

SCHOOL DISTRICT
OF
POINT PLEASANT BEACH
OF OCEAN COUNTY

Point Pleasant Beach School District Board Of Education
Point Pleasant Beach, New Jersey

ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2023

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

Of the

Point Pleasant Beach School District
of Ocean County

Point Pleasant Beach, New Jersey

For the Fiscal Year Ended June 30, 2023

Prepared by

Point Pleasant Beach Board of Education
Finance Department

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INTRODUCTORY SECTION

October 9, 2023

Honorable President and
Members of the Board of Education
Point Pleasant Beach School District
County of Ocean, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Point Pleasant Beach School District for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Point Pleasant Beach Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of 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 District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), and the NJOMB Circular Letter 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: Point Pleasant Beach School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by NCGA Statement No.3. All funds and account groups of the District are included in this report. The Point Pleasant Beach Board of Education and both its schools constitute the District's reporting entity. The Point Pleasant Beach School District provides a comprehensive full range of educational services appropriate to grade levels Pre-School through 12. These include regular, vocational, as well as special education for handicapped youngsters. Additionally, community groups such as recreation, clubs, and athletic leagues regularly use the facilities.



The programs are provided at two locations: Point Pleasant Beach High School on Bay and Trenton Avenues and the G. Harold Antrim Elementary School on Niblick Street. There are 51.5 employees at the high school, 80 at the elementary school and 16.5 in district positions. School enrollment during 2022-2023 was 368 high school, 339 elementary school, which is 13 students below the 2021-2022 student enrollment. The School District receives students from three other communities in the grades indicated: Bay Head (9-12), Lavallette (9-12) and Mantoloking (PK-12). Additionally, some parents in nearby communities pay tuition to send their children to the District schools. During 2022-2023 there were 108 private tuition students. The following details the changes in the student enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>Enrollment</u>	
	<u>Student Enrollment</u>	<u>Percentage Change</u>
2022-2023	707	(1.84%)
2021-2022	720	(3.23%)
2020-2021	744	(.01%)
2019-2020	745	(2.55%)
2018-2019	764	(11.06%)
2017-2018	859	2.9%
2016-2017	835	0.06%
2015-2016	830	(2.12%)
2014-2015	848	(0.47%)
2013-2014	843	(3.21%)

2) ECONOMIC CONDITION AND OUTLOOK: Point Pleasant Beach is a shore community; tourism and fishing are the biggest industries. The larger state and national economic picture as well as weather, ocean conditions, etc. influence these industries. In recent years the town has been having good summers. The Point Pleasant Beach area has reached a point at which there is very limited land to be built on. With there being limited land available for future housing developments there is a constraint on population growth. In a 1999 Long-Range Enrollment and Facility Use Study it was predicted that the population of Point Pleasant Beach area would remain at or near the current figures. The inability for any significant growth will result in a stable tax base in the years to come. The ratable were \$2,048,679,200 in 2022-2023.

3) MAJOR INITIATIVES: Students from Point Pleasant Beach generally continue to score at or above state averages and cutoffs on all measures (NJGPA, NJSLA, SAT, PSAT). Point Pleasant Beach High School has been recognized by College Board for having largest percentage in New Jersey of a student body participating in the Advanced Placement program. High School SAT scores averaged 554 English Reading Writing and 537 Mathematics. 93% of the Class of 2023 went to college, 0% to vocational training, 0% to the military, and 7% to work/unknown. Students from our school attend the Ocean County Vocational Technical High School for Vocational Training. The District is a member of the Monmouth-Ocean Educational Services Commission, the New Jersey State Inter Scholastic Athletic Association, The Shore Conference of High Schools and the New Jersey School Boards Association. It is accredited by the Middle States Association of College and Schools and certified by the State of New Jersey.

The School District has focused on physical plant needs and academic technology in recent years. Multi-year plans have been developed for both schools and there has been a sizable financial commitment as well. The voters of Point Pleasant Beach have approved the financing of numerous renovation projects to the G. Harold Antrim Elementary School and Point Pleasant Beach High School. The Point Pleasant Beach Board of Education is proposing a referendum to complete additional construction and renovation projects including boiler replacements, security upgrades, a field house, turf field and exterior building repairs.

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

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the State of New Jersey. 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 project fund, as needed. 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 purchase encumbrances at year-end are either canceled or are included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2023.

6) ACCOUNTING SYSTEMS AND REPORTS: The District's accounting records reflect generally accepted accounting principles (GAAP), as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.

7) FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. Readers should refer to the Management's Discussion and Analysis for a summary of the financial statements in relation to the prior year.

8) DEBT ADMINISTRATION: The newer bonds for \$9,900,000 were issued in July 2016 to fund the voter approved school renovations. The proceeds of this issue were used to provide funds for capital improvements to the District' buildings and grounds. The monies from the 2016 Referendum Bonds were used to fund the costs of such expenses as the work done at the G. Harold Antrim Elementary School and the Point Pleasant Beach High School. The projects consisted of parking lot expansion and paving, sidewalk repair/replacement, fencing, masonry restoration, roofing, as well as repairs and replacement of various HVAC systems throughout the district.

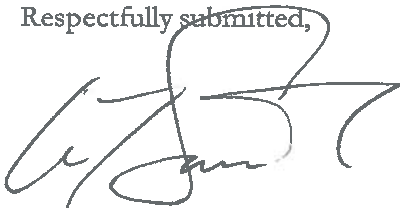
9) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the 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. The law requires governmental units to deposit funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

10) RISK MANAGEMENT: The Board carries various forms of insurance include but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

11) OTHER INFORMATION: Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accounts. The accounting firm of Jump, Perry and Company, LLP, 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 State Treasury Circular Letter 15-08. The auditor's report in the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

12) ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Point Pleasant Beach 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 fiscal operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of the Point Pleasant Beach Superintendent's Office and Business Office staff.

Respectfully submitted,



William T. Smith, Ed.D.
Superintendent of Schools

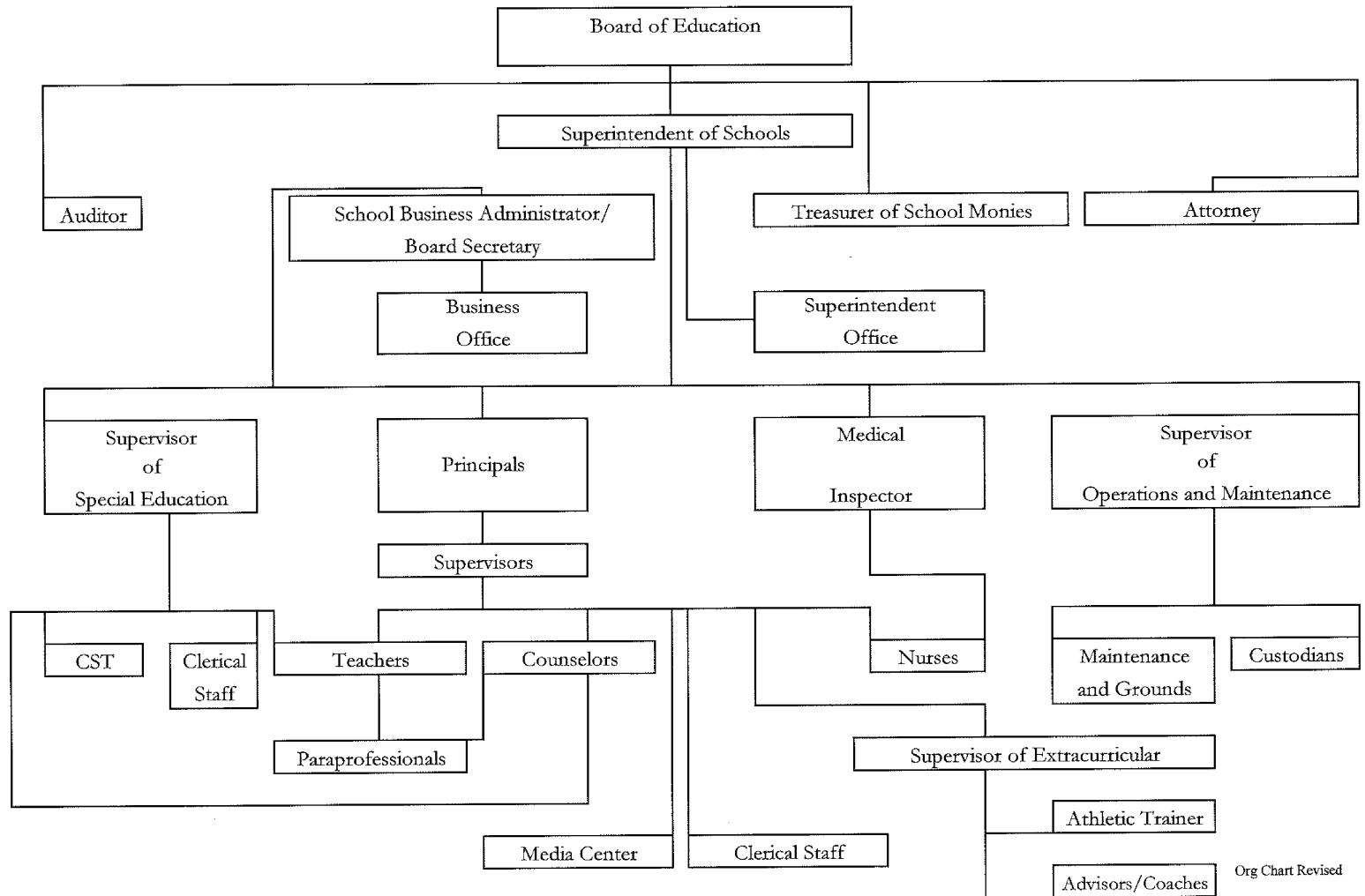


Brian F. Savage, Ed.D.
School Business Administrator/
Board Secretary

Point Pleasant Beach Board of Education

Organizational Chart

(Unit Control)



Org Chart Revised

Point Pleasant Beach School District
Point Pleasant Beach, New Jersey

Roster of Officials
June 30, 2023

Members of the Board of Education

Term Expires

Sherry Finn, President	2025
James Ireland, Vice President	2024
Dr. Christine Grier	2025
Elizabeth Boyle	2024
Christopher Mullins	2023
Steve Shohfi, Lavallette Representative	2023

Other Officials

Dr. William T. Smith, Superintendent of Schools
Dr. Brian F. Savage, School Business Administrator/Board Secretary
Christine Riehl, Treasurer
Robert Muccilli, Attorney, Capehart Scatchard

Point Pleasant Beach School District
Consultants and Advisors

Architect

The Spiezle Architectural Group
120 Sanhican Drive
Trenton, New Jersey 08618

Audit Firm

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

Attorney

Capehart & Scatchard, P.A.
8000 Midlantic Drive, Suite 300S
Mt. Laurel, NJ 08054

Point Pleasant Beach School District
Official Depository

Ocean First Bank

Hooper Avenue
Toms River, NJ 08754

NJ Cash Management

2 Montgomery Street
Jersey City, NJ 07302

NJARM

224 Strawbridge Drive
Suite 104
Moorestown, NJ 08057

Bank of America

Arnold Avenue
Point Pleasant Beach, NJ 08742

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Point Pleasant Beach in the County of Ocean, State of New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above, present fairly in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Point Pleasant Beach in the County of Ocean, State of New Jersey as of June 30, 2023 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2023 on our consideration of Point Pleasant Beach's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Point Pleasant Beach internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Point Pleasant Beach's internal control over financial reporting and compliance.

