Deferred Outflows of Resources	231,758	-	231,758
<b>NET POSITION</b>			
Net Investment in Capital Assets	2,311,212	31,534	2,342,746
Restricted for:			
Capital Projects	1,172,508		1,172,508
Debt Service	9,519		9,519
Other Purposes	1,181,288		1,181,288
Scholarships	13,520		13,520
Student Activities	52,558		52,558
Unrestricted (Deficit)	(809,436)	91,038	(718,398)
<b>Total Net Position (Deficit)</b>	<b>\$ 3,931,169</b>	<b>122,572</b>	<b>4,053,741</b>

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

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Statement of Activities**  
**For the Year Ended June 30, 2024**

Function/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Indirect Costs Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	1,507,844	871,363	49,372	(462,304)	(2,792,139)	-	(2,792,139)
Special Education	857,355	489,145		378,083	(968,417)		(968,417)
Other Special Instruction	45,857	26,163		(13,881)	(85,901)		(85,901)
Support Services:							
Tuition	1,750,675	-			(1,750,675)		(1,750,675)
Student & Instruction Related Services	1,232,494	572,104		468,375	(1,336,223)		(1,336,223)
General Administration and Business Services	151,348	70,254		(1,710)	(223,312)		(223,312)
School Administrative Services	41,804	19,405		(472)	(61,681)		(61,681)
Plant Operation and Maintenance	611,829	240,825		159,308	(693,346)		(693,346)
Pupil Transportation	587,012	272,482		(6,631)	(866,125)		(866,125)
Central Services	163,644	75,961		(1,849)	(241,454)		(241,454)
Unallocated Benefits	2,637,702	(2,637,702)			-		-
Charter Schools	95,100				(95,100)		(95,100)
Interest on Long-Term Debt	64,912				(64,912)		(64,912)
Total Governmental Activities	9,747,576	-	49,372	518,919	(9,179,285)	-	(9,179,285)
Business-Type Activities:							
Food Service	126,254	-	66,019	73,308		13,073	13,073
Latchkey	-		-			-	-
Total Business-Type Activities	126,254	-	66,019	73,308	-	13,073	13,073
Total Primary Government	9,873,830	-	115,391	592,227	(9,179,285)	13,073	(9,166,212)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes							
Taxes Levied for Debt Service							
Federal and State Aid not Restricted							
Investment Earnings							
Miscellaneous Income							
Transfers							
Special Items:							
Prior year receivables canceled							
Fixed Assets Adjustment							
Extraordinary Items and Transfers							
Total General Revenues, Special Items,							
Change in Net Position							
Net Position (Deficit) - Beginning							
Net Position (Deficit) - Ending							

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

## **FUND FINANCIAL STATEMENTS**

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## UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT

**Balance Sheet**  
**Governmental Funds**  
**June 30, 2024**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 1,776,689	\$ 66,079	633,887	\$ 9,519	\$ 2,486,174
Due from Other Funds	152,115				152,115
Intergovernmental Accounts Receivable					
Federal		335,160			335,160
State	121,270	23,344			144,614
Other Receivables	6,252				6,252
Total Assets	<u>2,056,326</u>	<u>424,583</u>	<u>633,887</u>	<u>9,519</u>	<u>3,124,315</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable		3,880			3,880
Due to Other Funds	26,016	152,115			178,131
Payroll Taxes Payable	33,478				33,478
Unearned Revenue		281,160			281,160
Total Liabilities	<u>59,494</u>	<u>437,155</u>	<u>-</u>	<u>-</u>	<u>496,649</u>
Fund Balances:					
Restricted for:					
Excess Surplus - Current Year	356,222				356,222
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	290,000				290,000
Capital Projects Fund			633,887		633,887
Debt Service				9,519	9,519
Capital Reserve	538,621				538,621
Maintenance Reserve	413,716				413,716
Tuition Reserve	200,000				200,000
Student Activities		52,558			52,558
Scholarships		13,520			13,520
Assigned to:					
Designated for					
Subsequent Year's Expenditures	52,295				52,295
Other Purposes	39,087				39,087
Unassigned					
General Fund	106,891				106,891
Special Revenue Fund		(78,650)			(78,650)
	<u>1,996,832</u>	<u>(12,572)</u>	<u>633,887</u>	<u>9,519</u>	<u>2,627,666</u>
Total Liabilities and Fund Balances	<u>\$ 2,056,326</u>	<u>\$ 424,583</u>	<u>\$ 633,887</u>	<u>\$ 9,519</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  
\$12,528,604 and the accumulated depreciation is \$6,951,002.

5,577,602

Interest on long-term debt in the statement of activities is accrued, regardless of when due.

(16,033)

Pension Liabilities Net of Deferred Outflows & Inflows

(852,074)

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

(3,405,992)

Net Position of governmental activities

3,931,169

**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2024**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>					
Local Sources:					
Local Tax Levy	\$ 4,793,394	-		136,022	4,929,416
Tuition Charges	49,372				49,372
Interest Earned on Investments	83,181				83,181
Miscellaneous	111,289	61,080			172,369
Total Local Sources	5,037,236	61,080	-	136,022	5,234,338
State Sources	4,338,667	820,560		70,071	5,229,298
Federal Sources	-	403,427			403,427
Total Revenues	9,375,903	1,285,067	-	206,093	10,867,063
<b>EXPENDITURES</b>					
Current:					
Regular Instruction	1,914,307				1,914,307
Special Education Instruction	437,008	637,600			1,074,608
Other Special Instruction	57,478				57,478
Support Services:					
Tuition	1,750,675				1,750,675
Student & Instruction Related Serv.	673,058	583,804			1,256,862
General Administrative Services	154,341				154,341
School Administrative Services	42,630				42,630
Plant Operation and Maintenance	529,071				529,071
Pupil Transportation	598,618				598,618
Central Services	166,880				166,880
Unallocated Employee Benefits	2,637,702				2,637,702
Transfer to Charter School	95,100				95,100
Debt Service:					
Principal				150,000	150,000
Interest and Other Charges	9,474			56,094	65,568
Capital Outlay	296,214	165,169	-		461,383
Total Expenditures	9,362,556	1,386,573	-	206,094	10,955,223
Excess (Deficiency) of Revenues Over Expenditures	13,347	(101,506)	-	(1)	(88,160)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer in	7,094	71,500	-	-	78,594
Transfer out	(71,500)		-		(71,500)
Prior year receivables canceled	(29,533)				(29,533)
Total Other Financing Sources and Uses	(93,939)	71,500	-	-	(22,439)
Net Changes in Fund Balance	(80,592)	(30,006)	-	(1)	(110,599)
Fund Balance - July 1	2,077,424	17,434	633,887	9,520	2,738,265
Fund Balance - June 30	\$ 1,996,832	(12,572)	633,887	9,519	2,627,666

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

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2024**

Total Net Change in Fund Balance - Governmental Funds (from B-2) (110,599)

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, on 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 current fiscal year.

Depreciation expense	(247,812)	
Amortization expense	(19,285)	
Loss on Disposal of Capital Assets	(70,587)	
Capital Outlay	368,366	30,682

Repayment of bond principal and capital leases are expenditures 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.

Principal Repayments:

Bonds Payable		150,000
Capital Financing Agreement		19,450

Governmental funds report district pension contributions as expenditures.

However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

District pension contributions - PERS	47,724	
Cost of benefits earned net of employee contributions	83,213	130,937

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and sick pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.

39,187

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

656

Change in Net Position of Governmental Activities		260,313
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**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Proprietary Funds**  
**Statement of Net Position**  
**June 30, 2024**

	Business-Type Activities - Enterprise Fund		
	Food Service	Latchkey	Totals
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	94,045		94,045
Interfund Accounts Receivable	26,016		26,016
Intergovernmental Accounts Receivable			
Federal	2,476		2,476
State	80		80
Other	483		483
Inventories	2,712		2,712
Total Current Assets	<u>125,812</u>	<u>-</u>	<u>125,812</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	140,327		140,327
Less: Accumulated Depreciation	<u>(108,793)</u>		<u>(108,793)</u>
Total Noncurrent Assets	<u>31,534</u>	<u>-</u>	<u>31,534</u>
Total Assets	<u><u>157,346</u></u>	<u><u>-</u></u>	<u><u>157,346</u></u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	32,450		32,450
Unearned Revenue	2,324		2,324
Total Current Liabilities	<u>34,774</u>	<u>-</u>	<u>34,774</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets			
Related Debt	31,534	-	31,534
Unrestricted	91,038	-	91,038
Total Net Position	<u><u>122,572</u></u>	<u><u>-</u></u>	<u><u>122,572</u></u>

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

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Proprietary Funds**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**For the Year Ended June 30, 2024**

	Business-Type Activities - Enterprise Fund		Totals Enterprise
	Food Service	Latchkey	
Operating Revenues:			
Charges for Services:			
Reimbursable Program Daily Sales	\$ 44,014	-	44,014
Non-Reimbursable Program Daily Sales	22,005		22,005
Total Operating Revenue	<u>66,019</u>	<u>-</u>	<u>66,019</u>
Operating Expenses:			
Cost of Sales-Reimbursable	45,673		45,673
Cost of Sales- Non Reimbursable	10,926		10,926
Salaries and Wages	39,264		39,264
Fringe Benefits	10,596		10,596
Purchased Professional/Technical Services	1,149		1,149
Other Purchased Services	5,686		5,686
Supplies and Materials	5,024		5,024
Depreciation	1,842		1,842
Miscellaneous	6,094		6,094
Total Operating Expenses	<u>126,254</u>	<u>-</u>	<u>126,254</u>
Operating (Loss)	<u>(60,235)</u>	<u>-</u>	<u>(60,235)</u>
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	1,512		1,512
State School Breakfast Program	121		121
Federal Sources:			
National School Lunch Program	35,171		35,171
School Breakfast Program	11,558		11,558
Food Distribution Program	11,656		11,656
COVID-19 - P-EBT Administrative	653		653
COVID-19 - Supply Chain	12,564		12,564
Local Food for Schools	73		73
Interest and Investment Income	72	6	78
Total Nonoperating Revenues (Expenses)	<u>73,380</u>	<u>6</u>	<u>73,386</u>
Income (Loss) before Contributions & Transfers	<u>13,145</u>	<u>6</u>	<u>13,151</u>
Loss on Sale of Assets	(443)		(443)
Transfers In (Out)	<u>-</u>	<u>(7,094)</u>	<u>(7,094)</u>
Changes in Net Position	12,702	(7,088)	5,614
Total Net Position - Beginning	<u>109,870</u>	<u>7,088</u>	<u>116,958</u>
Total Net Position - Ending	<u>\$ 122,572</u>	<u>-</u>	<u>122,572</u>

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

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2024**

	Business-Type Activities - Enterprise Fund		
	Food Service	Latchkey	Totals Enterprise
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers and Other Income	\$ 65,757		\$ 65,757
Payments for Food and Supplies	(38,998)		(38,998)
Payments for Employees and Benefits	(49,860)		(49,860)
Net Cash Provided by Operating Activities	(23,101)	-	(23,101)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
State Sources	1,663		1,663
Federal Sources	60,358		60,358
Interfunds	(13,217)	(7,681)	(20,898)
Net Cash Provided by Noncapital Financing Activities	48,804	(7,681)	41,123
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Interest and Dividends	72	6	78
Purchase of Equipment			-
Net Cash Provided by Investing Activities	72	6	78
Net Increase in Cash and Cash Equivalents	25,775	(7,675)	18,100
Balance - Beginning of Year	68,270	7,675	75,945
Balance - End of Year	\$ 94,045	\$ -	\$ 94,045
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income	(60,235)	-	(60,235)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation and Net Amortization	1,842		1,842
Food Distribution Program	11,656		11,656
(Increase) Decrease in Inventories	(2,441)		(2,441)
(Increase) Decrease in Accounts Receivable	(372)		(372)
Increase (Decrease) in Accounts Payable	26,339		26,339
Increase (Decrease) in Unearned Revenue	110		110
Total Adjustments	37,134	-	37,134
Net Cash Provided by (Used for) Operating Activities	\$ (23,101)	\$ -	\$ (23,101)

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

## **NOTES TO THE FINANCIAL STATEMENTS**

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**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

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

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

The financial statements of the Board of Education (Board) of the Upper Pittsgrove Township School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the School District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the School District are discussed below.

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

**A. REPORTING ENTITY**

The Upper Pittsgrove Township School District is a Type II district located in the County of Salem, 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 members are elected during the general election held in November each year. The purpose of the district is to educate students in grades PreK-8.

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

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

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

**B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS**

The School District's basic financial statements include both government-wide (reporting the School District as a whole) and fund financial statements (reporting the School District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The School District's general and special revenue activities are classified as governmental activities. The School District's food service program and latchkey program is classified as business-type activities.

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual,

**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The School District's net position are reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The School District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the School District's functions and business-type activities (food service). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, interest income, etc.).

- a. The School District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the School District as an entity and the change in the School District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

**C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS**

The financial transactions of the School District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB standards set forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a single column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

The following fund types are used by the School District:

**1. Governmental Funds:**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the School District

- a. **General fund** is the general operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the School District.

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

- c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.
- d. **Debt service** funds are 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.

**Fund Balances – Governmental Funds**

In the fund financial statements, governmental funds report the following classifications of fund balance:

Non-spendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the School District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The School District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the School District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

**2. Proprietary Funds:**

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the School District:

- a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The School District operates a food service fund to provide a child nutrition program for the students of the district. The School District also has a latchkey program related to before and after school program services.

All fund internal activity is eliminated when carried to the Government-wide statements.

**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**D. BASIS OF ACCOUNTING**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

**1. Accrual:**

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**2. Modified Accrual:**

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

**E. FINANCIAL STATEMENT AMOUNTS**

**1. Cash and Cash Equivalents:**

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

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

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

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

**2. Investments:**

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**3. Inventories:**

Inventories in the general fund consist of expendable supplies held for the School District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first-out method. As of June 30, 2024, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food	\$ 2,222
Supplies	<u>490</u>
	<u>\$ 2,712</u>

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2024 is \$0.

**4. Capital Assets:**

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years
Infrastructure Assets	50-65 years

Infrastructure assets include roads, parking lots, underground pipe, etc. The School District includes all infrastructure assets as depreciable assets in the financial statements.

**5. Revenues:**

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount certified, prior to the end of the school year. The School 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. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses, and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

**6. Expenditures:**

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**7. Compensated Absences:**

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as both an expenditure and a fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

**8. Interfund Activity:**

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

**9. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval and, as long as the School District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

Significant transfers approved by the Board of Education during the fiscal year were as follows:

Regular Programs - Instruction	
Grades 1-5 Salaries of Teachers	\$ (74,479)
Undist. Expend. - Instruction	
Tuition to Private Schools for the Disabled within State	(153,947)
Unallocated Benefits - Employee Benefits	
Health Benefits	86,347
Capital Outlay	
Construction Services	292,889

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payments for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end. The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

**10. 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. The final cost is based on an agreement with various Boards of Education with a negotiated amount up to the final cost as determined by State of New Jersey.