Respectfully Submitted,

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


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

Toms River, NJ
October 9, 2023

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Point Pleasant Beach School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
Unaudited

The discussion and analysis of Point Pleasant Beach School District's financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School Board's financial performance.

Financial Highlights

Key financial highlights for June 30, 2023 are as follows:

Net position totaled \$26,529,731, which represents a 9.39 percent increase from June 30, 2022.

General revenues accounted for \$15,376,624 in revenue or 71.84 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$6,027,242 or 28.16 percent of total revenues of \$21,403,866.

Total assets increased by \$1,440,948 as current assets increased by \$1,255,473 and capital assets, net decreased by \$(185,475).

The School Board had \$19,126,753 in expenses; only \$6,027,242 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$15,376,624 were adequate to provide for these programs.

Among major funds, the General Fund had \$18,324,409 in revenues and \$17,188,522 in expenditures and transfers. The General Fund's balance increased \$1,135,887 over June 30, 2022. The General Fund's balance is \$5,907,282.

Using this Annual Comprehensive Financial Report (ACFR)

The annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Point Pleasant Beach 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 School Board, presenting both an aggregate view of the School Board's finances and longer-term view of those finances. Fund financial statements provide the next level of detail. For government funds, these statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements also look at the School Board's most significant funds with all other non-major funds presented in total in one column. In the case of Point Pleasant Beach School District, the General Fund is by far the most significant.

Reporting the School Board as a Whole

Statement of Net Position and the Statement of Activities

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

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

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

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

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

Reporting the School Board's Most Significant Funds

Fund Financial Statement

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

Governmental Funds

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

Enterprise Fund

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

The School Board as a Whole

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

Table 1 provides a summary comparison of the School Board's net position for June 30, 2023 and 2022.

Table 1

Net Position as of June 30, 2023 and June 30, 2022

	June 30, 2023			June 30, 2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current and other assets	\$ 7,156,413	\$ 931,481	\$ 8,087,894	\$ 5,965,470	\$ 866,951	\$ 6,832,421
Capital assets, net	31,099,954	226,555	31,326,509	30,833,580	307,454	31,141,034
Total assets	38,256,367	1,158,036	39,414,403	36,799,050	1,174,405	37,973,455
Deferred outflow of resources	396,752	-	396,752	367,525	-	367,525
Liabilities:						
Current liabilities	726,552	632,398	1,358,950	681,019	430,516	1,111,535
Long-term liabilities outstanding	11,031,669	-	11,031,669	11,215,383	104,698	11,320,081
Total liabilities	11,758,221	632,398	12,390,619	11,896,402	535,214	12,431,616
Deferred inflow of resources	890,805	-	890,805	1,656,746	-	1,656,746
Net position:						
Net investment in capital assets	23,174,954	226,555	23,401,509	22,483,580	202,756	22,686,336
Restricted	5,650,865	-	5,650,865	4,493,683	-	4,493,683
Unrestricted	(2,821,726)	299,083	(2,522,643)	(3,363,836)	436,435	(2,927,401)
Total Net Position	\$ 26,004,093	\$ 525,638	\$ 26,529,731	\$ 23,613,427	\$ 639,191	\$ 24,252,618

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

The School Board's combined net position was \$26,529,731 on June 30, 2023. This is a change of 9.39% from the previous year.

Table 2 provides a comparison analysis of School Board's changes in net position from fiscal years June 30, 2023 and 2022.

Table 2

Changes in Net Position

	June 30, 2023			June 30, 2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues						
Program revenues:						
Charges for services	\$ 2,856,004	\$ 175,356	\$ 3,031,360	\$ 2,413,297	\$ 359,792	\$ 2,773,089
Operating and capital grants and contributions	2,883,486	112,396	2,995,882	1,735,358	387,135	2,122,493
General revenues:						
Property taxes	14,273,445	-	14,273,445	14,082,609	-	14,082,609
Federal and state aid	948,257	-	948,257	1,015,745	-	1,015,745
Investment earnings	74,239	8,357	82,596	9,037	921	9,958
Miscellaneous	72,326	-	72,326	322,739	-	322,739
Total revenues	21,107,757	296,109	21,403,866	19,578,785	747,848	20,326,633
Expenses						
Instructional services	8,106,386	-	8,106,386	7,765,573	-	7,765,573
Support services	10,425,428	409,662	10,835,090	10,070,196	499,604	10,569,800
Interest on long-term liabilities	185,277	-	185,277	193,765	-	193,765
Total expenses	18,717,091	409,662	19,126,753	18,029,534	499,604	18,529,138
Change in net position	2,390,666	(113,553)	2,277,113	1,549,251	248,244	1,797,495
Transfers	-	-	-	-	-	-
Change in net position after transfers	2,390,666	(113,553)	2,277,113	1,549,251	248,244	1,797,495
Net position - beginning	23,613,427	639,191	24,252,618	22,064,176	390,947	22,455,123
Net position (deficit) - ending	\$ 26,004,093	\$ 525,638	\$ 26,529,731	\$ 23,613,427	\$ 639,191	\$ 24,252,618

The tax levy increase was due in general to cover increased costs in salaries and benefits, utilities and the debt service. The Federal and State aid-restricted decreased due to the decrease in grants available due to Covid-19.

Regular instructional costs increased due to contractual increases in salary and benefits as well as program maintenance, support services and enhancements.

Other support services increased primarily due to the an increase in other purchased professional services from the Special Revenue Fund.

Expenses for Fiscal Year June 30, 2023

Business-Type Activities

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

Total Enterprise Fund expenses exceeded revenues by \$113,553. This was mostly due an additional purchases using EBS Technology funds as well as decrease federal funding in food service.

Charges for services represent \$175,356 of revenue. This represents the amount paid by royalties.

Federal and state reimbursements for meals, payments for free and reduced lunches and donated commodities was \$112,396.

Governmental Activities

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

Table 3

Governmental Activities

	2023		2022	
	Total Cost of <u>Services</u>	Net Cost of <u>Services</u>	Total Cost of <u>Services</u>	Net Cost of <u>Services</u>
Instruction	\$ 8,106,386	\$ 5,085,583	\$ 7,765,573	\$ 5,240,114
Support Services:				
Pupils and Instructional Staff	4,231,606	1,512,919	4,293,594	2,670,398
General Administration, School Administration, Business Operation and Maintenance of Facilities	5,614,623	5,614,623	5,083,834	5,083,834
Pupil Transportation	579,199	579,199	692,768	692,768
Interest and Fiscal Charges	<u>185,277</u>	<u>185,277</u>	<u>193,765</u>	<u>193,765</u>
Total Expenses	<u>\$ 18,717,091</u>	<u>\$ 12,977,601</u>	<u>\$ 18,029,534</u>	<u>\$ 13,880,879</u>

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

Extracurricular activities includes expenses related to student activities provided by the District which are designed to provide opportunities for students to participate in school and public events for the purpose of motivation, enjoyment, skill improvement, school spirit and leadership. Approximately 90% of the High School student population participates in extracurricular activities.

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

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

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

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

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

The School Board's Funds

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

As the School Board completed the fiscal year ended June 30, 2023, it reported a combined fund balance of \$6,514,617, which is an increase of \$1,141,514. The Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds, Exhibit B-2, presents the reader with a detailed explanation of the increase in fund balance for the fiscal year.

The following schedule presents a summary of General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund revenues for the fiscal year ended June 30, 2023.

<u>Revenue</u>	<u>2023 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2022</u>	<u>Percent of Increase/ (Decrease)</u>
Local Sources	\$ 17,276,014	81.85 %	\$ 448,332	2.66 %
State Sources	2,298,663	10.89	(10,601)	(0.46)
Federal Sources	<u>1,533,080</u>	<u>7.26</u>	<u>1,091,241</u>	<u>246.98</u>
Total	<u>\$ 21,107,757</u>	<u>100.00 %</u>	<u>\$ 1,528,972</u>	<u>7.81 %</u>

The following schedule presents a summary of General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2023.

<u>Expenditures</u>	<u>2023 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2022</u>	<u>Percent of Increase/ (Decrease)</u>
Current Expenditures:				
Instruction	\$ 8,106,386	40.60 %	\$ 340,813	4.39 %
Undistributed				
Expenditures	10,399,509	52.09	152,641	1.49
Capital Outlay	846,175	4.24	711,853	529.96
Debt Service:				
Principal	425,000	2.13	15,000	3.66
Interest	<u>189,173</u>	<u>0.95</u>	<u>(8,350)</u>	<u>(4.23)</u>
Total	<u>\$ 19,966,243</u>	<u>100.01 %</u>	<u>\$ 1,211,957</u>	<u>6.46 %</u>

General Fund Budgeting Highlights

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

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

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

The General Fund finished the fiscal year approximately \$1,304,833 less than had been budgeted in terms of expenditures. Revenue-wise, the General Fund fared about \$414,776 better than expected. Both these amounts have been adjusted for the non-budgeted amounts reflected in the comparison schedule for reimbursed TPAF social security contributions and on-behalf TPAF post-retirement medical contributions.

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

Excess Surplus - Designated for Subsequent Year	
Expenditures	\$ 675,985
Capital Reserve	2,543,378
Maintenance Reserve	815,471
Unemployment Compensation	46,600
Tuition Reserve	150,000
Excess Surplus - Current Year	812,096

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

The expenditures were less due to cost containment by the Board even after the salary and benefit increases. General supplies were purchased at better prices than expected due to the school board joining other schools in cooperative bidding. The district also joined a co-op for energy consumption, which was done after the budget was struck. Through efforts made in finding jointures with other local districts, and increase students on district owned vehicles the district transportation costs were lowered for special needs students.

The revenue situation arose primarily because of tuition received from out of district students.

The excesses will be carried forward into the beginning fund balance from the 2022-2023 fiscal year and will be used to reduce the local tax levy for the 2024-2025 fiscal year.

Capital Assets and Debt Administration

Capital Assets. At the end of the fiscal year June 30, 2023, the School Board had \$31,326,509 invested in land, buildings, and machinery and equipment.

Table 4

Capital Assets (Net of Depreciation) at June 30, 2023 and June 30, 2022

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 10,518,100	\$ 10,518,100	\$ -	\$ -	\$ 10,518,100	\$ 10,518,100
Building and Improvements	20,496,179	20,167,532	-	-	20,496,179	20,167,532
Machinery and Equipment	85,675	147,948	226,555	307,454	312,230	455,402
Total	\$ 31,099,954	\$ 30,833,580	\$ 226,555	\$ 307,454	\$ 31,326,509	\$ 31,141,034

During the current fiscal year, \$802,681 of capital assets were capitalized as additions. Increases in capital assets were offset by depreciation expense for the year.

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

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Bonds Payable (net)	\$ 7,925,000	\$ 8,350,000
Finance Purchases Agreements Payable	-	104,698
Pension Liability-PERS	2,606,604	2,346,831
Compensated Absences payable	<u>500,065</u>	<u>518,552</u>
Total long-term liabilities	<u>\$ 11,031,669</u>	<u>\$ 11,320,081</u>

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

Economic Factors and Next Year's Budget

For the 2022-2023 school year, the School Board was able to sustain its budget through the local tax levy, state education aid and local revenue sources. Approximately 18.15% of the School Board's revenue is from federal, state and local aid (restricted and not restricted), while 81.85% of total revenue is from local sources.

The \$(2,821,726) in unrestricted net position for all governmental activities represents the accumulated results of all past years' operations. It means that if the School Board had to pay off all bills today, including all of the School Board's non-capital liabilities (compensated absences, etc.), the School Board would have that much in value.

The 2022-2023 budget was adopted in March 2022 based in part on the state education aid the School Board anticipated receiving. Any future increases based on the enrollment formula, originally formulated to allocate state education aid amongst school boards, will be minimal. Future decreases in local revenue and state education aid will place additional burden on Point Pleasant Beach for increased aid.

The School Board anticipates a slight increase in enrollment for the 2023-2024 fiscal year. If the School Board were to experience a significant increase in enrollment with no appreciable increase in state aid for future budgets, the School Board will be faced with the following alternatives: (a) reduce programs and services, (b) increase local tax levy or (c) seek alternative sources of funding.

Contacting the School Board's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or need additional information, you may contact the School Business Administrator/Board Secretary at Point Pleasant Beach School District, 299 Cooks Lane, Point Pleasant Beach, NJ, 08742.

BASIC FINANCIAL STATEMENTS

POINT PLEASANT BEACH SCHOOL DISTRICT
Statement of Net Position
June 30, 2023

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 6,081,840	\$ 900,983	\$ 6,982,823
Receivables - state	127,153	164	127,317
Receivables - federal government	306,891	4,898	311,789
Receivables-other	15,901	-	15,901
Interfund receivables	624,628	18,919	643,547
Inventory	-	6,517	6,517
Capital assets, non-depreciable	10,518,100	-	10,518,100
Capital assets, depreciable, net	20,581,854	226,555	20,808,409
Total assets	<u>38,256,367</u>	<u>1,158,036</u>	<u>39,414,403</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - PERS	396,752	-	396,752
Total deferred outflows of resources	<u>396,752</u>	<u>-</u>	<u>396,752</u>
LIABILITIES			
Accounts payable	-	7,770	7,770
Other current liabilities	691,732	-	691,732
Interfund payable	18,919	624,628	643,547
Payable to state government	15,901	-	15,901
Noncurrent liabilities:			
Due within one year	491,833	-	491,833
Due beyond one year	10,539,836	-	10,539,836
Total liabilities	<u>11,758,221</u>	<u>632,398</u>	<u>12,390,619</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - PERS	890,805	-	890,805
Total deferred inflows of resources	<u>890,805</u>	<u>-</u>	<u>890,805</u>
NET POSITION			
Net Investment in capital assets	23,174,954	226,555	23,401,509
Restricted for:			
Capital projects	2,913,080	-	2,913,080
Other purposes	2,737,785	-	2,737,785
Unassigned	(2,821,726)	299,083	(2,522,643)
Total net position	<u>\$ 26,004,093</u>	<u>\$ 525,638</u>	<u>\$ 26,529,731</u>

POINT PLEASANT BEACH SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:							
Current:							
Regular instruction	\$ 5,535,573	\$ 2,329,596	\$ 691,207	\$ -	\$ (2,514,770)	\$ -	\$ (2,514,770)
Special schools instruction	1,644,025	-	-	-	(1,644,025)	-	(1,644,025)
Other special instruction	926,788	-	-	-	(926,788)	-	(926,788)
Support services and undistributed costs:							
Instruction	440,268	-	-	-	(440,268)	-	(440,268)
Attendance	287,960	-	-	-	(287,960)	-	(287,960)
Health services	426,653	-	-	-	(426,653)	-	(426,653)
Other support services	1,727,803	526,408	951,560	-	(249,835)	-	(249,835)
Educational media services	108,203	-	-	-	(108,203)	-	(108,203)
General administrative services	425,435	-	-	-	(425,435)	-	(425,435)
School administrative services	449,444	-	-	-	(449,444)	-	(449,444)
Information technology	286,375	-	-	-	(286,375)	-	(286,375)
Allowed maintenance for school facilities	140,386	-	-	-	(140,386)	-	(140,386)
Other operation & maintenance of plant	2,056,594	-	-	-	(2,056,594)	-	(2,056,594)
Student transportation services	579,199	-	-	-	(579,199)	-	(579,199)
Unallocated employee benefits	2,266,389	-	-	-	(2,266,389)	-	(2,266,389)
Non-budgeted expenses	1,240,719	-	1,240,719	-	-	-	-
Interest on long-term debt	185,277	-	-	-	(185,277)	-	(185,277)
Total governmental activities	<u>18,717,091</u>	<u>2,856,004</u>	<u>2,883,486</u>	<u>-</u>	<u>(12,977,601)</u>	<u>-</u>	<u>(12,977,601)</u>
Business-type activities:							
Food Service program	231,579	53,915	112,396	-	-	(65,268)	(65,268)
EBS Technology Program	178,083	121,441	-	-	-	(56,642)	(56,642)
Total business-type activities	<u>409,662</u>	<u>175,356</u>	<u>112,396</u>	<u>-</u>	<u>-</u>	<u>(121,910)</u>	<u>(121,910)</u>
Total primary government	<u>\$ 19,126,753</u>	<u>\$ 3,031,360</u>	<u>\$ 2,995,882</u>	<u>\$ -</u>	<u>\$ (12,977,601)</u>	<u>\$ (121,910)</u>	<u>\$ (13,099,511)</u>
General revenues:							
Taxes:							
Property taxes levied for general purpose					\$ 13,865,549	-	\$ 13,865,549
Taxes levied for debt service					407,896	-	407,896
Federal and state aid not restricted					741,980	-	741,980
Federal and state aid restricted					206,277	-	206,277
Miscellaneous income					72,326	-	72,326
Miscellaneous restricted income					612	-	612
Investment earnings					73,627	8,357	81,984
Total general revenues					<u>15,368,267</u>	<u>8,357</u>	<u>15,376,624</u>
Change in net position					<u>2,390,666</u>	<u>(113,553)</u>	<u>2,277,113</u>
Net position—beginning					<u>23,613,427</u>	<u>639,191</u>	<u>24,252,618</u>
Net position—ending					<u>\$ 26,004,093</u>	<u>\$ 525,638</u>	<u>\$ 26,529,731</u>

POINT PLEASANT BEACH SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 3,238,018	\$ (69,258)	\$ 369,702	\$ -	\$ 3,538,462
Capital reserve	2,543,378	-	-	-	2,543,378
Due from other funds	624,628	-	-	-	624,628
Receivables from state	127,153	-	-	-	127,153
Receivables from Federal government	-	306,891	-	-	306,891
Other receivables	-	15,901	-	-	15,901
Intergovernmental accounts receivables	-	-	-	-	-
Total assets	<u><u>\$ 6,533,177</u></u>	<u><u>\$ 253,534</u></u>	<u><u>\$ 369,702</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 7,156,413</u></u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages and payroll liabilities	606,976	-	-	-	606,976
Due to other funds	18,919	-	-	-	18,919
Payable to state government	-	15,901	-	-	15,901
Unearned revenue	-	-	-	-	-
Total liabilities	<u><u>625,895</u></u>	<u><u>15,901</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>641,796</u></u>
Fund Balances:					
Restricted for:					
Excess surplus - current year	812,096	-	-	-	812,096
Excess surplus - prior year- designated for Subsequent year's expenditures	675,985	-	-	-	675,985
Capital reserve account	2,543,378	-	-	-	2,543,378
Maintenance reserve account	815,471	-	-	-	815,471
Tuition reserve account	150,000	-	-	-	150,000
Capital projects	-	-	369,702	-	369,702
Unemployment Compensation	46,600	-	-	-	46,600
Student Activities	-	237,633	-	-	237,633
Assigned to:					
Designated by the BOE for subsequent year's expenditures	469,012	-	-	-	469,012
Unassigned:					
General fund	394,740	-	-	-	394,740
Total Fund balances	<u><u>5,907,282</u></u>	<u><u>237,633</u></u>	<u><u>369,702</u></u>	<u><u>-</u></u>	<u><u>\$ 6,514,617</u></u>
Total liabilities and fund balances	<u><u>\$ 6,533,177</u></u>	<u><u>\$ 253,534</u></u>	<u><u>\$ 369,702</u></u>	<u><u>\$ -</u></u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	31,099,954
Deferred outflows related to the PERS pension plan	396,752
Deferred inflows related to the PERS pension plan	(890,805)
Accrued interest payable	(84,756)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds	<u>(11,031,669)</u>
Net position of governmental activities	<u><u>\$ 26,004,093</u></u>