**11. Tuition Payable:**

Tuition charges for the fiscal years 2023/24 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

**12. Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

**13. Allocation of Costs:**

In the government-wide statement of activities, the School District has allocated unallocated benefits to various programs based on the budgetary expenditures by program.

**F. IMPACT OF RECENTLY ISSUED ACCOUNTING PRINCIPLES**

**Adopted Accounting Pronouncements**

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

In April 2022, the Governmental Accounting Standards Board (GASB) issued Statement No.99, "Omnibus 2022". This statement, and the requirements related to leases, PPP's and SBITAs which is effective for fiscal years beginning after June 15, 2022, and all reporting periods, thereafter, may have an effect on the School District's financial statements. This statement, and the requirements related financial guarantees and the classification and reporting of derivative instruments which is effective for fiscal years beginning after June 15, 2024, and all reporting periods, thereafter. This standard did not have a significant effect on the School District's financial statements for the year ended June 30, 2024.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, "Accounting Changes and Error Corrections (an amendment of GASB Statement No. 62)". This statement, which is effective for fiscal years beginning after June 15, 2023, and all reporting periods, thereafter. This standard did not have a significant effect on the School District's financial statements for the year ended June 30, 2024.

**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**G. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE**

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". This statement, which is effective for fiscal years beginning after December 31, 2023, and all reporting periods, thereafter, will not have any effect on the School District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for fiscal years beginning after December 15, 2023, and all reporting periods, thereafter, will not have any significant effect on the School District's financial reporting.

In December 2023, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, "Certain Risk Disclosures". This statement, which is effective for fiscal years beginning after June 15, 2024, and all reporting periods, thereafter, will not have any significant effect on the School District's financial reporting.

In April 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 103, "Financial Reporting Model Improvements". This statement, which is effective for fiscal years beginning after June 15, 2025, and all reporting periods, thereafter, will not have any significant effect on the School District's financial reporting.

In September 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 104, "Disclosure of Certain Capital Assets". This statement, which is effective for fiscal years beginning after June 15, 2025, and all reporting periods, thereafter, will not have any significant effect on the School District's financial reporting.

**NOTE 2 – CASH**

**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's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2024, \$173,702 of the School District's bank balance of \$2,929,252 was exposed to custodial credit risk.

**NOTE 3 - INVESTMENTS**

As of June 30, 2024, the School District had no investments:

**Interest Rate Risk.** The district does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investment to 397 days.

**Credit Risk.** New Jersey Statutes 18A:20-37 limits district investments to those specified in the Statutes. The type of allowable investments include Bonds of the United States of America or of the district or the local units in which the district is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk.** The district places no limit on the amount the district may invest in any one issuer.



**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**NOTE 4 – RECEIVABLES**

Receivables at June 30, 2024, consisted of accounts (extraordinary services), interfund, intergovernmental, and other revenues. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Business-Type Activities Financial Statements	Government Wide Financial Statements
State Aid	\$ 144,614	\$ 80	\$ 144,694
Federal Aid	335,160	2,476	337,636
Other	6,252	483	6,735
Gross Receivables	486,026	3,039	489,065
Less: Allowance for Uncollectibles			
Total Receivables, Net	\$ 486,026	\$ 3,039	\$ 489,065

**NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES**

As of June 30, 2024, several interfunds remained on the various balance sheets as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 152,115	26,016
Special Revenue Fund		152,115
Food Service Fund	26,016	
	\$ 178,131	\$ 178,131

The interfund owed to the Food Service Fund from the General Fund for reimbursements not transferred and the special revenue interfund is to zero out the negative cash balance.

**NOTE 6 – CAPITAL ASSETS**

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

**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 781,429	\$	\$	\$ 781,429
Construction in Progress	103,271			103,271
Total capital assets not being depreciated	<u>884,700</u>	<u>-</u>	<u>-</u>	<u>884,700</u>
Capital assets being depreciated:				
Site Improvements	215,147	61,450		276,597
Buildings	9,973,834	48,754		10,022,588
Land Improvements	79,819	166,516		246,335
Machinery and Equipment	750,335	91,646	(20,893)	821,088
Lease Assets - Equipment	96,424			96,424
Vehicles	389,149		(208,277)	180,872
Total capital assets being depreciated at historical cost	<u>11,504,708</u>	<u>368,366</u>	<u>(229,170)</u>	<u>11,643,904</u>
Less accumulated depreciation for:				
Site Improvements	(50,189)	(2,740)		(52,929)
Buildings	(5,828,664)	(232,678)		(6,061,342)
Land Improvements	(79,819)	(4,163)		(83,982)
Machinery and Equipment	(513,365)	(8,231)	2,343	(519,253)
Lease Assets - Equipment	(51,426)	(19,285)		(70,711)
Vehicles	(319,025)		156,240	(162,785)
Total capital assets being depreciated, net of accumulated depreciation	<u>(6,842,488)</u>	<u>(267,097)</u>	<u>158,583</u>	<u>(6,951,002)</u>
Governmental activity capital assets, net	\$ <u>5,546,920</u>	\$ <u>101,269</u>	\$ <u>(70,587)</u>	\$ <u>5,577,602</u>
<b>Business-type activities:</b>				
Capital assets being depreciated:				
Equipment	\$ 149,188	\$	(8,861)	\$ 140,327
Less accumulated depreciation	(115,369)	(1,842)	8,418	(108,793)
Enterprise Fund capital assets, net	<u>33,819</u>	<u>(1,842)</u>	<u>(443)</u>	<u>31,534</u>
Grand Total	<u>\$ 5,580,739</u>	<u>\$ 99,427</u>	<u>\$ (71,030)</u>	<u>\$ 5,609,136</u>

Depreciation expense was charged to governmental functions:

Regular Instruction	\$ 88,236
Special Education Instruction	49,531
Other Special Instruction	2,649
Student and Instruction Related Services	57,932
General and Business Administrative Services	7,114
School Administrative Services	1,965
Plant Operations and Maintenance	24,386
Pupil Transportation	27,592
Central Services	7,692
	<u>\$ 267,097</u>

No interest on debt was capitalized during the year and the amount of interest expense paid on long term debt was \$56,094, for the entity wide statements this was modified by the change in accrued interest of (\$656); and the state charge back to the School District for debt service aid of \$9,474 for a total charge of \$64,912.

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**NOTE 7 – LONG-TERM OBLIGATIONS**

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

	Balance July 1, 2023	Issues or Additions	Payments or Expenditures	Balance June 30, 2024	Amounts Due Within One Year
Compensated Absences	\$ 178,789	\$	\$ 39,187	\$ 139,602	\$
Bonds Payable	3,390,000		150,000	3,240,000	155,000
Lease Liability	45,840		19,450	26,390	19,450
Net Pension Liability	646,272	255,534		901,806	
	<u>\$ 4,260,901</u>	<u>\$ 255,534</u>	<u>\$ 208,637</u>	<u>\$ 4,307,798</u>	<u>\$ 174,450</u>

Compensated absences and Net Pension Liability have been liquidated in the General Fund.

**Bonds Payable**

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

At June 30, 2024 bonds payable consisted of the following issues:

\$3,543,000 School Bonds dated January 26, 2021, due in annual installments through September 15, 2040, bearing interest at rates ranging from 1.50% to 1.875%. The balance remaining as of June 30, 2024, is \$3,240,000.

Debt service requirements on serial bonds payable at June 30, 2024 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 155,000	53,806	\$ 208,806
2026	155,000	51,481	206,481
2027	160,000	49,119	209,119
2028	165,000	46,681	211,681
2029	170,000	44,169	214,169
2030-2034	925,000	174,875	1,099,875
2035-2039	1,060,000	88,294	1,148,294
2040-2041	450,000	8,297	458,297
	<u>\$ 3,240,000</u>	<u>\$ 516,722</u>	<u>\$ 3,756,722</u>

**Lease Liability**

The School District entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at present value of the future minimum lease payments as of the date of their inception. The district has determined the accumulated amortization to be immaterial to the government-wide financial statements and has elected to record the remaining payments in full.

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The agreements were executed on November 1, 2020 to lease copy machines. The lease terms are 60 months, and the final payments will mature November 1, 2025. The monthly copier payments are \$1,667.

The following are minimum lease payments due on an annual basis.

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 19,744	\$ 260	\$ 20,004
2026	6,646	22	6,668
	<u>\$ 26,390</u>	<u>\$ 282</u>	<u>\$ 26,672</u>

**NOTE 8 – UNEARNED REVENUE**

The District has unearned revenue reflected on the Statement of Net Position in the District-Wide Financial Statements of \$283,484. This consists of unearned revenue of \$281,160 in the special revenue fund which is made up of grant proceeds on hand where the grant period overlaps the district's fiscal year and \$2,324 in the food service fund for student meals prepaid.

**NOTE 9 – PENSION PLANS**

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

Teachers' Pension and Annuity Fund (TPAF)

The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, 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 Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

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*Defined Contribution Retirement Program (DCRP)*

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

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contribution amounts for each pay period are required to be transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District has employees enrolled in the Defined Contribution Retirement Program (DCRP) for the fiscal year ended June 30, 2024.

*Funding Policy*

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 7.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF and the PERS rate is 7.5% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2024, 2023 and 2022 were \$1,378,503, \$1,261,529 and \$1,139,057 respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2024, 2023 and 2022 were \$83,213, \$54,003 and \$52,429 respectively, equal to the required contributions for each year.

The Board's total payroll for the year ended June 30, 2024, was \$3,985,437. The TPAF covered payroll for the years ending June 30, 2024, 2023 and 2022 were \$2,875,504, \$2,897,935 and \$2,979,692. and the PERS covered payroll was \$519,088, \$510,744 and \$347,932.

During the fiscal years ended June 30, 2024, 2023 and 2022, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$222,134, \$227,415, and \$209,217, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB standards.

*Vesting and Benefit Provisions* - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of

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death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation

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

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

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of  $\frac{1}{4}$  of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to  $\frac{1}{60}$ th from  $\frac{1}{55}$ th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security and requires the pension to be calculated using a three-year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined as  $\frac{1}{7}$ th of the required amount, beginning in fiscal years 2012.

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Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006, report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

**NOTE 10 – PENSION LIABILITIES – PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)**

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the School District's pension liabilities. The following information describes the School District's proportionate share of the statewide pension system's liabilities and expenses.

The following represents the School District's pension liabilities as June 30, 2023:

**Public Employees' Retirement System**

The School District has a liability of \$901,806 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 that was rolled forward to June 30, 2022. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the District's proportion is 0.006226060800%, which is a decrease of 45.39% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the District recognized negative pension expense of \$47,723. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 8,622	\$ (3,686)
Changes of assumptions	1,981	(54,653)
Net difference between projected and actual earnings on pension plan investments	4,153	-
Changes in proportion	266,734	(173,419)
Total	<u>\$ 281,490</u>	<u>\$ (231,758)</u>

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

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Year ended June 30,		
2025	\$	54,329
2026		30,324
2027		(42,376)
2028		7,584
2029		(129)
Total	\$	<u>49,732</u>

**Actuarial Assumptions**

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

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	2.75% – 6.55% (based on years of service)
Investment rate of return:	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disable 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 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2023 are summarized in the following table:



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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	28.00%	8.98%
Non-U.S. developed markets equity	12.75%	9.22%
International small cap equity	1.25%	9.22%
Emerging markets equity	5.50%	11.13%
Private equity	13.00%	12.50%
Real 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 made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for 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 in determining the total pension liability.

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.*

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	\$ 1,087,444	\$ 901,806	\$ 743,975

*Pension plan fiduciary net position.*

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

**NOTE 11 – PENSION LIABILITIES - TEACHERS' PENSION AND ANNUITY FUND (TPAF)**

At June 30, 2023, the District liability for its proportionate share of the net pension liability which is considered a Special Funding Situation with the State of New Jersey is reported below.

The employer contributions for local participating employers are legally required to be funded by the State

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of New Jersey in accordance with N.J.S.A 18:66-33. Therefore, local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan, 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 non-employer 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 non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

The amount recognized by the School District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the School District were as follows:

District's proportionate share of the net pension liability	\$ -
State's proportionate share of the net position liability associated with the District	<u>12,297,939</u>
Total	<u>12,297,939</u>

The net pension liability was measured as of June 30, 2023 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2023, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the District recognized pension expense of \$302,125 and revenue of \$302,125 for support provided by the State.

*Actuarial assumptions.* The total pension liability in the June 30, 2022, actuarial valuation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions, applied to all period included 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,

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and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

***Long-Term Expected Rate of Return***

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
US Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International small cap equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

***Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.***

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the School District's proportionate share of the net pension liability

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(CONTINUED)**

would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net position liability associated with the District	\$ 14,501,501.71	\$ 12,297,939.00	\$ 10,442,015.46

*Pension plan fiduciary net position.*

Detailed information about the pension plan's fiduciary net position is available in the separately issued TPAF financial report.

**Additional Information**

Collective balances of the local group at June 30, 2023 are as follows:

Deferred outflows of resources	\$ 2,413,548,676
Deferred inflows of resources	(14,741,373,312)
Net pension liability	51,109,961,824

Collective pension expense for the plan for the measurement period ended June 30, 2023 is \$1,255,623,033.

**NOTE 12 – OTHER POST-RETIREMENT BENEFITS**

**General Information about the OPEB Plan**

**State Health Benefit State Retired Employees Plan:**

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be reported on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contributions. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM

**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a “pay-as-you-go” basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for “pay-as-you-go” PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASBE Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent, from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

*Total OPEB Liability*

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in June 30, 2023 III-3.8 the NJ State ACFR on the Office of Management and Budget's Financial Publications webpage: [NJ OMB - Financial Publications](#)

Actuarial assumptions and other imputes. The total OPEB liability in the June 30, 2023, actuarial valuation reported by the State in the State's most recently issued ACFR was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

*Salary Increases*

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

*Mortality Rates*

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2020 “Safety” (PFRS), “General”

**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

(PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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

100% of active members are considered to participate in the Plan upon retirement.

*Health Care Trend Assumptions*

For pre-Medicare medical benefits, the trend rate is initially 6.5% and decreases to a 4.5% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026, and decreases to 4.5% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026, and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

*Discount Rate*

The discount rate used to measure the total OPEB liability was 3.54%. 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.