POINT PLEASANT BEACH SCHOOL DISTRICT
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local sources:					
Local tax levy	\$ 13,865,549	\$ -	\$ -	\$ 407,896	\$ 14,273,445
Tuition charges	2,329,596	-	-	-	2,329,596
Interest income	73,627	-	-	-	73,627
Interest income-restricted	612	-	-	-	612
Miscellaneous	72,326	526,408	-	-	598,734
Total - Local sources	16,341,710	526,408	-	407,896	17,276,014
State sources	1,982,699	109,687	-	206,277	2,298,663
Federal sources	-	1,533,080	-	-	1,533,080
Total revenues	18,324,409	2,169,175	-	614,173	21,107,757
EXPENDITURES					
Current:					
Regular instruction	4,844,366	691,207	-	-	5,535,573
Special education instruction	1,644,025	-	-	-	1,644,025
Other special instruction	926,788	-	-	-	926,788
Undistributed - current:					
Instruction	440,268	-	-	-	440,268
Attendance	287,960	-	-	-	287,960
Health services	426,653	-	-	-	426,653
Other support services	1,048,418	679,385	-	-	1,727,803
Educational media services	108,203	-	-	-	108,203
Instruction staff training	-	-	-	-	-
General administrative services	425,435	-	-	-	425,435
School administrative services	449,444	-	-	-	449,444
Information technology	286,375	-	-	-	286,375
Allowed maintenance for school facilities	140,386	-	-	-	140,386
Other operation & maintenance of plant	1,476,793	-	-	-	1,476,793
Student transportation services	579,199	-	-	-	579,199
Business and other support services	-	-	-	-	-
Unallocated employee benefits	2,820,271	-	-	-	2,820,271
Non-budgeted expenditures	1,240,719	-	-	-	1,240,719
Undistributed Food Service	(10,000)	-	-	-	(10,000)
Special schools	-	-	-	-	-
Debt service:					
Principal	-	-	-	425,000	425,000
Interest and other charges	-	-	-	189,173	189,173
Capital outlay	53,219	792,956	-	-	846,175
Total expenditures	17,188,522	2,163,548	-	614,173	19,966,243
Excess of revenues over expenditures	1,135,887	5,627	-	-	1,141,514
Net change in fund balances	1,135,887	5,627	-	-	1,141,514
Fund balance—July 1	4,771,395	232,006	369,702	-	5,373,103
Fund balance—June 30	<u>\$ 5,907,282</u>	<u>\$ 237,633</u>	<u>\$ 369,702</u>	<u>\$ -</u>	<u>\$ 6,514,617</u>

POINT PLEASANT BEACH SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2023

Total net change in fund balances - governmental funds (from B-2) \$ 1,141,514

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

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

Depreciation expense	\$ (536,307)	
Capital outlays	<u>802,681</u>	266,374

In the Statement of Activities, the PERS pension expense is the amount paid plus net change in the Deferred Outflows, Deferred Inflows and pension liability as reported by the State of New Jersey 535,395

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 425,000

In the statement of activities, interest expense is recorded when paid. In the governmental funds, the interest is expensed when due and shown as payable at year end. 3,896

In the statement of activities, certain operating expenses, e.g., compensated absences (sick leave) and special termination benefits (early retirement incentive) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used, essentially, the amounts actually paid. 18,487

Change in net position of governmental activities \$ 2,390,666

POINT PLEASANT BEACH SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-type Activities - Enterprise Fund		
	Food Service	EBS Technology	Total Enterprise
Assets:			
Current assets:			
Cash and cash equivalents	\$ 46,935	\$ 854,048	\$ 900,983
Accounts receivable:			
State	164	-	164
Federal	4,898	-	4,898
Interfunds	18,919	-	18,919
Inventories	<u>6,517</u>	<u>-</u>	<u>6,517</u>
Total current assets	<u>77,433</u>	<u>854,048</u>	<u>931,481</u>
Capital assets:			
Equipment	-	1,402,881	1,402,881
Accumulated depreciation	<u>-</u>	<u>(1,176,326)</u>	<u>(1,176,326)</u>
Total capital assets	<u>-</u>	<u>226,555</u>	<u>226,555</u>
Total assets	<u>\$ 77,433</u>	<u>\$ 1,080,603</u>	<u>\$ 1,158,036</u>
Liabilities and Net Position:			
Liabilities:			
Accounts payable	\$ 7,770	\$ -	\$ 7,770
Interfund payable	-	624,628	624,628
Financed Purchase payable	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>7,770</u>	<u>624,628</u>	<u>632,398</u>
Net position:			
Net investment in capital assets	-	226,555	226,555
Unassigned	<u>69,663</u>	<u>229,420</u>	<u>299,083</u>
Total net position	<u>69,663</u>	<u>455,975</u>	<u>525,638</u>
Total liabilities and net position	<u>\$ 77,433</u>	<u>\$ 1,080,603</u>	<u>\$ 1,158,036</u>

POINT PLEASANT BEACH SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Fund		
	Food Service	EBS Technology	Total Enterprise
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	\$ 53,915	\$ -	\$ 53,915
Daily sales - non-reimbursable programs	-	-	-
EBS Licensing Revenues	-	121,441	121,441
Total operating revenues	<u>53,915</u>	<u>121,441</u>	<u>175,356</u>
Operating expenses:			
Cost of sales - reimbursable programs	68,087	-	68,087
Cost of sales - non-reimbursable programs		-	-
Salaries	155,722	-	155,722
Purchased property service	-	-	-
Other purchased services:	-	95,865	95,865
Interest expense	-	1,319	1,319
Management fees	7,770	-	7,770
Depreciation	-	80,899	80,899
Total operating expenses	<u>231,579</u>	<u>178,083</u>	<u>409,662</u>
Operating income (loss)	<u>(177,664)</u>	<u>(56,642)</u>	<u>(234,306)</u>
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	2,806	-	2,806
Federal sources:			
National school lunch program	77,494	-	77,494
Supply chain assistance funding	18,919		18,919
Summer Food Service Program for Children	-	-	-
Pebt	-	-	-
Food distribution program	13,177	-	13,177
Interest and investment revenue	1,067	7,290	8,357
Total nonoperating revenues (expenses)	<u>\$ 113,463</u>	<u>7,290</u>	<u>120,753</u>
Change in net position	<u>(64,201)</u>	<u>(49,352)</u>	<u>(113,553)</u>
Total net position—beginning	133,864	505,327	639,191
Total net position—ending	<u>\$ 69,663</u>	<u>\$ 455,975</u>	<u>\$ 525,638</u>

POINT PLEASANT BEACH SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds		
	Food Service	EBS Technology	Total Enterprise
Cash Flows from Operating Activities:			
Operating income (loss)	\$ (177,664)	\$ (56,642)	\$ (234,306)
Adjustments to reconcile operating loss to cash (used in) provided by operating activities:			
Depreciation	-	80,899	80,899
Federal commodities	13,177	-	13,177
Change in assets and liabilities:			
Decrease (increase) in interfund receivable	12,786	201,882	214,668
Decrease (increase) in local receivable	-	-	-
Decrease (increase) in inventory	(4,632)	-	(4,632)
Net cash provided by (used in) operating activities	<u>(156,333)</u>	<u>226,139</u>	<u>69,806</u>
Cash Flows from Noncapital Financing Activities:			
Interest	1,067	7,290	8,357
Cash received from state and federal reimbursements	<u>121,872</u>	<u>-</u>	<u>121,872</u>
Net cash provided by (used in) noncapital financing activities	<u>122,939</u>	<u>7,290</u>	<u>130,229</u>
Cash flows from Capital Activities:			
Payments on lease payable	-	(104,698)	(104,698)
Purchase of equipment	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by (used in) capital activities	<u>-</u>	<u>(104,698)</u>	<u>(104,698)</u>
Net increase (decrease) in cash and cash equivalents	(33,394)	128,731	95,337
Cash and cash equivalents, July 1	<u>80,329</u>	<u>725,317</u>	<u>805,646</u>
Cash and cash equivalents, June 30	<u>\$ 46,935</u>	<u>\$ 854,048</u>	<u>\$ 900,983</u>

Point Pleasant Beach School District

Notes to Financial Statements

For the Year Ended June 30, 2023

1. Summary of Significant Accounting Policies

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

A. Reporting Entity

Point Pleasant Beach School District is a Type II district located in the county of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of five members elected to three year terms and one member appointed by the Lavallette Board of Education for a one year term. The purpose of the District is to educate students in grades Pre-K-12. The District has an approximate enrollment at June 30, 2023 of 680 students.

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

B. Basis of Presentation

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

1. **Summary of Significant Accounting Policies (continued)**

B. Basis of Presentation (continued)

The School District has Bond Costs which have been classified as a Deferred Outflow and the Bond Premium has been classified as a Deferred Inflow. The School District has employees that are enrolled in a defined benefit plan operated by the State of New Jersey which creates deferred outflows and inflows as described in Note 11.

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

The Statement of Net Position presents the financial condition of the governmental and business-type activity of the School District at fiscal year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the School District.

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

1. **Summary of Significant Accounting Policies (continued)**

B. Basis of Presentation (continued)

The District reports the following governmental funds:

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

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

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

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

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

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

1. **Summary of Significant Accounting Policies (continued)**

B. Basis of Presentation (continued)

The District reports the following proprietary funds:

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

The District's Enterprise Fund is comprised of the Food Service Fund and EBS Technology Fund.

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

Equipment	5-20 Years
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Additionally, the District reports the following fund type:

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

C. Basis of Accounting

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

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

1. **Summary of Significant Accounting Policies (continued)**

C. Basis of Accounting (cont'd)

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

D. Property Taxes

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

E. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue, and Debt Service Funds. Budgets are prepared using the modified accrual basis of accounting except for the special reserve fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C 6A:23:23-16.2(f).

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

1. **Summary of Significant Accounting Policies (continued)**

E. Budgets/Budgetary Control (cont'd)

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

F. Encumbrances

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

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

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

G. Cash, Cash Equivalents and Investments

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

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:2037 provides a list of permissible investments that may be purchased by New Jersey school districts.

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

1. Summary of Significant Accounting Policies (continued)

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

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

H. Tuition Receivable

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

I. Tuition Payable

Tuition charges for the fiscal years 2022-2023 are based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

J. Inventories and Prepaid Expenses

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

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

K. Short-Term Interfund Receivables/Payables

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

L. Capital Assets:

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

1. Summary of Significant Accounting Policies (continued)

L. Capital Assets: (cont'd)

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

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

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

M. Compensated Absences

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences.

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

1. Summary of Significant Accounting Policies (continued)

N. Unearned Revenue

Unearned revenue in the general and special revenue funds represent cash which has been received but not yet earned.

O. Deferred Outflows/Inflows of Resources

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

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

P. Accrued Liabilities and Long-Term Obligations

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

Q. Net Position

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

1. Summary of Significant Accounting Policies (continued)

R. Fund Balance Reserve

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

1. Nonspendable - includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.
2. Restricted - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed - includes amounts that can be spent only for the specific purposes determined by a formal action of the District's highest level of decision-making authority.
4. Assigned - amounts intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.
5. Unassigned - includes all spendable amounts not contained in the other classifications.

S. Revenues - Exchange and Non-exchange Transactions

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

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

1. **Summary of Significant Accounting Policies (continued)**

S. Revenues - Exchange and Non-exchange Transactions (continued)

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

T. Operating Revenues and Expenses

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

U. Management Estimates

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

V. Accrued Salaries and Wages

Certain District employees, who provide services to the District over the ten-month academic year, have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2023, the amount earned by these employees but not disbursed was \$421,796.

W. Change in Accounting Principles

On June 30, 2023, the District implemented the Governmental Accounting Standards Boards Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). Statement No. 96 is effective for reporting periods beginning after June 15, 2022, and all reporting periods thereafter. These changes were reviewed for the District's June 30, 2023 financial statements and had no effect on the beginning net position of the District. The District did not have any subscriptions that rose to an amount that required disclosure. The District will review new subscriptions annually to determine proper disclosure.

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

1. Summary of Significant Accounting Policies (continued)

X. GASB Pronouncements

Recently Issued Accounting Pronouncements to be implemented in future years

Statement No. 100, *Accounting Changes and Error Corrections - An Amendment GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decision or assessing accountability. Statement No. 100 is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

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

2. Cash, Cash Equivalents and Investments

Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-414 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the ACT, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA., However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2023, the School District's bank balance of \$7,511,547 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	6,704,644
Uninsured and Uncollateralized		<u>806,903</u>
	\$	<u><u>7,511,547</u></u>

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

3. Investments

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

New Jersey Asset and Rebate Management Program ("NJARM"): The Program has been established as a joint investment trust, (the "Trust"), by local governmental units in the State of New Jersey, (the "State"), consistent with the Interlocal Services Act, constituting Chapter 208 of the Pamphlet Laws of 1973 of the State of New Jersey and the acts amendatory thereof and supplemental thereto (N.J.S.A. 40:8A-1 et seq.), (the "Interlocal Services Act"), to make available to counties, municipalities, school districts, authorities, or other political subdivisions of the State, and where applicable, any bond trustee acting on behalf of such local government, a convenient method for investing and accounting for surplus cash and tax exempt debt proceeds. The Program seeks to invest tax-exempt bond and note proceeds in compliance with arbitrage management and rebate requirements of the Internal Revenue Code of 1986, as amended. The Program also provides for record keeping, depository and arbitrage rebate calculation.

New Jersey Cash Management Fund ("NJCMF"): The NJCMF is administered by the New Jersey Department of Treasury. It invests pooled monies from various State and non-State agencies in primarily short-term investments. These investments include: U.S. Treasuries, short-term Commercial Paper, U.S. Agency Bonds, Corporate Bonds, and investment rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty.

New Jersey Cash Management Fund ("NJCMF") (Cont'd):

As of June 30, 2023, the District had \$194,254 on deposit with the New Jersey Asset and Rebate Management Program and \$316,288 with the New Jersey Cash Management Fund.

Custodial Credit Risk: Pursuant to GASB 40, NJARM and NJCMF, which are pooled investments, are exempt from custodial credit risk disclosure.

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

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

4. Capital Reserve Account

A Capital Reserve Account was established by the Point Pleasant Beach School District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The Capital Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the Capital Reserve Account are restricted to Capital Projects in the District's approved Long Range Facilities Plan (LRFP) and updated in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the Department, a District may deposit funds into the capital reserve at any time upon Board resolution through the transfer of undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Pursuant to N.J.A.C 6A:23A-14.1(g), the balance in the account cannot exceed the local support costs of uncompleted Capital Projects in its approved LRFP.

The activity of the Capital Reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Balance July 1, 2022	\$ 1,819,605
Add:	
Interest Earned	33,773
Approved at June 2022 Meeting	<u>690,000</u>
Balance, June 30, 2023	<u>\$ 2,543,378</u>

5. Tuition Reserve Account

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

The activity of the Tuition Reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Balance, July 1, 2022	\$ 150,000
Add:	
Approved at June 2022 Meeting	60,000
Interest Earned	-
Withdrawals	<u>(60,000)</u>
Balance, June 30, 2023	<u>\$ 150,000</u>

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

6. Maintenance Reserve Account

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

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

The balance in the maintenance reserve does not exceed four percent of the replacement cost of the school district's school facilities for the current year at June 30, 2023.

The activity of the Maintenance Reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Balance, July 1, 2022	\$	800,611
Add:		
Interest Earned		14,860
Withdrawals		-
Balance, June 30, 2023	\$	<u>815,471</u>

7. Receivables

Receivables at June 30, 2023, consisted of state aid, accrued interest, interfund, intergovernmental, and other. All Receivables are considered collectible in full. A summary of the principal items of intergovernmental receivable follows:

	Governmental Fund Financial <u>Statements</u>	District-Wide Financial <u>Statements</u>
State Aid	\$ 127,153	\$ 127,317
Federal Aid	306,891	311,789
Interfunds	624,628	643,547
Other	<u>15,901</u>	<u>15,901</u>
Total receivables	1,074,573	1,098,554
Less: Allowance for Uncollectibles	-	-
Total Receivables, Net	<u>\$ 1,074,573</u>	<u>\$ 1,098,554</u>

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

8. Capital Assets

Capital Assets consisted of the following at June 30, 2023:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
GOVERNMENTAL ACTIVITIES:				
Capital Assets Not Being Depreciated:				
Site and Site Improvements	\$10,518,100	\$ -	\$ -	\$10,518,100
Construction in Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Assets Not Being Depreciated	<u>10,518,100</u>	<u>-</u>	<u>-</u>	<u>10,518,100</u>
Building and Building Improvements	27,639,356	802,681	-	28,442,037
Machinery and Equipment	<u>1,868,176</u>	<u>-</u>	<u>-</u>	<u>1,868,176</u>
Totals at Historical Cost	<u>29,507,532</u>	<u>802,681</u>	<u>-</u>	<u>30,310,213</u>
Less Accumulated Depreciation for:				
Building and Building Improvements	(7,471,824)	(474,034)	-	(7,945,858)
Machinery and Equipment	<u>(1,720,228)</u>	<u>(62,273)</u>	<u>-</u>	<u>(1,782,501)</u>
Total Accumulated Depreciation	<u>(9,192,052)</u>	<u>(536,307)</u>	<u>-</u>	<u>(9,728,359)</u>
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>20,315,480</u>	<u>266,374</u>	<u>-</u>	<u>20,581,854</u>
Government Activity Capital Assets, Net	<u>\$30,833,580</u>	<u>\$ 266,374</u>	<u>\$ -</u>	<u>\$31,099,954</u>
BUSINESS-TYPE ACTIVITIES:				
Equipment	\$ 1,402,881	\$ -	\$ -	\$ 1,402,881
Less: Accumulated Depreciation	<u>(1,095,427)</u>	<u>(80,899)</u>	<u>-</u>	<u>(1,176,326)</u>
Business-type Activities Capital Assets, Net	<u>\$ 307,454</u>	<u>\$ (80,899)</u>	<u>\$ -</u>	<u>\$ 226,555</u>

Depreciation expense was charged to governmental functions as follows:

Operations and Maintenance	<u>\$536,307</u>
Total depreciation expense	<u>\$536,307</u>

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

9. Non-current Liabilities

During the fiscal year ended June 30, 2023, the following changes occurred in the Non-current Liabilities:

	<u>Balance</u> <u>6-30-22</u>	<u>Increase/</u> <u>Decrease</u>	<u>Balance</u> <u>6-30-23</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
Bonds payable	\$ 8,350,000	\$ (425,000)	\$ 7,925,000	\$ 440,000
Obligations under financed purchases	104,698	(104,698)	-	-
Compensated absences payable	518,552	(18,487)	500,065	51,833
Pension liability - PERS	<u>2,346,831</u>	<u>259,773</u>	<u>2,606,604</u>	<u>-</u>
	<u>\$ 11,320,081</u>	<u>\$ (288,412)</u>	<u>\$ 11,031,669</u>	<u>\$ 491,833</u>

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

A. Bonds Payable

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

The 2016 bond originally totaling \$9,900,000 was used for high school renovations, roof on the administration building and elementary school renovations.

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

<u>Year ending</u> <u>June 30th:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 440,000	\$ 180,522	\$ 620,522
2025	455,000	171,573	626,573
2026	470,000	162,323	632,323
2027	490,000	152,723	642,723
2028	510,000	142,722	652,722
2029-2033	2,845,000	538,452	3,383,452
2034-2037	<u>2,715,000</u>	<u>152,181</u>	<u>2,867,181</u>
	<u>\$ 7,925,000</u>	<u>\$ 1,500,496</u>	<u>\$ 9,425,496</u>

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

9. Non-current Liabilities (continued)

B. Bonds Authorized but not Issued

The District does not have authorized but not issued bonds at June 30, 2023.

10. Contingent Liabilities

Grant Programs

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

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

11. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was less than the actuarial determined amount.

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

11. Pension Plans (cont'd)

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

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At

June 30, 2023, the School District reported a liability of \$2,606,604 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedure to roll forward the total pension liability from an actuarial valuation as of July 1, 2021 to the measurement date of June 30, 2022. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The School District's proportion measured as of June 30, 2022, was .0172721416%, which was an decrease of .0025381894% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized full accrual pension expense of \$812,096 in the government-wide financial statements consisting of employer contributions of \$(327,416) and non-employer contributions of \$217,818. This pension expense was based on the pension plans June 30, 2022 measurement date. At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 18,813	\$ 16,591
Changes of assumptions	8,076	390,312
Net difference between projected and actual earnings on pension plan investments	107,885	-
Changes in proportion and differences between District contributions and proportionate share of contributions	29,702	483,902
District contributions subsequent to the measurement date	<u>232,276</u>	<u>-</u>
Total	<u>\$ 396,752</u>	<u>\$ 890,805</u>

Point Pleasant Beach School District
Notes to Financial Statements (continued)
For the Year Ended June 30, 2023

11. Pension Plans (cont'd)

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

\$316,288 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2022-2023 total salaries for PERS employees multiplied by an employer contribution rate. The payable is due on April 1, 2024 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$ (596,782)
2024	(340,041)
2025	(148,275)
2026	323,478
2027	(709)
Thereafter	-
Total	<u>\$ (762,329)</u>

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

11. Pension Plans (cont'd)

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	5.16	-
June 30, 2021	5.13	-
June 30, 2022	-	5.04
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
Net Difference between projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2017	5.00	5.00
June 30, 2018	5.00	5.00
June 30, 2019	5.00	5.00
June 30, 2020	5.00	5.00
June 30, 2021	5.00	5.00
June 30, 2022	5.00	5.00

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

11. Pension Plans (cont'd)

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

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.04, 5.13, 5.16, 5.21, 5.63, and 5.48 years for the 2022, 2021, 2020, 2019, 2018, and 2017, respectively.