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

Balance at 6/30/23 (Based on 6/30/2022 measurement date)	\$ 50,646,262,966.00
Changes for the year:	
Service cost	2,136,235,476.00
Interest	1,844,113,951.00
Changes in Benefit Terms	-
Differences between Expected & Actual Experiences	(980,424,863.00)
Changes in assumptions or other inputs	105,539,463.00
Contributions: Member	47,258,104.00
Benefit payments	<u>(1,437,516,858.00)</u>
Net changes	<u>1,715,205,273.00</u>
Balance at 6/30/23 (Based on 6/30/2022 measurement date)	<u><u>\$ 52,361,468,239.00</u></u>

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

The following presents the total OPEB liability as of June 30, 2023, respectively, calculated using a discount rate as disclosed above as well as what the total non-employer OPEB would be if it was 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%)
Total OPEB Liability	\$ 61,385,066,712.00	\$ 52,361,668,239.00	\$ 45,116,926,835.00

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates*

The following presents the total OPEB liability as of June 30, 2023, calculated using the healthcare trend rate as disclosed above as well as what the 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:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability (School Retirees)	\$ 43,468,257,358.00	\$ 52,361,668,239.00	\$ 63,998,719,320.00

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

For the year ended June 30, 2023, the board of education recognized OPEB expense of (\$64,193) determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 7,639,717,639.00	\$ (13,791,541,217.00)
Changes in assumptions	7,445,895,322.00	(14,449,948,556.00)
	<u>\$ 15,085,612,961.00</u>	<u>\$ (28,241,489,773.00)</u>

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

<u>Year Ended June 30,</u>	
2024	\$ (2,611,225,301.00)
2025	(2,611,225,301.00)
2026	(2,269,523,460.00)
2027	(1,338,024,839.00)
2028	(273,877,609.00)
Thereafter	<u>(4,052,000,302.00)</u>
	<u>\$ (13,155,876,812.00)</u>

(Contributions made after June 30 are reported as deferred outflow of resources but are not amortized in the expense.)

**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

**NOTE 13 – COMPENSATED ABSENCES**

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2024, the liability for compensated absences was \$139,602 and the Food Service Enterprise Fund was \$0.

**NOTE 14 – DEFERRED COMPENSATION**

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

Lincoln Investment Planning, Inc.

Oppenheimer Funds

**NOTE 15 – CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the inclusion of \$1.00 on October 11, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-2.13(g) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning balance, July 1, 2023		\$	538,621
Deposits			
Interest earned	\$	-	
Board Resolution - June			
			-
Withdrawals:			
Withdrawal by Budget			
Ending balance, June 30, 2024		\$	<u>538,621</u>



**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**NOTE 16 – MAINTENANCE RESERVE ACCOUNT**

A maintenance reserve account was established by the Board of Education for the accumulation of funds for use as required maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance, July 1, 2023		\$ 445,000
Deposits		
Interest earned	\$ -	
Board Resolution - June	-	
	<u>          </u>	<u>-</u>
Withdrawals:		
Withdrawal by Budget		<u>(31,284)</u>
Ending balance, June 30, 2024		<u><u>\$ 413,716</u></u>

**NOTE 17 – TUITION RESERVE ACCOUNT**

A tuition reserve account was established by the Board of Education in accordance with N.J.A.C. 6A:23-3.1(f)(8). This reserve represents foreseeable future tuition adjustments up to a maximum of 10% of the estimated tuition cost of the respective year. The tuition reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance, July 1, 2023	\$ 200,000
Deposits	
Board Resolution - June	100,000
Withdrawals:	
Withdrawal by Budget	<u>(100,000)</u>
Ending balance, June 30, 2024	<u><u>\$ 200,000</u></u>

Of the balance of \$200,000 in the reserve; \$100,000 is appropriated for tuition adjustments in the FY 2024 district budget and \$100,000 is available to be appropriated in the FY 2025 budget for tuition adjustments.

**NOTE 18 – COMMITMENTS**

The District did not have an encumbrance policy for the fiscal year end to determine significant encumbrances. All encumbrances are classified as either Assigned Fund Balance in the General Fund or Committed Fund Balance in the Capital Projects Fund. Encumbrances in the Special Revenue Fund are reflected as unearned revenue. The encumbrances payable as of June 30<sup>th</sup> are as follows;

Fund	Amount
General Fund Encumbered Orders	\$ 39,087

Of the general fund encumbrances, \$27,921 is for capital outlay.

**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**NOTE 19 – 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 and surety bonds.

The School District is a member of the New Jersey Schools Insurance Group.

**NOTE 20 – CONTINGENT LIABILITIES**

Federal and State Grants

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

**NOTE 21 – FUND BALANCE APPROPRIATED**

General Fund – Of the \$1,996,832 General Fund - Fund balance, at June 30, 2024, \$39,087 is reserved for encumbrances; \$646,222 is reserved as excess surplus in accordance with NJSA 18A:7F-7 (\$290,00 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2025), \$538,621 has been reserved in the Capital Reserve Account; \$413,716 has been reserved in a Maintenance Reserve Account; \$200,000 has been reserved in a Tuition Reserve Account; and \$106,891 is classified as Unassigned.

**NOTE 22 – CALCULATION OF EXCESS SURPLUS**

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, c.73, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. New Jersey school districts are required to reserve General Fund -fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 is \$646,222, of which \$290,000 has been included in the 2025 fiscal year budget.

**NOTE 23 – LITIGATION**

As of the date of this report, the Upper Pittsgrove Board of Education is not currently involved in any litigation.

**NOTE 24 – ECONOMIC DEPENDENCY**

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

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**NOTE 25 – SUBSEQUENT EVENT**

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2024 through November 22, 2024, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

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**REQUIRED SUPPLEMENTARY INFORMATION**  
**PART II**

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**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 4,793,394		\$ 4,793,394	\$ 4,793,394	
Tuition Other LEA's	26		26	49,372	49,372
Interest Earned on Investments				83,181	83,155
Unrestricted Miscellaneous	10,000	93,548	103,548	111,289	7,741
Total Local Sources	4,803,420	93,548	4,896,968	5,037,236	140,268
State Sources:					
Categorical Special Education Aid	300,139		300,139	300,139	
School Choice Aid	229,779		229,779	229,779	
Security Aid	55,469		55,469	55,469	
Transportation Aid	271,073		271,073	271,073	
Equalization Aid	1,767,120		1,767,120	1,767,120	
Extraordinary Aid				97,194	97,194
Nonpublic Transportation				12,540	12,540
TPAF Pension (On-Behalf - Non-Budgeted)				1,083,299	1,083,299
TPAF Post-retirement (On-Behalf - Non-Budgeted)				294,835	294,835
TPAF Long Term Disability Insurance				369	369
TPAF Social Security (Reimbursed- Non-Budgeted)				222,134	222,134
Total State Sources	2,623,580	-	2,623,580	4,333,951	1,710,371
Total Revenues	7,427,000	93,548	7,520,548	9,371,187	1,850,639

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
<b>REGULAR PROGRAMS - INSTRUCTION</b>					
Kindergarten - Salaries of Teachers	187,414	(17,500)	169,914	168,149	1,765
Grades 1 - 5 Salaries of Teachers	1,082,000	(74,479)	1,007,521	997,090	10,431
Grades 6 - 8 Salaries of Teachers	657,000	10,900	667,900	665,293	2,607
Regular Programs - Home Instruction					
Salaries of Teachers	1,000	2,674	3,674	2,688	986
Purchased Professional - Educational Services	5,000	239	5,239	5,239	
Regular Programs - Undistributed Instruction					
Purchased Technical Services	26,000	(5,500)	20,500	17,024	3,476
Other Purchased Services (400-500 series)	22,000		22,000	20,876	1,124
General Supplies	40,000	9,770	49,770	37,574	12,196
Textbooks	10,000	(7,500)	2,500		2,500
Other Objects		500	500	374	126
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<b>2,030,414</b>	<b>(80,896)</b>	<b>1,949,518</b>	<b>1,914,307</b>	<b>35,211</b>
<b>SPECIAL EDUCATION - INSTRUCTION</b>					
Multiple Disabilities					
Salaries of Teachers	71,250	(7,100)	64,150	64,135	15
Other Salaries for Instruction		11,130	11,130	9,043	2,087
General Supplies			-		-
Total Multiple Disabilities	<b>71,250</b>	<b>4,030</b>	<b>75,280</b>	<b>73,178</b>	<b>2,102</b>
Resource Room/Resource Center					
Salaries of Teachers	285,500	20,865	306,365	305,862	503
Other Salaries for Instruction	48,500	9,470	57,970	57,968	2
Total Resource Room/Resource Center	<b>334,000</b>	<b>30,335</b>	<b>364,335</b>	<b>363,830</b>	<b>505</b>
<b>TOTAL SPECIAL EDUCATION - INSTRUCTION</b>	<b>405,250</b>	<b>34,365</b>	<b>439,615</b>	<b>437,008</b>	<b>2,607</b>



**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Basic Skills/Remedial - Instruction					
Salaries of Teachers	28,118	23,640	51,758	51,751	7
Total Basic Skills/Remedial - Instruction	28,118	23,640	51,758	51,751	7
School-Spon. Cocurricular Activities - Instruction					
Salaries	40,500	(5,000)	35,500	1,257	34,243
Total School-Spon. Cocurricular Activities - Inst.	40,500	(5,000)	35,500	1,257	34,243
School-Spon. Cocurricular Athletics - Instruction					
Salaries	12,000		12,000	4,470	7,530
Other Purchased Services (400-500 series)	4,000		4,000		4,000
Supplies & Materials	500		500		500
Other Objects	650		650		650
Total School-Spon. Cocurricular Athletics - Inst.	17,150	-	17,150	4,470	12,680
<b>TOTAL INSTRUCTION</b>	<b>2,521,432</b>	<b>(27,891)</b>	<b>2,493,541</b>	<b>2,408,793</b>	<b>84,748</b>
<b>UNDISTRIBUTED EXPENDITURES</b>					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State-Regular	1,363,226		1,363,226	1,363,226	
Tuition to Other LEAs Within the State-Special	142,920	2,500	145,420	145,420	
Tuition to County Voc. School Dist. - Regular	136,000	2,500	138,500	137,196	1,304
Tuition to CSSD & Regional Day Schools	101,000	(3,500)	97,500	92,340	5,160
Tuition to Private Schools for the Disabled - Within State	186,000	(153,947)	32,053	12,493	19,560
Total Undistributed Expenditures - Instruction	1,929,146	(152,447)	1,776,699	1,750,675	26,024
Undistributed Expend. - Attend. & Social Work Services					
Salaries	24,200		24,200	22,507	1,693
Total Undist. Expend. - Attend. & Social Work Services	24,200	-	24,200	22,507	1,693

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undistributed Expend. - Health Services					
Salaries	47,000		47,000	44,563	2,437
Purchased Professional and Technical Services	7,000	4,300	11,300	11,267	33
Supplies & Materials	3,000		3,000	2,242	758
Other Objects	200	53	253	53	200
Total Undistributed Expend. - Health Services	57,200	4,353	61,553	58,125	3,428
Undist. Expend. - Speech, PT, OT & Related Services					
Salaries	80,000	(4,000)	76,000	74,986	1,014
Purchased Professionals - Educational Services	38,000		38,000	25,650	12,350
Supplies & Materials	500		500		500
Total Undist. Expend.-Speech, PT, OT & Rel. Svces	118,500	(4,000)	114,500	100,636	13,864
Undist. Expend. - Other Support Serv. Students - Extraordinary Services					
Salaries	78,000	(34,787)	43,213	42,214	999
Purchased Professional-Educational Services	130,000	56,787	186,787	185,301	1,486
Total Undist. Expend. - Other Support Services	208,000	22,000	230,000	227,515	2,485
Students - Extraordinary Services					
Undist. Expenditures - Guidance					
Salaries of Other Professional Staff	30,000		30,000	30,000	-
Supplies & Materials	300		300		300
Total Undistributed Expend. - Guidance	30,300	-	30,300	30,000	300
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	110,000	(4,000)	106,000	101,220	4,780
Salaries of Secretarial and Clerical Assistants	14,000	5,000	19,000	17,524	1,476
Purchased Professional - Education Services	25,000	(22,000)	3,000	2,538	462
Other Purchased Prof. And Tech. Services	3,000	(1,000)	2,000		2,000
Other Purchased Services (400-500 series)		288	288	288	-
Supplies & Materials	2,000	1,000	3,000	2,263	737
Total Undist. Expend. - Child Study Teams	154,000	(20,712)	133,288	123,833	9,455

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Improvement of Inst. Services					
Salaries of Supervisor of Instruction	46,950	4,334	51,284	45,511	5,773
Purchased Professional - Education Services	1,250	1,266	2,516	2,516	
Total Undist. Expend. - Improvement of Inst. Serv.	48,200	5,600	53,800	48,027	5,773
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	1,000	19,020	20,020	20,020	
Purchased Professional and Technical Services	3,800		3,800	495	3,305
Supplies & Materials	1,250		1,250	806	444
Total Undistributed Expenditures - Educational					
Media Services - School Library	6,050	19,020	25,070	21,321	3,749
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Supervisors Inst.	18,500	(16,120)	2,380	2,368	12
Salaries of Other Professional Staff		16,836	16,836	16,492	344
Salaries of Secretarial and Clerical Assistants	17,000	(3,075)	13,925	12,943	982
Purchased Professional - Educational Services	5,000	6,724	11,724	8,184	3,540
Purchased Professional and Technical Services	3,000		3,000	690	2,310
Other Purchased Services (400-500 series)	3,250	(1,725)	1,525	392	1,133
Other Objects		25	25	25	
Total Undistributed Expenditures - Instructional					
Staff Training Services	46,750	2,665	49,415	41,094	8,321

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	85,000	(10,000)	75,000	56,397	18,603
Legal Services	20,000		20,000	19,269	731
Audit Fees	20,000	5,000	25,000	22,500	2,500
Architectural/Engineering Services	10,000	(5,500)	4,500		4,500
Other Purchased Professional Services	6,000		6,000	3,990	2,010
Purchased Technical Services	3,000	500	3,500	3,049	451
Communications/Telephone	30,000	370	30,370	24,429	5,941
Misc. Purch Serv (400-500) [Other than 530 & 585]	23,700	(370)	23,330	17,950	5,380
General Supplies	6,000	(1,000)	5,000	1,432	3,568
Miscellaneous Expenditures	4,000		4,000	612	3,388
BOE Membership Dues/Fees	5,000		5,000	4,713	287
Total Undistr. Expend. - Support Svs - Gen. Admin.	212,700	(11,000)	201,700	154,341	47,359
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Asst.	32,750	(5,000)	27,750	23,178	4,572
Salaries of Secretarial Asst.	10,000	(2,125)	7,875	2,039	5,836
Purchased Professional and Technical Services	23,500		23,500	14,953	8,547
Supplies and Materials	3,000	600	3,600	1,450	2,150
Other Objects	2,000	(600)	1,400	1,010	390
Total Undistributed Expenditures - Support Services - School Administration	71,250	(7,125)	64,125	42,630	21,495
Undist. Expend. - Central Services					
Salaries	97,391	1,800	99,191	99,135	56
Purchased Professional Services	7,000	1,950	8,950	8,919	31
Purchased Technical Services	13,000	(2,300)	10,700	10,269	431
Miscellaneous Purchased Services (400-500 series)	2,000	1,588	3,588	2,451	1,137
Supplies and Materials	3,000	1,500	4,500	1,296	3,204
Miscellaneous Expenditures	2,000	(1,590)	410	30	380
Total Undistributed Expenditures - Central Services	124,391	2,948	127,339	122,100	5,239

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Admin Info Tech.					
Salaries	18,500	200	18,700	18,679	21
Purchased Technical Services	16,000	10,190	26,190	26,101	89
Total Undistributed Expenditures - Admin Info. Tech.	<u>34,500</u>	<u>10,390</u>	<u>44,890</u>	<u>44,780</u>	<u>110</u>
Undist. Expend. - Required Maint. School Fac.					
Salaries	56,250	(28,950)	27,300	23,849	3,451
Cleaning, Repair and Maintenance Services	62,500	27,993	90,493	88,522	1,971
General Supplies	14,000	3,178	17,178	15,194	1,984
Other Objects	500		500	435	65
Total Undistributed Expenditures - Required Maintenance for School Facilities	<u>133,250</u>	<u>2,221</u>	<u>135,471</u>	<u>128,000</u>	<u>7,471</u>
Custodial Services - Other Oper. & Maint. of Plant					
Salaries	119,500	27,400	146,900	146,108	792
Purchased Professional and Technical Services	5,500	(4,540)	960		960
Cleaning, Repair and Maintenance Services	30,000	(6,001)	23,999	20,904	3,095
Insurance	38,000	7,627	45,627	45,627	
Miscellaneous Purchased Services	2,000	993	2,993	2,993	
General Supplies	40,000	2,007	42,007	39,410	2,597
Energy	600	1,009	1,609	1,531	78
Energy (Natural Gas)		540	540	296	244
Energy (Electricity)	100,000	10,224	110,224	109,552	672
Total Undistributed Expenditures - Custodial Services	<u>335,600</u>	<u>39,259</u>	<u>374,859</u>	<u>366,421</u>	<u>8,438</u>
Undist. Expend. - Care & Upkeep of Grounds					
Purchased Professional and Technical Services	2,500	(2,500)	-		
Total Care and Upkeep of Grounds	<u>2,500</u>	<u>(2,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Undist. Expend. - Security					
Salaries		35,000	35,000	34,650	350
Total Security	<u>-</u>	<u>35,000</u>	<u>35,000</u>	<u>34,650</u>	<u>350</u>

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
<b>Total Undistributed Expenditures</b>	<b>471,350</b>	<b>73,980</b>	<b>545,330</b>	<b>529,071</b>	<b>16,259</b>
Operations and Maintenance of Plant					
Undist. Expend. - Student Transportation Serv.					
Salaries - Non-instructional aides	7,000	(4,110)	2,890	2,594	296
Salaries - (Between Home & Sch) - Regular	18,750	2,060	20,810	20,808	2
Salaries - (Between Home & Sch) - Special	30,000	(5,950)	24,050	24,003	47
Purchased Professional and Technical Services	1,000	2,050	3,050	3,050	
Cleaning, Repair and Maintenance Services	10,000	2,700	12,700	9,945	2,755
Contr. Serv. - Aid in Lieu Payments - NonPub Sch	25,000	4,833	29,833	25,733	4,100
Contr. Serv. - Aid in Lieu Payments - Choice					
Contr. Serv. - (Bttn Home & School) - Vendors	312,500	30,467	342,967	341,543	1,424
Contr. Serv. - (Other than Bttn Home & School) - Joint Agmt					
Contr. Serv. - (Bttn Home & School) - Joint Agmt	28,000	13,027	41,027	40,459	568
Special Education students - Joint Agreement	134,800	(20,427)	114,373	109,614	4,759
Miscellaneous Purchased Services	8,000	7,000	15,000	13,750	1,250
Transportation Supplies	10,000	1,000	11,000	7,119	3,881
<b>Total Undistributed Expenditures - Student Transportation Services</b>	<b>585,050</b>	<b>32,650</b>	<b>617,700</b>	<b>598,618</b>	<b>19,082</b>
Unallocated Benefits - Employee Benefits					
Social Security Contribution	70,000	(2,000)	68,000	60,953	7,047
Other Retirement Contributions - PERS	65,000	(320)	64,680	61,288	3,392
Unemployment	15,000	320	15,320	15,305	15
Workmen's Compensation	40,000		40,000	36,438	3,562
Health Benefits	750,000	86,347	836,347	782,756	53,591
Tuition Reimbursement	17,000		17,000	11,115	5,885
Other Employee Benefits	85,000	(9,007)	75,993	53,280	22,713
Unused Vacation Payment to Staff - Mass Severance		5,300	5,300	5,295	5
Unused Sick Payment to Staff - Normal Retirement	30,000	(19,325)	10,675	10,635	40
<b>Total Unallocated Benefits</b>	<b>1,072,000</b>	<b>61,315</b>	<b>1,133,315</b>	<b>1,037,065</b>	<b>96,250</b>

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
On-Behalf Contributions					
On-Behalf TPAF Pension Contribution (non-bud)			-	1,083,299	(1,083,299)
On-Behalf TPAF Post-retir. Contribution (non-bud)	-		-	294,835	(294,835)
On-Behalf TPAF Long Term Disability Insurance			-	369	(369)
Reimbursed TPAF Social Security Cont.(non-bud)			-	222,134	(222,134)
Total On-Behalf Contributions	-	-	-	1,600,637	(1,600,637)
Total Personal Services - Employee Benefits	1,072,000	61,315	1,133,315	2,637,702	(1,504,387)
TOTAL UNDISTRIBUTED EXPENDITURES	5,193,587	39,637	5,233,224	6,552,975	(1,319,751)
TOTAL GENERAL CURRENT EXPENSE	7,715,019	11,746	7,726,765	8,961,768	(1,235,003)
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction	19,136	69	19,205	19,205	
Undistributed Exp. - Instruction		12,041	12,041		12,041
Undistributed Exp. - Central Service					
Total Equipment	19,136	12,110	31,246	19,205	12,041
Facilities Acquisition and Construction Services					
Construction Services		292,889	292,889	277,009	15,880
Assessment for Debt Service on SDA Funding	9,474		9,474	9,474	
Total Facilities Acquisition and Construction Services	9,474	292,889	302,363	286,483	15,880
TOTAL CAPITAL OUTLAY	28,610	304,999	333,609	305,688	27,921
Transfer of Funds to Charter Schools	119,000		119,000	95,100	23,900
TOTAL EXPENDITURES	7,862,629	316,745	8,179,374	9,362,556	(1,183,182)

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>					
Other Financing Sources/(Uses):	(435,629)	(223,197)	(658,826)	8,631	667,457
Operating Transfers:					
Capital Financing Agreement Proceeds (Non-Budget)			-	-	-
Transfer to Special Revenue Fund	(71,500)		(71,500)	(71,500)	-
Transfer from Latchkey			-	7,094	(7,094)
Prior year receivables canceled				(29,533)	29,533
Total Other Financing Sources/(Uses):	(71,500)	-	(71,500)	(93,939)	22,439
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)</b>	(507,129)	(223,197)	(730,326)	(85,308)	645,018
Fund Balance July 1	2,334,983		2,334,983	2,334,983	-
Fund Balance June 30	<u>\$ 1,827,854</u>	<u>\$ (223,197)</u>	<u>\$ 1,604,657</u>	<u>\$ 2,249,675</u>	<u>\$ 645,018</u>
<b>Recapitulation:</b>					
Restricted Fund Balance:				\$	
Excess Surplus - Designated for Subsequent Year's Expenditures				290,000	
Excess Surplus - Current Year				356,222	
Capital Reserve				538,621	
Maintenance Reserve				413,716	
Tuition Reserve Year 2				100,000	
Tuition Reserve Year 1				100,000	
Assigned Fund Balance:					
Year-End Encumbrances				39,087	
Designated for Subsequent Year's Expenditures				52,295	
Unassigned Fund Balance					
General Fund				359,734	
				<u>2,249,675</u>	
<b>Reconciliation to Governmental Funds Statements (GAAP):</b>					
Last Two State Aid Payments not recognized on GAAP Basis				(252,843)	
				<u>\$ 1,996,832</u>	



**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
<b>REVENUES:</b>					
Local Sources	\$ 73,500		\$ 73,500	\$ 132,580	\$ 59,080
State Sources	909,462		909,462	823,560	(85,902)
Federal Sources	615,883	32,582	648,465	474,126	(174,339)
<b>Total Revenues</b>	<b>1,598,845</b>	<b>32,582</b>	<b>1,631,427</b>	<b>1,430,266</b>	<b>(201,161)</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	411,592				
Other Salaries for Instruction	100,335	(41,000)	370,592	327,389	43,203
Purchased Professional - Educational Services	33,000	41,000	141,335	140,864	471
Purchased Professional and Technical	17,400		33,000	27,000	6,000
Other Purchased Services (400-500 series)	107,106		17,400	13,310	4,090
General Supplies	119,947		107,106	107,106	
<b>Total Instruction</b>	<b>789,380</b>	<b>-</b>	<b>789,380</b>	<b>685,210</b>	<b>104,170</b>
Support Services:					
Other Salaries	256,699	(460)	256,239	249,334	6,905
Personal Services - Employee Benefits	93,031	460	93,491	90,681	2,810
Purchased Professional - Educational Services	55,000	3,500	58,500	42,475	16,025
Purchased Professional Technical Services	59,215	(5,000)	54,215	33,500	20,715
Other Purchased Services (400-500 series)	82,365	1,500	83,865	51,861	32,004
General Supplies	29,825		29,825	22,165	7,660
Other Objects	10,300		10,300	7,702	2,598
Scholarships Awarded				-	
Student Activities				86,086	(86,086)
<b>Total Support Services</b>	<b>586,435</b>	<b>-</b>	<b>586,435</b>	<b>583,804</b>	<b>2,631</b>
Facilities Acquisition & Construction Services:					
Building	59,320				
Instructional Equipment	91,000	32,582	91,902	55,671	36,231
Non-Instructional Equipment	72,710		91,000	61,450	29,550
			72,710	71,137	1,573
<b>Total Expenditures</b>	<b>223,030</b>	<b>32,582</b>	<b>255,612</b>	<b>188,258</b>	<b>67,354</b>
	<b>1,598,845</b>	<b>32,582</b>	<b>1,631,427</b>	<b>1,457,272</b>	<b>174,155</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (27,006)</b>	<b>\$ (27,006)</b>
<b>Expenditures and Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 93,084</b>	<b>\$ 93,084</b>
<b>Fund Balance, July 1</b>				<b>66,078</b>	<b>66,078</b>
<b>Fund Balance, June 30</b>					

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**NOTES TO THE REQUIRED  
SUPPLEMENTARY INFORMATION  
PART II**

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**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budget-to-GAAP Reconciliation**  
**Note to RSI**  
**For the Year Ended June 30, 2024**

Note A - Explanation of Differences Between Budgetary Inflows and Outflows GAAP Revenue and Expenditures

	General Fund	Special Revenue Fund
Sources / inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 9,371,187	1,430,266
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year		-
Current Year		(70,699)
The Final State Aid payment for the Year Ended June 30, 2023 that was delayed until July 2023 was recorded as budgetary revenue for the Year Ended June 30, 2023 but is not recognized under GAAP until the Year Ended June 30, 2024.	257,559	75,650
The Final State Aid payment for the Year Ended June 30, 2024 that was delayed until July 2024 was recorded as budgetary revenue for the Year Ended June 30, 2024 but is not recognized under GAAP until the Year Ended June 30, 2025.	(252,843)	(78,650)
	<u>9,375,903</u>	<u>1,356,567</u>
Uses / outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	9,362,556	1,457,272
Difference - 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 GAAP financial reporting purposes.		
Prior Year		-
Current Year		(70,699)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	<u>\$ 9,362,556</u>	<u>1,386,573</u>

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**REQUIRED SUPPLEMENTARY INFORMATION**  
**PART III**

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**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employee Retirement System**  
**Last Ten Fiscal Years**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability (asset)	0.0062260608%	0.0042823904%	0.0044768400%	0.0052975020%	0.0068148072%	0.0060971557%	0.0070945037%	0.0079704118%	0.0085461535%	0.0080099655%
District's proportionate of the net pension liability (asset)	\$ 901,806	\$ 646,272	\$ 530,349	\$ 863,884	\$ 1,227,924	\$ 1,200,500	1,651,487	2,360,607	1,918,440	1,499,685
District's covered payroll	\$ 519,088	\$ 510,744	\$ 347,932	\$ 447,900	\$ 484,748	\$ 471,468	537,568	607,384	645,396	616,780
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	173.73%	126.54%	152.43%	192.87%	253.31%	254.63%	307.21%	388.65%	297.25%	243.15%
Plan fiduciary net position as a percentage of the total pension liability	65.23%	62.91%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Source: GASB 68 report on Public Employees' Retirement System; District records

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Schedule of District Contributions**  
**Public Employee Retirement System**  
**Last Ten Fiscal Years**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	83,213	54,003	52,429	57,952	66,288	60,647	65,723	70,808	73,474	66,003
Contributions in relation to the contractually required contribution	83,213	54,003	52,429	57,952	66,288	60,647	65,723	70,808	73,474	66,003
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered-employee payroll	519,088	510,744	347,932	447,900	484,748	471,468	537,568	607,384	645,396	616,780
Contributions as a percentage of covered-employee payroll	16.03%	10.57%	15.07%	12.94%	13.67%	12.86%	12.23%	11.66%	11.38%	10.70%

Source: GASB 68 report on Public Employees' Retirement System; District records

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund**  
**Last Ten Fiscal Years**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-
State's proportionate share of the net pension liability (asset) associated with the District	12,297,939	11,408,927	11,401,495	160,890,187	14,254,333	14,903,389	15,297,179	18,068,023	13,677,666	11,474,875
<b>Total</b>	<b>\$ 12,297,939</b>	<b>\$ 11,408,927</b>	<b>\$ 11,401,495</b>	<b>\$ 160,890,187</b>	<b>\$ 14,254,333</b>	<b>\$ 14,903,389</b>	<b>\$ 15,297,179</b>	<b>18,068,023</b>	<b>13,677,666</b>	<b>11,474,875</b>
District's covered payroll	2,875,504	2,897,935	2,979,692	3,119,404	3,145,312	2,936,520	2,907,712	2,779,788	2,774,780	2,584,368
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

Source: GASB 68 report on Teacher's Pension and Annuity Fund; District records

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net OPEB Liability**  
**Public Employee Retirement System and Teachers' Pension and Annuity Fund**  
**Last Seven Fiscal Years**