Actuarial Assumptions - The collective total pension liability for the June 30, 2022 measurement date 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:

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

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

11. Pension Plans (cont'd)

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

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

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00 %	8.12 %
Non-U.S. Developed Markets Equity	13.50 %	8.83 %
Emerging Markets Equity	5.50 %	10.33 %
Private Equity	13.00 %	11.80 %
Real Estate	8.00 %	11.19 %
Real Assets	3.00 %	7.60 %
High Yield	4.00 %	4.95 %
Private Credit	8.00 %	8.10 %
Investment Grade Credit	7.00 %	3.38 %
Cash Equivalents	4.00 %	1.75 %
U.S. Treasuries	4.00 %	1.75 %
Risk Mitigation Strategies	3.00 %	4.91 %

Point Pleasant Beach School District
Notes to Financial Statements (continued)
For the Year Ended June 30, 2023

11. Pension Plans (cont'd)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability

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

The following presents the collective net pension liability of the participating employers as of June 30, 2022 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	3,377,083	2,606,604	1,991,758

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

	<u>6/30/23</u>	<u>6/30/22</u>
Collective Deferred Outflows of Resources	1,660,772,008	1,164,738,169
Collective Deferred Inflows of Resources	3,236,303,935	8,339,123,762
Collective Net Pension Liability	15,219,184,920	11,972,782,878
School District's Portion	.0172721416%	.01981033100%

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

11. Pension Plans (cont'd)

B. Teachers' Pension and Annuity (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

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

Point Pleasant Beach School District
Notes to Financial Statements (continued)
For the Year Ended June 30, 2023

11. Pension Plans (cont'd)

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

Contributions - The contribution policy for TPAF is set by *N.J.S.A. 18A:66* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was less than the actuarial determined amount.

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

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2022 was \$32,688,545. The School District's proportionate share was \$0.

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, 2021, which was rolled forward to June 30, 2022. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the TPAF net pension liability attributable to the School District was .0633567506%, which was a decrease of .0002340148% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized a pension expense in the amount of \$2,584,621 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2022 measurement date.

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

11. Pension Plans (cont'd)

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

Actuarial Assumptions - The collective total pension liability for the June 30, 2022 measurement date 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 periods in the measurement:

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

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

The actuarial assumptions used in the July 1, 2021 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, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

Point Pleasant Beach School District
Notes to Financial Statements (continued)
For the Year Ended June 30, 2023

11. Pension Plans (cont'd)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00 %	8.12 %
Non-U.S. Developed Markets Equity	13.50 %	8.83 %
Emerging Markets Equity	5.50 %	10.33 %
Private Equity	13.00 %	11.80 %
Real Estate	8.00 %	11.19 %
Real Assets	3.00 %	7.60 %
High Yield	4.00 %	4.95 %
Private Credit	8.00 %	8.10 %
Investment Grade Credit	7.00 %	3.38 %
Cash Equivalents	4.00 %	1.75 %
U.S. Treasuries	4.00 %	1.75 %
Risk Mitigation Strategies	3.00 %	4.91 %

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions to the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

11. Pension Plans (cont'd)

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

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

The following presents the collective net pension liability of the participating employers as of June 30, 2022 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's proportionate share of the net pension liability	38,389,057	32,688,545	27,982,497

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

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2023 and June 30, 2022 :

	<u>6/30/23</u>	<u>6/30/22</u>
Collective Deferred Outflows of Resources	5,004,259,312	6,373,530,834
Collective Deferred Inflows of Resources	19,682,774,794	27,363,797,906
Collective Net Pension Liability	51,676,587,303	48,165,991,182
School District's Portion	.0633567506%	.0635907654%

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

11. Pension Plans (cont'd)

Defined Contribution Retirement Plan (DCRP)

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

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

The District's contributions to the DCRP for June 30, 2023 were \$7,506. There was no liability for unpaid contributions at June 30, 2023.

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the School District.

12. Post-Retirement Benefits

General Information about the OPEB Plan

Plan description and benefits provided

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

12. Post-Retirement Benefits

General Information about the OPEB Plan (cont'd)

Plan description and benefits provided (cont'd)

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

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

Basis of Presentation

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

12. Post-Retirement Benefits (cont'd)

State Health Benefit State Retired Employees Plan

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

12. Post-Retirement Benefits (cont'd)

Employees covered by benefit terms

At June 30, 2021, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	151,669
Active plan members	<u>213,148</u>
Total	<u><u>364,817</u></u>

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%
Salary Increases based on years of service:	PERS 2.75%-6.55%
	PFRS 3.25%-16.25%
	TPAF 2.75%-4.25%
Discount Rate	3.54%
Healthcare Cost Trend Rates	4.5%-6.25%
Retirees' Share of Benefit Related Costs	1.5% of projected health insurance premiums for retirees

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

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

Point Pleasant Beach School District
Notes to Financial Statements (continued)
For the Year Ended June 30, 2023

12. Post-Retirement Benefits (cont'd)

Actuarial assumptions and other imputes (cont'd)

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

Balance at June 30, 2021	\$ 60,007,650,970
Changes for the year:	
Service cost	2,770,618,025
Interest on the total OPEB liability	1,342,187,139
Changes of benefit terms	-
Differences between expected and actual experiences	1,399,200,736
Changes in assumptions	(13,586,368,097)
Gross benefit payments by the state	(1,329,476,059)
Contributions from members	<u>42,650,252</u>
Net changes	<u>(9,361,188,004)</u>
Balance at June 30, 2022	<u>\$ 50,646,462,966</u>

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.

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

The following presents the June 30, 2022 total OPEB liability of the State for school board retirees, as well as the State's total OPEB liability for the school district calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

12. Post-Retirement Benefits (cont'd)

Sensitivity of the total OPEB liability to changes in the discount rate (cont'd)

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability of the State for School Retirees	\$59,529,589,697	\$50,646,462,966	\$43,527,080,995
Total OPEB Liability of the State Associated with the School District for School Retirees	\$41,462,334	\$35,275,240	\$30,316,592

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

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

The following presents the June 30, 2022 total OPEB liability of the State for school board retirees, as well as the State's total OPEB liability for the school district calculated using a health care cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Trend Rate	1% Increase
Total OPEB Liability of the State for School Retirees	\$41,862,397,291	\$50,646,462,966	\$62,184,866,625
Total OPEB Liability of the State Associated with the School District for School Retirees	\$29,157,141	\$35,275,240	\$43,311,733

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

12. Post-Retirement Benefits (cont'd)

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

For the year ended June 30, 2023, the board of education recognized OPEB expense of \$678,974 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the Point Pleasant Beach School District'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, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 9,042,402,619	\$ 15,462,950,679
Changes of assumptions	8,765,620,577	17,237,289,230
Contributions made in fiscal year ending 2023 after June 30, 2022 measurement date	-	-
Total	<u>\$ 17,808,023,196</u>	<u>\$ 32,700,239,909</u>

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

Year ended June 30:	
2023	\$ (2,517,151,602)
2024	(2,517,151,602)
2025	(2,517,151,602)
2026	(2,175,449,761)
2027	(1,243,951,140)
Thereafter	<u>(3,921,361,006)</u>
Total	<u>\$ (14,892,216,713)</u>

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

13. Compensated Absences

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards where District employees are granted varying amounts of sick leave in accordance with the districts personnel policy. District employees who are employed for twelve months are entitled to fourteen paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. Upon separation the District shall pay the employee for unused sick leave in accordance with the Districts' agreements with the various employees. Vacation days not used during the year may only be carried forward with approval from the Superintendent.

The liability for vested compensated absences of the governmental fund types is recorded in the general long-term debt account group. The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees.

14. Deferred Compensation

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

Met Life
AXA Equitable

Teachers Pension/WCC
Valic

15. Risk Management

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

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

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

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

15. Risk Management (cont'd)

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022 / 2023	\$ 612	\$ -	\$ -	\$ 46,600
2021 / 2022	80	-	-	45,988
2020 / 2021	70	-	-	45,908

16. Interfund Receivables and Payables

The following inter-fund balances remained on the balance sheet at June 30, 2023:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 624,628	\$ 18,919
Enterprise Fund	<u>18,919</u>	<u>624,628</u>
	<u>\$ 643,547</u>	<u>\$ 643,547</u>

The General Fund owes the Enterprise Fund for cash advances.

The Enterprise Fund owes the General Fund for cash advances.

17. Inventory

Inventory in the Food Service Fund at June 30, 2023 consisted of the following:

Food & Supplies	\$6,517
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18. Fund Balances

General Fund - of the \$5,907,282 general fund balance at June 30, 2023, \$675,985 is restricted for excess surplus for subsequent year expenditures, \$469,012 is designated for subsequent year's expenditures, \$815,471 is restricted for the maintenance reserve, \$150,000 is restricted for the tuition reserve, \$2,543,378 is restricted for the capital reserve. \$46,600 is restricted for unemployment compensation. \$812,096 is restricted for excess surplus and \$394,740 is unassigned.

Special Revenue Fund - of the \$237,633 Special Revenue Fund balance at June 30, 2023, \$237,633 is restricted for student activities.

The Capital Projects Fund of \$369,702 is restricted for the use of capital improvements of the School District.

Point Pleasant Beach School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2023

19. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L.2004, C.73 (S1701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$812,096. The excess fund balance at June 30, 2022 was \$675,985.

20. Uncertain Tax Positions

The district had no unrecognized tax benefits. Furthermore, the district had no unrecognized tax benefits at June 30, 2023. The school district files tax returns in the U.S. federal jurisdiction and various states. The school district has no open year prior to June 30, 2020.

21. Subsequent Events

Management has evaluated subsequent events through October 9, 2023, the date the financial statements were available to be issued.