	2024	2023	2022	2021	2020	2019	2018
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability (asset) associated with the District	\$ 14,957,559	\$ 14,048,633	\$ 16,678,450	\$ 18,518,195	\$ 11,914,289	\$ 13,336,932	\$ 15,873,006
<b>Total</b>	<b>\$ 14,957,559</b>	<b>\$ 14,048,633</b>	<b>\$ 16,678,450</b>	<b>\$ 18,518,195</b>	<b>\$ 11,914,289</b>	<b>\$ 13,336,932</b>	<b>\$ 15,873,006</b>
District's covered payroll	\$ 3,408,679	\$ 3,327,624	\$ 3,012,525	\$ 2,777,303	\$ 2,990,005	\$ 3,040,547	\$ 2,878,231
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	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%
State's proportionate share of OPEB associated with the District:							
Service Cost	515,103	628,033	757,417	442,903	410,153	485,017	581,616
Interest Cost	526,783	372,302	432,654	427,078	525,210	579,508	500,821
Change in Benefit Terms			(17,652)				
Differences between Expected & Actual	234,028	495,438	(2,698,869)	2,663,902	(2,180,757)	(1,725,820)	
Changes in Assumptopns	30,148	(3,768,645)	16,454	3,382,638	177,643	(1,530,480)	(2,022,188)
Member Contributions	13,500	11,831	11,061	9,772	10,841	12,326	13,538
Benefit Payments	(410,636)	(368,776)	(340,810)	(322,387)	(365,733)	(356,625)	(367,653)
Change in Total OPEB Liability	908,926	(2,629,817)	(1,839,745)	6,603,906	(1,422,643)	(2,536,074)	(1,293,866)
State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance	14,048,633	16,678,450	18,518,195	11,914,289	13,336,932	15,873,006	17,166,872
Ending Balance	14,957,559	14,048,633	16,678,450	18,518,195	11,914,289	13,336,932	15,873,006
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	438.81%	422.18%	553.64%	666.77%	398.47%	438.64%	551.48%

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

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

## **OTHER SUPPLEMENTARY INFORMATION**

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**SPECIAL REVENUE FUND  
DETAIL STATEMENTS**

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**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2024**

	NJSIG Safety	Scholarship Funds	Student Activity	Local Recreation Improvement	CRRSA/ ESSER II
<b>REVENUES:</b>					
Local Sources	\$ 2,000	\$	59,080	\$ 23,344	
State Sources					32,582
Federal Sources					
Total Revenues	2,000	-	59,080	23,344	32,582
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers					
Other Salaries for Instruction					
Purchased Professional - Educational Services					
Purchased Technical Services					
Other Purchased Services (400-500 series)					
General Supplies					
Total Instruction	-	-	-	-	-
Support Services:					
Salaries of Other Professional Staff					
Personal Services - Employee Benefits					
Purchased Professional - Educational Services	2,000				
Purchased Professional & Technical Services					
Other Purchased Services (400-500 series)					
General Supplies					
Other Objects					
Scholarships Awarded					
Student Activities			86,086		
Total Support Services	2,000	-	86,086	-	-
Capital Outlay:					
Building					32,582
Instructional Equipment				23,344	
Non-Instructional Equipment				23,344	32,582
Total Capital Outlay	-	-	-	23,344	32,582
Total Expenditures	2,000	-	86,086	23,344	32,582
Excess (Deficiency) of Revenues Over (Under)	-	\$	(27,006)	\$	-
Expenditures and Other Financing Sources (Uses)					
Fund Balance, July 1		13,520	79,564		
Fund Balance, June 30	\$	\$ 13,520	\$ 52,558	-	

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2024**

	ARP ESSER	ARP ESSER NJTS	ARP ESSER Summer	ARP ESSER Beyond School	ARP Learning Acceleration	High Impact Tutoring Competitive	Rural Education Achievement Program FY 2024	Rural Education Achievement Program FY 2023
<b>REVENUES:</b>								
Local Sources								
State Sources	68,410	33,020	10,211	40,000	35,762	27,000	22,090	19,472
Federal Sources	68,410	33,020	10,211	40,000	35,762	27,000	22,090	19,472
Total Revenues								
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of Teachers	8,995	9,289	9,486	37,157				
Other Salaries for Instruction						27,000		
Purchased Professional - Educational Services								
Purchased Technical Services								
Other Purchased Services (400-500 series)	5,249						22,090	19,472
General Supplies	14,244	9,289	9,486	37,157	-	27,000	22,090	19,472
Total Instruction								
Support Services:								
Salaries of Other Professional Staff	18,937	7,140						
Personal Services - Employee Benefits	4,509	4,591	725	2,843	35,762			
Purchased Professional - Educational Services								
Purchased Professional & Technical Services		12,000						
Other Purchased Services (400-500 series)	7,631							
General Supplies								
Other Objects								
Scholarships Awarded								
Student Activities								
Total Support Services	31,077	23,731	725	2,843	35,762	-	-	-
Capital Outlay:								
Building	23,089							
Instructional Equipment								
Non-Instructional Equipment	23,089	-	-	-	-	-	-	-
Total Expenditures	68,410	33,020	10,211	40,000	35,762	27,000	22,090	19,472
Excess (Deficiency) of Revenues Over (Under)								
Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, July 1								
Fund Balance, June 30	\$	\$	\$	\$	\$	\$	\$	\$

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2024**

	Preschool Education	Title IIA	Title IV	Title I Part A	IDEA Preschool	IDEA Part B	Totals 2024
<b>REVENUES:</b>							
Local Sources	\$ 71,500	\$		\$		\$	132,580
State Sources	800,216						823,560
Federal Sources		8,461	4,258	57,775	7,979	107,106	474,126
Total Revenues	871,716	8,461	4,258	57,775	7,979	107,106	1,430,266
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of Teachers	247,462			15,000			327,389
Other Salaries for Instruction	140,864						140,864
Salaries of Other Professional Staff							27,000
Purchased Technical Services				13,310			13,310
Other Purchased Services (400-500 series)						107,106	107,106
General Supplies	16,905			5,825			69,541
Total Instruction	405,231	-	-	34,135	-	107,106	685,210
Support Services:							
Salaries of Other Professional Staff	218,999		4,258				249,334
Personal Services - Employee Benefits	78,013						90,681
Purchased Professional - Educational Services	6,713						42,475
Purchased Professional & Technical Services		8,461		3,060	7,979		33,500
Other Purchased Services (400-500 series)	35,177			9,053			51,861
General Supplies	18,340			3,825			22,165
Other Objects				7,702			7,702
Scholarships Awarded							-
Student Activities							86,086
Total Support Services	357,242	8,461	4,258	23,640	7,979	-	583,804
Capital Outlay:							
Building							
Instructional Equipment	61,450						55,671
Non-Instructional Equipment	47,793						61,450
Total Capital Outlay	109,243	-	-	-	-	-	188,258
Total Expenditures	871,716	8,461	4,258	57,775	7,979	107,106	1,457,272
Excess (Deficiency) of Revenues Over (Under)	- \$	- \$	- \$	- \$	-	- \$	(27,006)
Expenditures and Other Financing Sources (Uses)							
Fund Balance, July 1	\$						93,084
Fund Balance, June 30	\$	\$	\$	\$		\$	66,078

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Preschool Education Aid**  
**Budgetary Basis**  
**For the Year Ended June 30, 2024**

	Total		
	Budgeted	Actual	Variance
<b>EXPENDITURES:</b>			
Instruction:			
Salaries of Teachers	\$ 262,994	247,462	\$ 15,532
Other Salaries for Instruction	141,335	140,864	471
Purchased Professional - Educational Services	5,000		5,000
General Supplies	22,000	16,905	5,095
Total Instruction	<u>431,329</u>	<u>405,231</u>	<u>26,098</u>
Support Services:			
Salaries of Supervisors of Instruction	19,000	19,000	
Salaries of Principals/Program Directors	21,000	21,000	
Salaries of Other Professional Staff	46,642	46,642	
Salaries of Secretarial and Clerical Assistants	11,996	11,996	
Other Salaries	28,748	28,748	
Salaries of Family/Parent Liason	21,613	21,613	
Salaries of Facilitators and Coaches	70,000	70,000	
Personal Services - Employee Benefits	78,624	78,013	611
Purchased Professional Educational Services	8,500	6,713	1,787
Other Purchased Professional Services	3,000		3,000
Cleaning, Repair and Maintenance	24,500	17,595	6,905
Between Home and School - Vendors	15,000	14,905	95
Other than Between Home and School	11,000	2,677	8,323
Supplies	26,000	18,340	7,660
Other Objects	300		300
Total Support Services	<u>385,923</u>	<u>357,242</u>	<u>28,681</u>
Facilities Acquisition and Construction Services			
Instructional Equipment	91,000	61,450	29,550
Non-Instructional Equipment	49,366	47,793	1,573
Total Facilities Acquisition and Construction Ser.	<u>140,366</u>	<u>109,243</u>	<u>31,123</u>
Total Expenditures	<u>\$ 957,618</u>	<u>\$ 871,716</u>	<u>\$ 85,902</u>

**CALCULATION OF BUDGET & CARRYOVER**

Total Revised 2023-24 Preschool Aid Allocation	\$ 786,500
Adjustments	
Add: Actual ECPA Carryover June 30, 2023	284,280
Add: Budgeted Transfer from the General Fund	71,500
Total Preschool Education Aid Funds Available for 2023-24 Budget	<u>1,142,280</u>
Less: 2023-24 Budgeted Preschool Education Aid	(957,618)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2024	<u>184,662</u>
Add: June 30, 2024 Unexpended Preschool Education Aid	85,902
2023-24 Actual Carryover - Preschool Education Aid	<u>\$ 270,564</u>
2023-24 Preschool Education Aid Carryover Budgeted for 2024-2025	<u>\$ 184,662</u>

**CAPITAL PROJECTS FUND  
DETAIL STATEMENTS**

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**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Funds**  
**Summary Statement of Project Expenditures**  
**For the Year Ended June 30, 2024**

Project Title/Issue	Original Date	Original Appropriations	GAAP Expenditures to Date		Unexpended Balance June 30, 2024
			Prior Years	Current Years	
Various Capital Improvements including Roof Restoration	8/1/2021	\$ 3,543,000	\$ 2,909,113	\$ -	\$ 633,887
		<u>\$ 3,543,000</u>	<u>2,909,113</u>	<u>-</u>	<u>633,887</u>

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis**  
**For the Year Ended June 30, 2024**

**REVENUES AND OTHER FINANCING SOURCES:**

Local Sources

Bond proceeds and transfers

\$ -

Total Revenues

-

**EXPENDITURES**

Construction services

-

Total Expenditures

-

Excess (Deficiency) of Revenues and

Other Financing Sources Over(Under)

Expenditures

-

Fund Balances, July 1

633,887

Fund Balances, June 30

\$ 633,887



**TOWNSHIP OF UPPER PITTSBURGH SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis**  
**Various Capital Improvements including Roof Restoration**  
**From Inception and for the Year Ended June 30, 2024**

	Prior Periods	Current Year	Totals	Revised Authorized Costs
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
Bond proceeds and transfers	3,543,000		3,543,000	3,543,000
Total Revenues	3,543,000	-	3,543,000	3,543,000
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional/technical services	34,453		34,453	58,770
Construction services	2,874,660		2,874,660	3,484,230
Total Expenditures	2,909,113	-	2,909,113	3,543,000
Excess (Deficiency) of Revenues Over Expenditures	\$ 633,887	-	633,887	-
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project Number	2021-1			
Bond Authorization Date	11/3/2020			
Bonds Authorized	3,543,000			
Bonds Issued	3,543,000			
Original Cost Authorized	3,543,000			
Additional Authorized Cost	-			
Revised Authorized Cost	3,543,000			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	100%			
Original Target Completion Date	8/021			
Revised Target Completion Date	6/30/2023			

See accompanying auditor's report

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## **LONG-TERM DEBT SCHEDULES**

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**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Schedule of General Serial Bonds**  
**As of June 30, 2024**

Improvement Description	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance July 1, 2023	Decreased	Balance June 30, 2024
			Date	Outstanding June 30, 2024 Amount				
Various Capital Improvements	1/26/2021	\$ 3,543,000	9/15/2024-25	155,000	1.500%	\$ 3,390,000	\$ 150,000	\$ 3,240,000
			9/15/2026	160,000	1.500%			
			9/15/2027	165,000	1.500%			
			9/15/2028	170,000	1.500%			
			9/15/2029	175,000	1.750%			
			9/15/2030	180,000	1.750%			
			9/15/2031	185,000	1.750%			
			9/15/2032	190,000	1.750%			
			9/15/2033	195,000	1.750%			
			9/15/2034	200,000	1.750%			
			9/15/2035	205,000	1.750%			
			9/15/2036	210,000	1.750%			
			9/15/2037	220,000	1.750%			
			9/15/2038	225,000	1.750%			
			9/15/2039	225,000	1.750%			
			9/15/2040	225,000	1.875%			
						\$ 3,390,000	\$ 150,000	\$ 3,240,000

**UPPER PITTSBORO TOWNSHIP SCHOOL DISTRICT**  
**Schedule of Obligations Under Lease Liability**  
**As of June 30, 2024**

Description	Amount of Original Issue	Balance July 1, 2023	Issued Current Year	Retired Current Year	Balance June 30, 2024
<b>Other Financing Agreements</b>					
Copier Lease	96,424	\$ 45,840		\$ 19,450	\$ 26,390
		<u>\$ 45,840</u>	<u>\$ -</u>	<u>\$ 19,450</u>	<u>\$ 26,390</u>

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**For the Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 136,022		\$ 136,022	\$ 136,022	\$ -
State Sources:					
Debt Service Aid	70,071		70,071	70,071	
Total Revenues	206,093	-	206,093	206,093	-
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Redemption of Principal	150,000		150,000	150,000	-
Interest on Bonds	56,094		56,094	56,094	-
Total Regular Debt Service	206,094	-	206,094	206,094	-
Total Expenditures	206,094	-	206,094	206,094	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1)	-	(1)	(1)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures	(1)	-	(1)	(1)	-
Fund Balance, July 1	9,520	-	9,520	9,520	-
Fund Balance, June 30	<u>\$ 9,519</u>	<u>\$ -</u>	<u>\$ 9,519</u>	<u>\$ 9,519</u>	<u>\$ -</u>

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## **Statistical Section**

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**Upper Pittsgrove Township School District**  
**Net Position by Component,**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