22. Tax Abatement

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

23. Economic Dependency

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

REQUIRED SUPPLEMENTARY INFORMATION - PART II

POINT PLEASANT BEACH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 13,865,549	\$ -	\$ 13,865,549	\$ 13,865,549	\$ -
Tuition from individuals	722,632	-	722,632	795,870	73,238
Tuition from other LEA's within the state	1,444,812	-	1,444,812	1,533,726	88,914
Interest income	-	-	-	24,994	24,994
Interest earned on maintenance reserve	100	(100)	-	14,860	14,860
Interest earned on capital reserve funds	100	(100)	-	33,773	33,773
Interest income-unemployment - restricted	-	-	-	612	612
Miscellaneous	24,500	200	24,700	72,326	47,626
Total - local sources	16,057,693	-	16,057,693	16,341,710	284,017
State sources:					
Transportation aid	71,924	-	71,924	71,924	-
Special education aid	467,391	-	467,391	467,391	-
Security Aid	74,652	-	74,652	74,652	-
Extraordinary aid	-	-	-	126,841	126,841
Supplemental Stabilization Aid	-	-	-	3,606	3,606
Non Public Transportation aid	-	-	-	312	312
TPAF-LTDI (on-behalf - Non-budgeted)	-	-	-	911	911
TPAF - post retirement medical (on-behalf - Non-budgeted)	-	-	-	678,974	678,974
Teacher's pension and annuity fund (on-behalf - Non-budgeted)	-	-	-	2,584,621	2,584,621
TPAF social security (reimbursed - Non-budgeted)	-	-	-	560,834	560,834
Total state sources	613,967	-	613,967	4,570,066	3,956,099
Total revenues	16,671,660	-	16,671,660	20,911,776	4,240,116
EXPENDITURES:					
Current Expenditures:					
Regular Programs - Instruction:					
Preschool/Kindergarten - Salaries of teachers	221,906	(9,044)	212,862	212,862	-
Grades 1-5 - Salaries of teachers	1,302,484	(110,600)	1,191,884	1,191,641	243
Grades 6-8 - Salaries of teachers	1,034,583	(88,182)	946,401	946,346	55
Grades 9-12 - Salaries of teachers	2,185,257	(62,400)	2,122,857	2,119,368	3,489
Regular Programs - Home Instruction:					
Salaries of teachers	10,000	-	10,000	1,418	8,582
Regular Programs - Undistributed Instruction:					
Other salaries for instruction	-	-	-	-	-
Other purchased services (400-500 series)	98,100	66,706	164,806	163,660	1,146
General supplies	206,802	(2,100)	204,702	189,815	14,887
Textbooks	20,670	-	20,670	19,256	1,414
TOTAL REGULAR PROGRAMS - INSTRUCTION	5,079,802	(205,620)	4,874,182	4,844,366	29,816
SPECIAL EDUCATION - INSTRUCTION					
Resource Room/Resource Center:					
Salaries of teachers	1,123,240	113,778	1,237,018	1,236,963	55
Other salaries for instruction	289,654	719	290,373	280,234	10,139
General supplies	13,550	100	13,650	13,574	76
Total Resource Room/Resource Center	1,426,444	114,597	1,541,041	1,530,771	10,270
Preschool Disabilities - Full Time					
Salaries of teachers	91,055	(4,691)	86,364	86,364	-
Other salaries for instruction	44,698	(19,000)	25,698	25,395	303
General supplies	1,469	26	1,495	1,495	-
Total Preschool Disabilities - Full Time	137,222	(23,665)	113,557	113,254	303
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,563,666	90,932	1,654,598	1,644,025	10,573

POINT PLEASANT BEACH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Bilingual Education - Instruction					
Salaries of teachers	\$ 82,495	\$ 10,393	\$ 92,888	\$ 92,888	\$ -
General supplies	1,300	-	1,300	1,264	36
Total Bilingual Education - Instruction	<u>83,795</u>	<u>10,393</u>	<u>94,188</u>	<u>94,152</u>	<u>36</u>
School-Spon. Cocurricular Activities - Instruction					
Salaries	545,482	150,548	696,030	695,236	794
Purchased services	35,336	(34,970)	366	128	238
Supplies and materials	176,143	(101,250)	74,893	74,773	120
Other objects	16,700	-	16,700	15,849	851
Transfer to cover deficit(agency funds)	46,000	3,523	49,523	46,650	2,873
Total School-Spon. Cocurricular Actvts. - Instruction	<u>819,661</u>	<u>17,851</u>	<u>837,512</u>	<u>832,636</u>	<u>4,876</u>
Total Instruction	<u>7,546,924</u>	<u>(86,444)</u>	<u>7,460,480</u>	<u>7,415,179</u>	<u>45,301</u>
Undistributed Expenditures - Instruction:					
Tuition to other LEAs within the state - special	242,921	(242,921)	-	-	-
Tuition to county voc school dist - regular	51,000	(51,000)	-	-	-
Tuition to private schools for the disabled - w/state	555,746	298,421	854,167	440,268	413,899
Tuition- Other	4,500	(4,500)	-	-	-
Total Undistributed Expenditures - Instruction:	<u>854,167</u>	<u>-</u>	<u>854,167</u>	<u>440,268</u>	<u>413,899</u>
Undist. Expend. - Attendance and social work service					
Salaries	281,274	6,827	288,101	287,960	141
Total Undistributed Expenditures - Attendance	<u>281,274</u>	<u>6,827</u>	<u>288,101</u>	<u>287,960</u>	<u>141</u>
Undist. Expend. - Health Services					
Salaries	157,616	(10,450)	147,166	146,430	736
Other purchased services (400-500 series)	280,000	(501)	279,499	276,033	3,466
Supplies and materials	4,150	1,001	5,151	4,190	961
Total Undistributed Expenditures - Health Services	<u>441,766</u>	<u>(9,950)</u>	<u>431,816</u>	<u>426,653</u>	<u>5,163</u>
Undist. Expend. - Other Support Serv - Speech OT / PT					
Salaries	95,795	(1,480)	94,315	92,993	1,322
Other objects	2,157	(26)	2,131	2,105	26
Total Undist. Expend. - Other Support Serv - Speech OT/PT	<u>97,952</u>	<u>(1,506)</u>	<u>96,446</u>	<u>95,098</u>	<u>1,348</u>
Undist. Expend. - Other Support Serv Students-Guidance					
Salaries of other professional staff	286,386	7,580	293,966	262,541	31,425
Other purchased services (400-500 series)	2,000	2,225	4,225	4,123	102
Total Undist. Expend. - Other Support Serv - Students-Guidance	<u>288,386</u>	<u>9,805</u>	<u>298,191</u>	<u>266,664</u>	<u>31,527</u>
Undist. Expend. - Other Support Serv - Child Study					
Salaries of other professional staff	284,634	(18,900)	265,734	250,955	14,779
Salaries of secretarial and clerical assistants	37,360	-	37,360	37,360	-
Supplies and materials	10,269	-	10,269	10,216	53
Other objects	8,800	-	8,800	8,665	135
Total Undist. Expend. - Other Supp Services - Child Study	<u>341,063</u>	<u>(18,900)</u>	<u>322,163</u>	<u>307,196</u>	<u>14,967</u>
Undist. Expend. - Improv of Instruct Serv - Other Sup Serv - Instr					
Salaries of supervisor of instruction	359,721	15,100	374,821	369,570	5,251
Other salaries	15,000	-	15,000	9,890	5,110
Other purchased services (400-500)	-	24,850	24,850	-	24,850
Total Undist. Expend.-Improv of Instruct Serv -Other Sup Serv-Instr	<u>374,721</u>	<u>39,950</u>	<u>414,671</u>	<u>379,460</u>	<u>35,211</u>
Undist. Expend. - Educational Media Services/School Library					
Salaries	114,062	(8,682)	105,380	103,645	1,735
Supplies and materials	7,120	-	7,120	4,558	2,562
Total Undist. Expend. - Educational Media Services/School Library	<u>121,182</u>	<u>(8,682)</u>	<u>112,500</u>	<u>108,203</u>	<u>4,297</u>
Undist. Expend. - Instruction Staff Training Services					
Salaries of other professional staff	4,742	(4,742)	-	-	-
Other purchased services (400-500 series)	24,850	(24,850)	-	-	-
Total Undist. Expend. - Instruction Staff Training Services	<u>29,592</u>	<u>(29,592)</u>	<u>-</u>	<u>-</u>	<u>-</u>

POINT PLEASANT BEACH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Support Service - General Administration					
Salaries	\$ 336,097	\$ 22,983	\$ 359,080	\$ 340,097	\$ 18,983
Legal services	2,500	(2,395)	105	105	-
Audit Fees	24,000	(24,000)	-	-	-
Other purchased professional services	2,500	27,900	30,400	29,805	595
Communications/Telephone	2,000	5,590	7,590	7,589	1
General supplies	7,100	2,785	9,885	9,763	122
BOE membership dues and fees	9,500	(2,350)	7,150	7,083	67
Miscellaneous expenditures	35,000	9,100	44,100	30,993	13,107
Total Undist. Expend. - Support Service - General Administration	418,697	39,613	458,310	425,435	32,875
Undist. Expend. - Support Service - School Administration					
Salaries of principals/Assistant principals	239,682	34,200	273,882	268,808	5,074
Salaries of secretarial and clerical assistants	148,549	9,438	157,987	153,937	4,050
Supplies and materials	21,652	(1)	21,651	12,066	9,585
Other objects	16,355	(1,137)	15,218	14,633	585
Total Undist. Expend. - Support Service - School Administration	426,238	42,500	468,738	449,444	19,294
Undistributed Expenditures - Central Services					
Salaries	249,733	(18,650)	231,083	231,067	16
Purchased professional services	2,500	32,264	34,764	31,378	3,386
Supplies and materials	7,100	1,173	8,273	8,214	59
Total Undist. Expend. - Central Services	259,333	14,787	274,120	270,659	3,461
Undist.- Admin. Info. Technology					
Salaries	4,742	16,742	21,484	15,716	5,768
Total Undist. Expend - Admin. Info. Technology	4,742	16,742	21,484	15,716	5,768
Undist. Expend. - Allowed Maintenance for School Facilities					
Salaries	122,740	(41,415)	81,325	81,241	84
Cleaning, repair and maintenance services	174,795	(174,795)	-	-	-
General supplies	102,533	(43,266)	59,267	59,145	122
Other objects	45,875	(45,875)	-	-	-
Total Undist. Expend. - Allowed Maintenance for School Facilities	445,943	(305,351)	140,592	140,386	206
Undist. Expend. - Other Operation & Maintenance of Plant					
Salaries	503,065	95,772	598,837	592,173	6,664
Salaries of Non-Instructional Aides	149,962	85,100	235,062	128,602	106,460
Purchased professional and technical services	44,000	-	44,000	38,000	6,000
Cleaning, repair and maintenance services	-	73,418	73,418	48,052	25,366
Other purchased property services	3,000	-	3,000	1,397	1,603
Insurance	248,605	-	248,605	234,585	14,020
General supplies	-	81,166	81,166	73,421	7,745
Energy (natural gas)	112,000	42,370	154,370	151,673	2,697
Energy (electricity)	225,000	(50,899)	174,101	167,416	6,685
Other objects	-	45,875	45,875	41,474	4,401
Total Undist. Expend. - Other Operation & Maintenance of Plant	1,285,632	372,802	1,658,434	1,476,793	181,641
Undist. Expend. - Student Transportation Services					
Salaries for pupil transportation (bet. home and school) - Special	190,168	24,500	214,668	201,710	12,958
Cleaning, repair and maintenance services	14,000	19,500	33,500	32,201	1,299
Contract services (between home & school) - Vendors	90,000	121,950	211,950	146,102	65,848
Contract services - (oth than between home and school) - Vendors	127,050	44,825	171,875	169,161	2,714
Contract services - (regular students) - ESCs & CTAs	260,000	(260,000)	-	-	-
Transportation Supplies	7,000	30,842	37,842	30,025	7,817
Miscellaneous expenditures	-	583	583	-	583
Total Undist. Expend. - Student Transportation Services	688,218	(17,800)	670,418	579,199	91,219