Exhibit J-1

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Governmental activities</b>										
Net investment in capital assets	3,312,866	3,092,769	3,164,232	3,104,739	2,967,175	2,665,040	(1,147,915)	1,501,701	2,111,080	2,311,212
Restricted	658,946	795,650	1,038,758	922,895	809,730	1,289,781	4,580,395	2,238,163	2,375,449	2,429,393
Unrestricted	(1,603,342)	(1,546,710)	(1,677,070)	(1,756,099)	(1,719,977)	(1,542,701)	(1,225,556)	(897,666)	(815,673)	(809,436)
Total governmental activities net position	2,368,470	2,341,709	2,525,920	2,271,535	2,056,928	2,412,120	2,206,924	2,842,198	3,670,856	3,931,169
<b>Business-type activities</b>										
Net investment in capital assets	11,194	9,500	8,745	7,990	18,502	11,050	9,562	8,074	33,819	31,534
Unrestricted	64,809	79,136	96,452	23,093	9,498	(2,430)	50,568	57,622	83,139	91,038
Total business-type activities net position	76,003	88,636	105,197	31,083	28,000	8,620	60,130	65,696	116,958	122,572
<b>District-wide</b>										
Net investment in capital assets	3,324,060	3,102,269	3,172,977	3,112,729	2,985,677	2,676,090	(1,138,353)	1,509,775	2,144,899	2,342,746
Restricted	658,946	795,650	1,038,758	922,895	809,730	1,289,781	4,580,395	2,238,163	2,375,449	2,429,393
Unrestricted	(1,538,533)	(1,487,574)	(1,580,618)	(1,733,006)	(1,710,479)	(1,545,131)	(1,174,898)	(840,044)	(732,534)	(718,398)
Total district net position	2,444,473	2,410,345	2,631,117	2,302,618	2,084,928	2,420,740	2,267,054	2,907,894	3,787,814	4,053,741

Source: ACFR Schedule A-1

Upper Pittsgrove Township School District  
Changes in Net Position,  
Last Ten Fiscal Years  
(accrual basis of accounting)

Exhibit J-2

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
Governmental activities:										
Instruction:										
Regular	1,727,278	1,854,515	1,875,979	1,888,431	2,072,401	2,178,357	2,226,086	2,833,833	2,725,663	2,379,207
Special education	428,787	433,709	438,123	569,880	431,234	205,680	249,633	234,840	1,183,254	1,346,500
Other special education	176,572	174,724	168,420	191,419	134,211	93,867	98,392	81,418	81,288	72,020
Support Services:										
Tuition	2,488,476	2,311,740	2,114,386	2,481,660	2,460,115	2,026,618	1,943,862	1,589,568	1,588,699	1,750,675
Student & instruction related services	532,332	672,099	671,537	671,434	756,423	531,411	535,643	474,826	1,106,423	1,804,598
General Administration and Business Services	216,215	197,640	174,384	150,684	174,172	183,923	185,627	284,077	175,338	61,209
School Administration Services	156,081	118,310	115,887	120,001	128,114	87,335	136,815	102,111	476,596	461,207
Central Services	137,554	126,137	117,853	136,464	144,759	144,753	144,939	160,012		
Plant operations and maintenance	434,024	446,653	347,864	447,736	417,974	432,192	468,389	559,955	701,575	852,654
Pupil transportation	419,370	415,328	440,296	457,414	508,706	516,414	592,292	499,493	1,002,359	859,494
Unallocated benefits	2,014,832	2,303,563	2,931,375	3,202,470	2,518,441	2,114,100	2,696,747	2,024,506		-
Support Services										
Unallocated depreciation	245,703	234,178	210,396	230,885	272,461	230,092	208,711	125,374	95,100	95,100
Interest on long-term debt	14,341	11,756	10,013	8,635	9,474	9,474	59,728	33,842	67,171	64,912
Total governmental activities expenses	8,991,565	9,300,352	9,616,513	10,557,113	10,028,485	8,754,216	9,546,864	9,652,885	9,233,740	9,747,576
Business-type activities:										
Food service	131,097	119,239	172,001	138,654	131,984	103,787	115,667	224,094	120,553	126,254
Lathkey	46,044	40,650	42,336	33,127	26,426	26,458	11,625	4,696		
Total business-type activities expenses	177,141	159,889	214,337	171,781	158,410	130,245	127,292	228,790	120,553	126,254
Total district expenses	9,168,706	9,460,241	9,830,850	10,728,894	10,186,895	8,884,461	9,674,156	9,881,685	9,354,293	9,873,830
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Operating grants and contributions	692,932	835,596	882,543	1,027,960	1,099,643	1,167,052	1,475,355	44,032	555,636	49,372
Capital grants and contributions								2,493,051		518,919
Total governmental activities program revenues	692,932	835,596	882,543	1,027,960	1,099,643	1,167,052	1,475,355	2,537,083	555,636	568,291
Business-type activities:										
Charges for services:										
Food service	77,410	77,458	78,162	67,837	71,775	46,967		14,850	67,098	66,019
Lathkey	37,929	32,453	39,494	24,082	29,467	18,673	20,104	856	2,431	-
Operating grants and contributions	66,957	62,536	64,915	53,949	54,065	51,749	158,677	255,840	104,656	73,308
Capital grants and contributions										
Total business-type activities program revenue	182,296	172,447	182,571	145,868	155,307	117,389	178,781	271,546	174,185	139,327
Total district program revenue	875,228	1,008,043	1,065,114	1,173,828	1,254,950	1,284,441	1,654,136	2,808,629	729,821	707,618
<b>Net (Expense)/Revenue</b>										
Governmental activities	(8,298,633)	(8,464,756)	(8,733,970)	(9,529,153)	(8,928,842)	(7,587,164)	(8,071,509)	(7,115,812)	(8,678,104)	(9,179,285)
Business-type activities	5,155	12,558	(31,766)	(25,913)	(3,103)	(12,896)	51,489	42,796	53,632	13,073
Total district-wide net expense	(8,293,478)	(8,452,198)	(8,765,736)	(9,555,066)	(8,931,945)	(7,600,020)	(8,020,020)	(7,073,056)	(8,624,472)	(9,166,212)

Upper Pittsgrove Township School District  
Changes in Net Position,  
Last Ten Fiscal Years  
(accrual basis of accounting)

Exhibit J-2

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	3,965,591	4,043,102	4,063,102	4,207,026	4,218,366	4,376,989	4,464,529	4,607,261	4,699,406	4,793,394
Taxes levied for debt service	70,353	71,600	72,800					65,300	126,820	136,022
Unrestricted grants and contributions	4,045,238	4,143,422	4,644,364	4,890,707	4,224,270	3,572,843	3,924,240	3,009,378	4,426,214	4,408,738
Investment earnings	4,339	4,704	4,959	5,035	5,395	5,605	11,709	12,149	10,924	83,181
Tuition and transportation revenue	98,089	109,044	75,433	95,689	190,128	45,033	12,283	79,617	262,205	-
Miscellaneous income	59,942	59,597	57,823	103,392	76,076	117,101	80,491	(9,562)		111,289
Fixed asset adjustments				(27,081)		(97,207)	(649,523)			
Other adjustments		6,226				(78,008)	(70,592)			
Prior year receivables canceled								(13,057)	(18,807)	(29,533)
Loss on Disposal of Capital Assets										(70,587)
Transfers			8,918,481	9,274,768	8,714,235	7,942,356	7,773,137	7,751,086	9,506,762	7,094
Total governmental activities	8,243,562	8,437,695	8,918,481	9,274,768	8,714,235	7,942,356	7,773,137	7,751,086	9,506,762	9,439,598
Business-type activities:										
Investment earnings	55	75	82	44	20		21	37	46	78
Transfers										(7,094)
Other adjustments										(443)
Total business-type activities	55	75	82	44	20	(6,524)	21	37	(2,416)	
Total district-wide	8,243,617	8,437,770	8,918,563	9,274,812	8,714,255	7,935,832	7,773,158	7,751,123	9,504,392	9,432,139
Changes in Net Position										
Governmental activities	(55,071)	(27,061)	184,511	(254,385)	(214,607)	355,132	(298,372)	635,274	828,658	260,313
Business-type activities	5,210	12,633	(31,684)	(25,869)	(3,083)	(19,380)	51,510	42,793	51,262	5,614
Total district	(49,861)	(14,428)	152,827	(280,254)	(217,690)	335,752	(246,862)	678,067	879,920	265,927

Source: ACFR Schedule A-2

Upper Pittsgrove Township School District  
Fund Balances, Governmental Funds,  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Exhibit J-3

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	462,766	614,226	733,810	568,419	631,264	1,113,720	1,164,898	1,481,272	1,714,608	1,798,559
Assigned	187,402	182,774	388,285	419,133	220,644	395,895	392,137	154,520	318,081	91,382
Unassigned	(74,790)	(90,741)	(61,010)	(51,385)	(9,436)	(11,348)	9,347	357,035	44,736	106,891
Total general fund	575,378	706,259	1,061,085	936,167	842,472	1,498,267	1,566,382	1,992,827	2,077,425	1,996,832
All Other Governmental Funds										
Restricted:										
Capital Projects Fund	9,228			10,169				687,236	633,887	633,887
Special revenue fund	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	68,005	17,434	(12,572)
Debt Service Fund	1,200		72,800	72,800					9,520	9,519
Total all other governmental funds	8,778	(1,650)	71,150	81,319	(1,650)	(1,650)	(1,650)	755,241	660,841	630,834

Source: ACFR Schedule B-1

Upper Pittsgrove Township School District  
Changes in Fund Balances, Governmental Funds,  
Last Ten Fiscal Years

Exhibit J-4

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues</b>										
Tax Levy	4,035,944	4,114,702	4,135,902	4,207,026	4,218,366	4,376,989	4,464,529	4,672,561	4,826,226	4,929,416
Tuition and transportation charges	98,099	109,044	75,433	95,689	190,128	45,033	12,283	-	-	49,372
Interest earnings	4,339	4,704	4,959	5,035	5,395	5,605	11,709	12,149	10,924	83,181
Rental	52,632	57,446	52,632	53,685	53,685	54,760	55,854	55,854	-	-
Miscellaneous	7,310	2,151	5,191	49,707	49,707	62,341	28,623	74,495	354,592	172,369
State sources	4,036,008	4,087,658	4,203,273	4,338,095	4,430,559	4,281,700	4,325,020	5,039,103	4,925,220	5,229,298
Federal sources	201,702	240,105	221,270	242,696	222,578	231,891	280,120	633,113	666,568	403,427
Total revenue	8,436,034	8,615,810	8,698,660	8,991,933	9,170,418	9,058,319	9,178,138	10,487,275	10,783,530	10,867,063
<b>Expenditures</b>										
Instruction:										
Regular instruction	1,727,278	1,854,515	1,875,979	1,888,431	2,072,401	2,178,357	2,226,086	2,853,837	2,049,984	1,914,307
Special education instruction	428,787	433,709	438,123	569,880	431,234	205,680	249,633	234,840	1,058,784	1,074,608
Other special education instruction	176,572	174,724	168,420	191,419	134,211	93,867	98,392	81,418	60,709	57,478
Support Services:										
Tuition	2,488,476	2,311,740	2,114,386	2,481,660	2,460,115	2,026,618	1,943,862	1,589,568	1,588,699	1,750,675
Student & instruction related services	532,332	672,099	671,537	671,434	756,423	531,411	535,643	616,431	854,365	1,256,862
General administrative services	216,215	197,640	174,384	150,684	174,172	183,923	185,627	284,077	170,640	154,341
School administrative services	156,081	118,310	115,887	120,001	128,114	87,335	136,815	102,111	118,536	42,630
Business administrative/central services	137,554	126,137	117,853	136,464	144,759	144,753	144,939	160,012	151,560	166,880
Plant operations and maintenance	434,024	446,653	347,864	447,736	417,974	432,192	468,389	559,955	502,391	529,071
Pupil transportation	419,370	415,328	440,296	501,145	508,706	516,414	592,292	499,493	677,641	598,618
Unallocated employee benefits	1,484,315	1,555,479	1,684,683	1,783,612	1,947,286	1,889,328	2,078,181	2,388,413	2,559,244	2,637,702
Charter schools						73,735	70,592	420,450	125,374	95,100
Support Services	270,523	122,449	121,622	164,216	144,371	34,638	597,753	2,866,027	654,567	461,383
Capital outlay										
Debt service:										
Principal	65,000	70,000							153,000	150,000
Interest and other charges	5,400	2,800						65,300	67,840	65,568
Total Expenditures	8,541,927	8,501,583	8,271,034	9,106,682	9,319,766	8,398,251	9,328,204	12,721,932	10,793,334	10,955,223
Excess (Deficiency) of revenues over (under) expenditures	(105,893)	114,227	427,626	(114,749)	(149,348)	660,068	(150,066)	(2,234,657)	(9,804)	(88,160)
<b>Other Financing Sources (Uses)</b>										
Transfer in										
Transfer out						(4,273)			75,700	78,594
Bond Proceeds							3,543,000		(75,700)	(71,500)
Prior year receivables canceled										-
Adjustment to State Aid		6,226								(29,533)
Total other financing sources (uses)	-	6,226	-	-	-	(4,273)	3,543,000	-	-	(22,439)
Net change in fund balances	(105,893)	120,453	427,626	(114,749)	(149,348)	655,795	3,392,934	(2,234,657)	(9,804)	(110,589)
Debt service as a percentage of noncapital expenditures	0.82%	0.87%	0.00%	0.00%	0.00%	0.00%	0.00%	0.66%	2.18%	2.05%

Source: ACFR Schedule B-2

Upper Pittsgrove Township School District  
General Fund Other Local Revenue by Source,  
Last Ten Fiscal Years  
(Unaudited)

Exhibit J-5

Fiscal Year Ended June 30,	Interest on Investments	Tuition Adjustments	Transportation	Rentals	Sale of Assets	Prior Year Refunds	Miscellaneous	Totals
2015	\$ 4,339	\$ 34,319	\$ 63,780	52,632		\$ -	7,310	\$ 162,380
2016	4,704	36,696	72,348	57,446			2,151	173,345
2017	4,959	24,322	51,111	52,632			5,191	138,215
2018	5,035	21,895	73,794	53,685			49,707	204,116
2019	5,395	108,083	82,045	53,685			49,707	298,915
2020	5,605	12,150	32,883	54,760			62,341	167,739
2021	11,709	12,283		55,854			28,623	108,469
2022	12,149	12,283		55,854			23,764	104,050
2023	10,924			37,236		1,368	223,601	273,129
2024	83,181				93,548	14,335	3,406	194,470

Source: District Records



Upper Pittsgrove Township School District  
Assessed Value and Actual Value of Taxable Property,  
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Total Assessed Value	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	County Equalized Value
2015	8,898,400	213,983,700	82,275,100	10,961,500	23,411,100	1,480,000	341,009,800	915,624	341,925,424	1.204	304,697,278
2016	8,817,800	212,154,800	83,088,100	11,006,800	23,411,100	1,480,000	339,958,600	899,152	340,857,752	1.213	315,272,744
2017	7,735,201	210,800,800	83,397,000	11,025,300	23,794,400	1,480,000	338,232,701	869,843	339,102,544	1.241	316,341,845
2018	7,726,301	209,681,100	84,137,700	11,022,900	23,694,400	1,480,000	337,742,401		337,742,401	1.241	306,592,594
2019	7,355,801	209,859,400	84,055,380	11,019,900	23,588,900	1,480,000	337,359,381		337,359,381	1.297	315,495,540
2020	5,752,300	208,405,000	87,009,800	10,772,200	28,159,900	1,493,100	341,592,300		341,592,300	1.307	336,743,198
2021	4,847,100	208,065,800	86,786,000	10,910,900	27,558,700	1,493,100	339,661,600		339,661,600	1.376	333,132,209
2022	4,443,900	208,149,500	87,533,200	10,807,100	27,745,100	1,493,100	340,171,900		340,171,900	1.419	350,873,543
2023	4,299,700	208,681,000	87,150,600	10,770,700	28,545,700	1,493,100	340,940,800		340,940,800	1.446	367,857,048
2024	4,054,800	209,236,600	87,262,700	10,758,000	28,530,700	1,493,100	341,335,900		341,335,900	1.469	410,417,994

Source: County Abstract of Ratables & Municipal Tax Assessor

**Upper Pittsgrove Township School District**  
**Direct and Overlapping Property Tax Rates,**  
**Last Ten Fiscal Years**  
*(rate per \$100 of assessed value)*

**Exhibit J-7**

Fiscal Year Ended June 30,	School District			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Salem County	Municipal Local Purpose	
2015	\$ 1.183	\$ 0.021	\$ 1.204	0.891	0.169	\$ 2.264
2016	1.192	0.021	1.213	1.015	0.173	2.401
2017	1.220	0.021	1.241	1.015	0.173	2.429
2018	1.241		1.241	1.092	0.178	2.511
2019	1.297		1.297	1.134	0.201	2.632
2020	1.307		1.307	1.204	0.212	2.723
2021	1.376		1.376	1.210	0.212	2.798
2022	1.419		1.419	1.275	0.221	2.915
2023	1.446		1.446	1.305	0.230	2.981
2024	1.469		1.469	1.384	0.227	3.080

Source: District Records and Municipal Tax Collector

**Upper Pittsgrove Township School District  
Principal Property Tax Payers,  
Current Year and Nine Years Ago**

**Exhibit J-8**

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Third Garden Park Limited Partners	2,650,000	1	0.78%	1,950,000	1	0.57%
BFM Holdings 176 Harding LLC	1,960,000	2	0.57%			
Larchmont Farms Inc	1,913,800	3	0.56%	1,591,400	4	0.47%
Taxpayer #1			0.00%	1,885,500	2	0.55%
Round About Equipment LLC	1,813,200	4	0.53%			
Oldcastle Lawn & Garden	1,620,600	5	0.48%			
Bell Atlantic New Jersey Inc.	1,437,600	6	0.42%	1,200,000	8	0.35%
Atlantic City Electric Co.	1,336,100	7	0.39%	1,480,000	5	0.43%
Taxpayer #2	1,203,300	8	0.35%	1,780,100	3	0.52%
Taxpayer #3	1,088,700	9	0.32%	1,200,800	7	0.35%
Brooks Farm Properties LLC	1,062,000	10	0.31%			
RM Sickler Sons Farms LLC			0.00%	1,475,100	6	0.43%
Holly View Corp				1,171,000	9	0.34%
Wilson Brothers Farm Corp				1,128,200	10	0.33%
Totals	<u>\$ 16,085,300</u>		<u>4.72%</u>	<u>\$ 14,862,100</u>		<u>4.35%</u>
	District Assessed Value		\$ 340,940,800			\$ 341,925,424

Source: District ACFR & Municipal Tax Assessor

**Upper Pittsgrove Township School District  
Property Tax Levies and Collections,  
Last Ten Fiscal Years**

**Exhibit J-9**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	4,035,944	4,035,944	100%	
2016	4,114,702	4,114,702	100%	
2017	4,135,902	4,135,902	100%	
2018	4,207,026	4,207,026	100%	
2019	4,218,366	4,218,366	100%	
2020	4,376,989	4,376,989	100%	
2021	4,464,529	4,464,529	100%	
2022	4,672,561	4,672,561	100%	
2023	4,826,226	4,826,226	100%	
2024	4,929,416	4,929,416	100%	

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

**Upper Pittsgrove Township School District  
Ratios of Outstanding Debt by Type,  
Last Ten Fiscal Years**

**Exhibit J-10**

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income	* Debt Per Capita
	General Obligation Bonds	Lease Liability	Bond Anticipation Notes (BANs)			
2015	\$ 70,000	\$ 210,912		\$ 280,912	0.19%	83
2016		127,190		127,190	0.08%	38
2017		60,427		60,427	0.04%	18
2018				-	0.00%	-
2019				-	0.00%	-
2020				-	0.00%	-
2021				-	0.00%	-
2022	3,543,000			3,543,000	1.89%	1,028
2023	3,390,000	45,840		3,435,840	N/A	992
2024	3,240,000	26,390		3,266,390	N/A	N/A

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

\* = Per Capital Income data presented is for the entire County of Salem, not only the Township of Upper Pittsgrove.

**Upper Pittsgrove Township School District  
Ratios of Net General Bonded Debt Outstanding,  
Last Ten Fiscal Years**

**Exhibit J-11**

Fiscal Year Ended June 30,	Governmental Activities		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	* Per Capita Personal Income
	General Obligation Bonds	Deductions			
2015	70,000	-	70,000	0.02%	44,576
2016	-	-	-	0.00%	45,126
2017	-	-	-	0.00%	45,923
2018	-	-	-	0.00%	47,485
2019	-	-	-	0.00%	50,597
2020	-	-	-	0.00%	54,578
2021	-	-	-	0.00%	57,547
2022	3,543,000	-	3,543,000	1.04%	54,250
2023	3,390,000	-	3,390,000	0.99%	n/a
2024	3,240,000	-	3,240,000	0.95%	n/a

Source: School District records; New Jersey Department of Labor and Workforce Development.

\* = Per Capital Income data presented is for the entire County of Salem, not only the Township of Upper Pittsgrove.

**Upper Pittsgrove Township School District  
Direct and Overlapping Governmental Activities Bonded Debt,  
As of December 31, 2023 for overlapping debt**

**Exhibit J-12**

<b><u>Governmental Unit</u></b>	<b><u>Debt Outstanding</u></b>	<b><u>Estimated Percentage Applicable</u></b>	<b><u>Estimated Share of Overlapping Debt</u></b>
<b>Debt Repaid with Property Taxes</b>			
Township of Upper Pittsgrove	\$ -	100.00%	\$ -
<b>Other Debt</b>			
County of Salem	79,250,428	6.28%	4,980,479
Subtotal, Overlapping Debt			4,980,479
<b>Township of Upper Pittsgroe School District Direct Debt</b>			3,240,000
<b>Total Direct and Overlapping Debt</b>			<b>\$ 8,220,479</b>

Sources: Township of Upper Pittsgrove, County of Salem.

Upper Pittsgrove Township School District  
Legal Debt Margin Information,  
Last Ten Fiscal Years

Exhibit J-13

Equalized valuation basis	
2023	\$ 408,067,983
2022	365,187,225
2021	350,347,189
	<u>\$ 1,123,602,397</u>

Average equalized valuation of taxable property	\$ 374,534,132
Debt limit (3% of average)	11,236,024
Net bonded school debt	3,240,000
Legal debt margin	<u>\$ 7,996,024</u>

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 9,052,822	\$ 9,142,147	\$ 6,342,037	\$ 9,412,413	\$ 9,408,475	\$ 9,542,531	\$ 9,822,413	\$ 10,167,343	\$ 10,505,602	\$ 11,236,024
Total net debt applicable to limit	70,000	-	-	-	-	-	-	3,543,000	3,390,000	3,240,000
Legal debt margin	<u>\$ 8,982,822</u>	<u>\$ 9,142,147</u>	<u>\$ 6,342,037</u>	<u>\$ 9,412,413</u>	<u>\$ 9,408,475</u>	<u>\$ 9,542,531</u>	<u>\$ 9,822,413</u>	<u>\$ 6,624,343</u>	<u>\$ 7,115,602</u>	<u>\$ 7,996,024</u>
Total net debt applicable to the limit as a percentage of debt limit	0.77%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	34.85%	32.27%	28.84%

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



**Upper Pittsgrove Township School District  
Demographic and Economic Statistics,  
Last Ten Fiscal Years**

**Exhibit J-14**

<u>Fiscal Year Ended June 30,</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2015	3,386	150,934,336	44,576	5.7%
2016	3,367	151,939,242	45,126	5.0%
2017	3,360	154,301,280	45,923	4.5%
2018	3,361	159,597,085	47,485	4.4%
2019	3,352	169,601,144	50,597	3.8%
2020	3,357	183,218,346	54,578	7.4%
2021	3,454	198,767,338	57,547	5.8%
2022	3,448	187,054,000	54,250	3.8%
2023	3,464	n/a	n/a	4.4%
2024	n/a	n/a	n/a	n/a

Source: New Jersey Department of Labor and Workforce Development.  
Income is for Salem County

**Upper Pittsgrove Township School District**  
**Principal Employers,**  
**Current Year and Nine Years Ago**

**Exhibit J-15**

Employer	2024			2015		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
	Information not available			Information not available		
Totals	-		0.00%	-		100.00%

Source: District Records and Township of Upper Pittsgrove

Upper Pittsgrove Township School District  
 Full-time Equivalent District Employees by Function/Program,  
 Last Ten Fiscal Years

Exhibit J-16

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Instruction:										
Regular instruction	30.0	27.0	29.0	26.0	26.0	29.0	29.0	31.0	27.0	33.0
Special education	5.0	6.0	5.0	7.0	7.0	2.0	2.0	2.0	8.0	10.0
Other instruction		2.0	3.0	3.0	3.0					
Support Services:										
Tuition	10.0	9.0	8.0	11.0	10.0	6.0	6.0	6.0		
Student & instruction related services	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	6.0
General administrative services	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	2.0
School administrative services									1.0	1.0
Business administrative services	9.0	3.0	3.0	4.0	5.0	5.0	5.0	2.0	2.0	1.0
Plant operations and maintenance		2.0	2.0	3.0	3.0	3.0	3.0	3.0	4.0	8.0
Pupil transportation		7.0								0.5
Total	59.0	61.0	55.0	59.0	59.0	50.0	50.0	51.0	47.0	61.5

Source: District Personnel Records

Upper Pittsgrove Township School District  
Operating Statistics,  
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/ Teacher Ratio	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2015	367.0	8,201,004	22,346	6.18%	35.0	10.486	357.30	333.90	1.85%	93.45%
2016	338.0	8,306,334	24,575	9.97%	33.0	10.242	354.00	329.30	-0.92%	93.02%
2017	339.0	8,149,412	24,040	-2.18%	37.0	9.162	339.30	322.70	-4.15%	95.11%
2018	327.0	8,942,466	27,347	13.76%	35.3	9.263	326.00	312.00	-3.92%	95.71%
2019	317.0	9,175,395	28,944	5.84%	35.5	8.930	298.00	290.40	-8.59%	97.45%
2020	332.0	8,363,613	25,192	-12.97%	30.7	10.814	290.00	276.00	-2.68%	95.17%
2021	327.0	8,730,451	26,699	5.98%	30.7	10.651	290.00	276.00	0.00%	95.17%
2022	326.0	9,790,605	30,033	12.49%	33.0	9.879	321.00	299.00	10.69%	93.15%
2023	341.0	9,917,927	29,085	-3.16%	37.0	9.216	340.21	314.29	5.98%	92.38%
2024	326.0	10,278,272	31,528	8.40%	33.0	9.879	342.80	292.90	0.76%	85.44%

Source: District records, ASSA and Schedules J-12, J-14

Upper Pittsgrove Township School District  
School Building Information,  
Last Ten Fiscal Years

Exhibit J-18

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>District Buildings</b>										
<b>Elementary</b>										
Square Feet	64,828	64,828	64,828	64,828	64,828	64,828	64,828	64,828	64,828	64,828
Capacity (students)	375	375	375	375	375	375	375	375	375	375
Enrollment	367	338	339	327	317	332	327	326	341	326
Number of Schools at June 30, 2024										
Elementary -										
										1

Source: District Records, ASSA

Upper Pittsgrove Township School District  
General Fund  
Schedule of Required Maintenance for School Facilities,  
Last Ten Fiscal Years  
(Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Gross Square Footage	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Upper Pittsgrove Township School		48,103	55,093	61,837	58,524	46,823	42,248	60,754	175,719	136,866	128,000

Source: District Records

**Upper Pittsgrove Township School District**  
**Insurance Schedule**  
**For the Year Ended June 30, 2024**  
*(Unaudited)*

**Exhibit J-20**

Company	Type of Coverage	Amount of Coverage	Deductible
New Jersey School Board Association Insurance Group	School Package Policy:		
	Property - Blanket Buildings & Contents	\$ 19,369,092.00	\$ 5,000.00
	Electronic Data Processing Equipment:		
	Hardware/Software and	520,000.00	1,000.00
	Computer Virus	250,000.00	
	Commerical General Liability		
	Products Completed Operations	6,000,000.00	
	Personal & Advertising Injury Limit	6,000,000.00	
	Bodily Injury & Property Damage	6,000,000.00	
	Sexual Abuse	6,000,000.00	
	Sexual Abuse - Annual Aggregate	17,000,000.00	
	Employee Benefits Liability	6,000,000.00	1,000.00
	Premise Medical Payments	10,000.00	
		5,000.00	per person limit
	Crime Coverage:		
	Public Employee Dishonesty	100,000.00	1,000.00
	Business Automobile/General Liability		
	Combined Single Limit	6,000,000.00	
	Board of Education Legal Liability		
	Aggregate for each Annual Policy	6,000,000.00	
	Insured Retained Limit (each loss)	5,000.00	
Selective Insurance Company	Workers' Compensation		
	Bodily Injury - Each Accident/Disease	3,000,000.00	
	Bodily Injury - Each Employee	3,000,000.00	
	Maximum Coverage	3,000,000.00	
	Ironshore Specialty Insurance		
	Pollution Legal Liability Coverage		
	Each Pollution Event	100,000.00	50,000.00
	Shared Program Limit	11,000,000.00	
	United States Fire Insurance Company		
	Catastrophic Student Accident	5,000,000.00	25,000.00
	Accidental Medical Expense	500,000.00	
	Catastrophic Cash Benefit	1,000,000.00	
	Individual Bonds:		
	School Business Administrator		
	Katherine Van Tassel	35,000.00	
	Treasurer of School Monies		
	Kelly Richter	172,000.00	

Source: District Records

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## **SINGLE AUDIT SECTION**

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K-1

**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based  
on an Audit of Financial Statements Performed in Accordance with *Government Auditing  
Standards***

Honorable President and  
Members of the Board of Education  
Township of Upper Pittsgrove School District  
County of Salem  
State of New Jersey

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

**Report on Internal Control over Financial Reporting**

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

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

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

deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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

### **Purpose of this Report**

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

*Ford, Scott & Associates, L.L.C.*

Ford, Scott & Associates, LLC.  
Certified Public Accountants

*Michael S. Garcia*

Michael S. Garcia  
Certified Public Accountant  
Licensed Public School Accountant  
No. 2080

**November 22, 2024**



K-2

**Report on Compliance with for Each Major State Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance required by *Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards (Uniform Guidance)*, and New Jersey OMB's Circular 15-08**

Honorable President and  
Members of the Board of Education  
Upper Pittsgrove Township School District  
County of Salem, New Jersey

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

**Opinion on Each Major Federal & State Program**

We have audited the Upper Pittsgrove Township School District'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 Upper Pittsgrove Township School District's major federal and state programs for the year ended June 30, 2024. The Upper Pittsgrove Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

**Basis for Opinion on Each Major Federal & State Program**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, 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 Upper Pittsgrove Township School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Upper Pittsgrove Township School District'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 Federal and State programs.

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Upper Pittsgrove Township School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance 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 Upper Pittsgrove Township School District's compliance with the requirements of each major federal or 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 City of Ocean City School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Upper Pittsgrove Township School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of City of Ocean City School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

## **Other Matters**

The results of our auditing procedures disclosed 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 federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over

compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance 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.

*Ford, Scott & Associates, L.L.C.*

Ford, Scott & Associates, LLC.  
Certified Public Accountants

*Michael S. Garcia*

Michael S. Garcia  
Certified Public Accountant  
Licensed Public School Accountant  
No. 2080

**November 22, 2024**

UPPER PITTSBORO SCHOOL DISTRICT  
Schedule of Expenditures of Federal Awards  
for the Fiscal Year ended June 30, 2024

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2023		Carryover	Cash Received	Budgetary Expenditures		Balance at June 30, 2024	
						Accounts Receivable	Unearned Revenue			Source Pass Through	Total	Adjustments	Unearned Revenue
U.S. Department of Agriculture													
Passed-through State Department of Agriculture:													
Enterprise Fund:													
Food Distribution Program	10.555	20241NJ304N1099	N/A	7/1/23 - 6/30/24	\$ 11,656	\$	\$	\$	11,656	\$ (11,656)	\$	-	\$
School Breakfast Program	10.553	20241NJ304N1099	N/A	7/1/23 - 6/30/24	11,558				10,955	(11,558)			(603)
School Breakfast Program	10.553	20241NJ304N1099	N/A	7/1/22 - 6/30/23	10,757	(652)			652		-		
National School Lunch Program	10.555	20241NJ304N1099	N/A	7/1/23 - 6/30/24	35,171				33,298	(35,171)			(1,873)
National School Lunch Program	10.555	20241NJ304N1099	N/A	7/1/22 - 6/30/23	35,682	(2,163)			2,163		-		
COVID-19 - Supply Chain	10.555	20231NJ304N1099	N/A	7/1/22 - 6/30/23	12,564				12,564	(12,564)			
Total Child Nutrition Cluster						(2,815)	-	-	71,288	(70,949)			(2,476)
Local Food for Schools	10.185	20241NJ304N1099	N/A	7/1/23 - 6/30/24	73				73	(73)			
P-EBT Administrative	10.649	2022225900941	N/A	7/1/23 - 6/30/24	653		-	-	653	(653)			
						(2,815)	-	-	72,014	(71,675)			(2,476)
Total Enterprise Fund													
U.S. Department of Education													
Passed-through State Department of Education:													
Special Revenue Fund:													
Title I, Part A	84.010A	S010A220030	ESE A532024	7/1/23 - 9/30/24	83,620				9,867	(57,775)			(47,908)
Title I, Part A	84.010A	S010A220030	ESE A532023	7/1/22 - 9/30/23	96,472	(18,236)			18,236		-		
Total Title I						(18,236)			28,103	(57,775)			(47,908)
Title II	84.367A	S367A230029	ESE A532024	7/1/23 - 9/30/24	8,461	(4,806)			8,461	(8,461)			-
Title II	84.367A	S367A220029	ESE A532023	7/1/22 - 9/30/23	16,018				4,806		-		
Total Title II						(4,806)	-	-	13,267	(8,461)			-
Title IV	84.424A	S365A220030	ESE A532023	7/1/23 - 9/30/24	10,000	(988)			988	(4,258)			(4,258)
Title IV	84.424A	S365A220030	ESE A532023	7/1/22 - 9/30/23	10,000	(988)	-	-	988	(4,258)			(4,258)
Total Title IV						(988)	-	-	988	(4,258)			(4,258)
Special Education Cluster													
IDEA Part B - Basic	84.027A	H027A230100	IDEA532024	7/1/23 - 9/30/24	107,106				28,397	(107,106)			(78,709)
IDEA Part B - Basic	84.027A	H027A220100	IDEA532023	7/1/22 - 9/30/23	99,552	(8,183)			8,183				
ID.E.A. Part B - Preschool	84.173A	H173A220114	IDEA532024	7/1/23 - 9/30/24	7,979	(1,134)			4,992	(7,979)			(2,987)
ARP - IDEA Preschool	84.173X	H173X210114	IDEA532022	7/1/21 - 9/30/22	1,134				1,134				
Total Special Education Cluster						(9,317)			42,706	(115,085)			(81,696)
Rural Education Achievement Program	84.358A	S358A232623		7/1/23 - 9/30/24	26,565					(22,090)			(22,090)
Rural Education Achievement Program	84.358A	S358A222750		7/1/22 - 9/30/23	19,472					(19,472)			(19,472)
Total REAP						-	-	-	-	(41,562)			(41,562)
Cares Act Education Stabilization Fund													
CARES - Emergency Relief	84.425D	S425D200227	N/A	3/13/20 - 9/30/22	64,163	(33,250)					33,250		-
COVID - High Impact tutoring	84.425V	E240A0404	N/A	10/1/23 - 6/31/24	28,000					(27,000)			(27,000)
CRSA - ESSER I	84.425D	S425D210027	N/A	3/13/20 - 9/30/23	257,122	(400)			32,582	(32,582)	400		-
CRSA - Learning Acceleration	84.425D	S425D210027	N/A	3/13/20 - 9/30/23	25,000	(5,638)			5,638		-		-
CRSA - Mental Health	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	577,865								
ARP - ESSER	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	50,000	(3,495)				(68,410)	(400)		(72,305)
ARP - Accelerated Learning (Instruction)	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	40,000	(12,138)				(35,762)			(47,900)
ARP - Evidence Based Summer Learning	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	40,000					(10,211)			(10,211)
ARP - Beyond the School Day (After-school)	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	40,000					(40,000)			(40,000)
ARP - NUTSS Mental Health	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	45,000					(33,020)			(33,020)
Total CARES Cluster						(54,921)	-	-	38,220	(246,985)	33,250		(230,436)
Total Special Revenue Fund						(86,268)	-	-	123,284	(474,126)	33,250		(405,660)
Total Federal Financial Assistance						(91,083)	-	-	195,298	(545,801)	33,250		(408,336)



**UPPER PITTSBORO SCHOOL DISTRICT**  
**Schedule of Expenditures of State Financial Assistance**  
**for the Fiscal Year ended June 30, 2024**

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2023		Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments / Repayment of Prior Years' Balances	Balance at June 30, 2024		MEMO	
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor					(Accounts Receivable)	Deferred Revenue/	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education</b>														
General Fund:														
State Aid Public Cluster:														
Special Education Aid	24-495-034-5120-089	300,139	7/1/2023	6/30/2024	\$ -	\$ -	\$ -	\$ 300,139	\$ (300,139)	\$ -	\$ -	\$ -	\$ 28,925	\$ 300,139
School Choice Aid	24-495-034-5120-088	229,779	7/1/2023	6/30/2024				229,779	(229,779)				22,145	229,779
Security Aid	24-495-034-5120-084	55,469	7/1/2023	6/30/2024				55,469	(55,469)				5,346	55,469
Equalization Aid	24-495-034-5120-078	1,767,120	7/1/2023	6/30/2024				1,767,120	(1,767,120)				170,303	1,767,120
Total State Aid Public Cluster								2,352,507	(2,352,507)				226,719	2,352,507
Transportation Aid	24-495-034-5120-014	271,073	7/1/2023	6/30/2024				271,073	(271,073)				26,124	271,073
Non-public Transportation Aid	24-495-034-5120-014	12,540	7/1/2023	6/30/2024					(12,540)				8,112	12,540
Non-public Transportation Aid	23-495-034-5120-014	8,112	7/1/2022	6/30/2023	(8,112)			8,112	(8,112)				97,194	8,112
Extraordinary Aid	24-100-034-5120-044	97,194	7/1/2023	6/30/2024					(97,194)				124,167	97,194
Extraordinary Aid	23-100-034-5120-044	124,167	7/1/2022	6/30/2023	(124,167)			124,167	(1,083,299)				1,083,299	124,167
On-Behalf TPAF Pension	24-495-034-5094-002	1,083,299	7/1/2023	6/30/2024				1,083,299	(294,835)				294,835	1,083,299
On-Behalf TPAF Post-Retirement	24-495-034-5094-001	294,835	7/1/2023	6/30/2024				294,835	(369)				369	294,835
On-Behalf TPAF - Non-contributory Insurance	24-495-034-5094-004	369	7/1/2023	6/30/2024				369	(222,134)				222,134	369
Reimbursed TPAF Social Security	24-495-034-5094-003	222,134	7/1/2023	6/30/2024	(21,785)			210,598	(222,134)				222,134	222,134
Reimbursed TPAF Social Security	23-495-034-5094-003	227,415	7/1/2022	6/30/2023				21,785	(4,333,951)				252,843	227,415
Total General Fund					(154,064)	-	-	4,366,745	(4,333,951)				4,683,645	4,683,645
Special Revenue Fund:														
Preschool Education Aid	24-495-034-5120-086	786,500	7/1/2023	6/30/2024				786,500	(800,216)				78,650	800,216
Preschool Education Aid	23-495-034-5120-086	756,504	7/1/2022	6/30/2023	288,776		284,280		(800,216)				571,978	756,504
State of New Jersey Dept of Community Affairs														
Local Recreation Grant	23-495-022-5030	23,344	5/17/2023	12/31/2024				786,500	(23,344)				78,650	23,344
Total Special Revenue Fund					288,776	-	-	786,500	(823,560)				78,650	23,344
<b>State Department of Education</b>														
Debt Service Fund:														
Debt Service Aid	24-100-034-5120-017	70,071	7/1/2023	6/30/2024				70,071	(70,071)				-	70,071
Total Debt Service Fund					-	-	-	70,071	(70,071)				-	70,071
<b>State Department of Agriculture:</b>														
Enterprise Fund:														
State School Lunch Program	24-100-010-3350-023	1,512	7/1/2023	6/30/2024				1,436	(1,512)				-	1,512
State School Lunch Program	23-100-010-3350-023	1,275	7/1/2022	6/30/2023	(96)			96	(121)				1,275	1,275
State School Breakfast Program	24-100-010-3350-023	121	7/1/2023	6/30/2024				117	(4)				67,00	121
State School Breakfast Program	23-100-010-3350-023	67	7/1/2022	6/30/2023	(14)			14	(1,633)				-	67,00
Total Enterprise Fund					(110)	-	-	1,663	(1,633)				-	2,975
Total State Financial Assistance					\$ 134,602	\$ -	\$ -	\$ 5,224,979	\$ (5,229,215)				\$ 331,493	\$ 6,177,294
Less: On-Behalf TPAF Pension	24-495-034-5094-002	1,083,299	7/1/2023	6/30/2024					(1,083,299)					
Less: On-Behalf TPAF Post-Retirement	24-495-034-5094-001	294,835	7/1/2023	6/30/2024					(294,835)					
Less: On-Behalf TPAF LTD	24-495-034-5094-004	369	7/1/2023	6/30/2024					(369)					
Total State Financial Assistance									(1,378,503)					
									(3,850,712)					

Total State Financial Assistance

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

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

**Note 1: General**

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

**Note 2: Basis of Accounting**

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

**Note 3: Relationship to Basic Financial Statements**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$4,716 for the general fund and (\$73,699) for the special revenue fund. See the Notes to the Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

	Federal	State	On-Behalf Contributions	Total
General Fund	\$ -	4,338,667	(1,600,637)	2,738,030
Special Revenue Fund	403,427	820,560		1,223,987
Debt Service Fund		70,071		70,071
Food Service Fund	71,675	1,633		73,308
Total Financial Assistance	\$ 475,102	5,230,931	(1,600,637)	4,105,396

The On-Behalf Pension Contributions made for the District by the State of New Jersey are recognized as revenue in the basic financial statements but are not considered in the major program determination.

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS  
AND FINANCIAL ASSISTANCE  
JUNE 30, 2024  
(CONTINUED)**

**Note 4: Relationship to Federal and State Financial Reports**

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

**Note 5: Other**

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

**Note 6: Adjustments**

Amounts reported in the column entitled "adjustments" are shown in the table below for fiscal year 2023-2024:

	<u>Federal</u>	<u>State</u>
Prior year receivable canceled	\$ 33,520	-
Total Financial Assistance	<u>\$ 33,520</u>	<u>-</u>

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDING JUNE 30, 2024**

**Exhibit K-6**

***Section I – Summary of Auditor's Results***

**Financial Statements**

Type of auditor's report issued:	Unmodified Opinion
Internal control over financial reporting:	
1) Material weakness identified?	No
2) Significant deficiencies identified?	None reported
Noncompliance material to basic financial statements noted?	No

**Federal Awards Not Applicable**

Internal control over major programs:

- 1) Material weakness identified?
- 2) Significant deficiencies identified?

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

Any audit findings disclosed that are required to be reported  
In accordance with section .510(a) of Uniform Guidance?

Identification of major programs:

<b><u>Assistance Listing Number(s)</u></b>	<b><u>FAIN Number(s)</u></b>	<b><u>Name of Federal Program or Cluster</u></b>
--	------------------------------	--

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDING JUNE 30, 2024  
(CONTINUED)**

**Exhibit K-6**

***Section I – Summary of Auditor’s Results (Continued)***

**State Awards**

Dollar threshold used to distinguish between type A and Type B Programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs:	Unmodified Opinion
Internal Control over major programs:	
1) Material weaknesses identified?	No
2) Significant deficiencies identified?	None reported
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08?	No
Identification of major programs:	

**Grant/Project Number(s)**

**Name of State Program**

495-034-5120-086

Preschool Education Aid

***Section II - Financial Statement Findings***

In accordance with Government Auditing Standards, our audit disclosed no findings relating to the financial statements that are required to be reported under this section.

None

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

**FEDERAL AWARDS**

Not applicable.

**STATE AWARDS**

Our audit disclosed no matters to be reported.

**UPPER PITTSBURGH TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDING JUNE 30, 2024  
(CONTINUED)**

**Exhibit K-7**

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

**Financial Statement Findings**

No Prior Year Findings.

**Federal Awards**

Not Applicable.

**State Financial Assistance**

No Prior Year Findings.