POINT PLEASANT BEACH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
UNALLOCATED EMPLOYEE BENEFITS					
Group insurance	\$ -	\$ -	\$ -	\$ -	\$ -
Social security contributions	247,220	-	247,220	222,007	25,213
Other retirement contributions - PERS	263,500	-	263,500	232,276	31,224
Other retirement contributions - regular	-	-	-	-	-
Unemployment compensation	20,000	18,800	38,800	28,718	10,082
Workmen's compensation	176,000	(176,000)	-	-	-
Health benefits	2,536,667	92,599	2,629,266	2,297,186	332,080
Tuition reimbursement	50,000	-	50,000	40,084	9,916
Other employee benefits	-	-	-	-	-
TOTAL UNALLOCATED EMPLOYEE BENEFITS	<u>3,293,387</u>	<u>(64,601)</u>	<u>3,228,786</u>	<u>2,820,271</u>	<u>408,515</u>
ON-BEHALF CONTRIBUTIONS					
On-behalf TPAF LTDI (non-budgeted)	-	-	-	911	(911)
On-behalf TPAF OPEB (post retirement med) (non-budgeted)	-	-	-	678,974	(678,974)
On-behalf TPAF Pension Contributions (non-budgeted)	-	-	-	2,584,621	(2,584,621)
Reimbursed TPAF social security contributions (non-budgeted)	-	-	-	560,834	(560,834)
TOTAL ON-BEHALF CONTRIBUTIONS	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,825,340</u>	<u>(3,825,340)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	<u>3,293,387</u>	<u>(64,601)</u>	<u>3,228,786</u>	<u>6,645,611</u>	<u>(3,416,825)</u>
Transfers to Cover Deficit (Enterprise Fund)	-	-	-	(10,000)	10,000
TOTAL UNDISTRIBUTED EXPENDITURES-FOOD SERVICES	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,000)</u>	<u>10,000</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>9,652,293</u>	<u>86,644</u>	<u>9,738,937</u>	<u>12,304,745</u>	<u>(2,565,808)</u>
INTEREST EARNED ON MAINTENANCE RESERVE					
Interest earned on maintenance reserve	100	(100)	-	-	-
TOTAL INTEREST EARNED ON MAINTENANCE RESERVE	<u>100</u>	<u>(100)</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL GENERAL CURRENT EXPENDITURES	<u>17,199,317</u>	<u>100</u>	<u>17,199,417</u>	<u>19,719,924</u>	<u>(2,520,507)</u>
CAPITAL OUTLAY					
Facilities Acquisition and Construction Services					
Assessment for debt service on SDA funding	53,219	-	53,219	53,219	-
Total Facilities Acquisition and Construction Services	<u>53,219</u>	<u>-</u>	<u>53,219</u>	<u>53,219</u>	<u>-</u>
TOTAL CAPITAL OUTLAY	<u>53,219</u>	<u>-</u>	<u>53,219</u>	<u>53,219</u>	<u>-</u>
TOTAL EXPENDITURES	<u>17,252,536</u>	<u>100</u>	<u>17,252,636</u>	<u>19,773,143</u>	<u>(2,520,507)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(580,876)	(100)	(580,976)	1,138,633	1,719,609
Fund Balance, July 1	4,823,624	-	4,823,624	4,823,624	-
Fund Balance, June 30	<u>\$ 4,242,748</u>	<u>\$ (100)</u>	<u>\$ 4,242,648</u>	<u>\$ 5,962,257</u>	<u>\$ 1,719,609</u>

POINT PLEASANT BEACH SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Recapitulation:					
Restricted Fund Balance:					
Capital reserve				\$ 2,543,378	
Maintenance reserve				815,471	
Tuition reserve				150,000	
Unemployment compensation				46,600	
Excess surplus - Designated for subsequent year's expenditures				675,985	
Excess surplus - Current year				812,096	
Assigned Fund Balance:					
Year-end encumbrances				-	
Designated for subsequent year's expenditures				469,012	
Unassigned Fund Balance				449,715	
Reconciliation to governmental funds statements (GAAP)					
Fund balance per governmental funds (Budgetary)				5,962,257	
Last state aid payment not recognized on GAAP basis				(54,975)	
Fund balance per governmental funds (GAAP) - B-1				5,907,282	
Fund balance per governmental funds (GAAP) - B-1				\$ 5,907,282	

POINT PLEASANT BEACH SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local sources	\$ -	\$ -	\$ -	\$ 526,408	\$ 526,408
State sources	-	-	-	109,687	109,687
Federal sources	329,733	1,811,546	2,141,279	1,533,080	(608,199)
Total Revenues	329,733	1,811,546	2,141,279	2,169,175	27,896
EXPENDITURES					
Instruction:					
Salaries of teachers	262,000	93,064	355,064	189,845	165,219
Other salaries/instruction	-	-	-	-	-
Purchased professional services	-	-	-	-	-
Other Purchased Services	-	26,784	26,784	22,560	4,224
General supplies	8,000	105,674	113,674	92,950	20,724
Technology	-	9,558	9,558	4,788	4,770
Supplies NP	-	-	-	-	-
Tuition	-	330,047	330,047	326,885	3,162
Textbooks	7,682	(158)	7,524	5,387	2,137
Miscellaneous expenditures	37,715	35,846	73,561	48,792	24,769
Total instruction	315,397	600,815	916,212	691,207	225,005
Support services:					
Other support services					
students - special:					
Other professional staff salaries	-	-	-	-	-
Professional development	-	-	-	-	-
Purchased professional services	-	95,805	95,805	81,041	14,764
Other purchased professional services	-	-	-	-	-
Purchased technical services	-	-	-	-	-
Employee benefits	-	132,456	132,456	55,022	77,434
Travel	-	-	-	-	-
Nursing services	14,336	9,230	23,566	12,768	10,798
Miscellaneous purchased services	-	9,773	9,773	9,773	-
Personal services	-	-	-	-	-
Student Activities	-	-	-	520,781	(520,781)
General supplies	-	95,000	95,000	-	95,000
Total other support services - students - special	14,336	342,264	356,600	679,385	(322,785)
Facilities acquisition and const. serv.:					
Non-instructional equipment	-	868,467	868,467	792,956	75,511
Total facilities acquisition and const. serv.	-	868,467	868,467	792,956	75,511
Total expenditures	329,733	1,811,546	2,141,279	2,163,548	(22,269)
Total outflows	329,733	1,811,546	2,141,279	2,163,548	(22,269)
Excess (deficiency) of revenues Over (under) expenditures	\$ -	\$ -	\$ -	\$ 5,627	\$ 5,627
Fund Balance, July 1				232,006	
Fund Balance, June 30				237,633	
Recapitulation:					
Restricted:					
Student Activities				237,633	
Total Fund Balance				\$ 237,633	

Note 1- Not required to be budgeted for these funds

POINT PLEASANT BEACH SCHOOL DISTRICT
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to Required Supplementary Information
For the Year Ended June 30, 2023

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

		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 20,911,776	[C-2]	\$ 2,169,175
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-		-
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(2,584,621)		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes		52,229		-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(54,975)		-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	\$ 18,324,409	[B-2]	\$ 2,169,175
 Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 19,773,143	[C-2]	\$ 2,163,548
Differences - budget to GAAP:				
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(2,584,621)		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		-		-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	\$ 17,188,522	[B-2]	\$ 2,163,548

REQUIRED SUPPLEMENTARY INFORMATION - PART III

POINT PLEASANT BEACH SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability-PERS
For the Year Ended June 30, 2023

Last 10 Fiscal Years*

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
District's proportion of the net pension liability	0.0211607293%	0.0223874468%	0.0222293695%	0.0195876869%	0.0206632924%	0.0204122433%	0.0386931001%	0.0198103310%	0.0172721416%
District's proportionate share of the net pension liability	\$ 4,154,339	\$ 5,223,587	\$ 6,602,753	\$ 4,559,700	\$ 4,068,499	\$ 4,149,791	\$ 3,333,121	\$ 2,346,831	\$ 2,606,604
District's covered-employee payroll	-	1,505,817	1,422,969	1,436,396	1,437,314	1,530,517	1,344,069	1,338,452	1,376,399
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	346.89%	21.75%	31.52%	37.62%	33.93%	40.32%	57.03%	52.80%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	62.91%

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

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

POINT PLEASANT BEACH SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of District Contributions-PERS
 For the Year Ended June 30, 2023

Last 10 Fiscal Years*

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Contractually required contributions	\$ 174,446	\$ 192,472	\$ 198,702	\$ 182,662	\$ 206,201	\$ 199,087	\$ 223,596	\$ 232,002	\$ 217,810
Contributions in relation to the contractually required contribution	<u>174,446</u>	<u>192,472</u>	<u>214,730</u>	<u>194,415</u>	<u>218,748</u>	<u>216,433</u>	<u>236,498</u>	<u>244,316</u>	<u>232,276</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,028)</u>	<u>\$ (11,753)</u>	<u>\$ (12,547)</u>	<u>\$ (17,346)</u>	<u>\$ (12,902)</u>	<u>\$ (12,314)</u>	<u>\$ (14,466)</u>
District's covered-employee payroll	1,505,817	1,422,969	1,436,396	1,437,314	1,530,517	1,408,148	1,344,069	1,338,452	1,376,399
Contributions as a percentage of covered-employee payroll	0.00%	13.53%	13.83%	12.72%	13.47%	14.14%	16.64%	17.33%	15.82%

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

POINT PLEASANT BEACH SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability-TPAF
For the Year Ended June 30, 2023

Last 10 Fiscal Years*

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
State's proportion of the net pension liability associated with the District	0.0660394279%	0.0641240344%	0.0640794619%	0.0649797613%	0.0628915202%	0.0660959513%	0.0651370293%	0.0635907654%	0.0633567506%
State's proportionate share of the net pension liability associated with the District	\$ 35,295,925	\$ 40,529,128	\$ 50,408,985	\$ 43,811,698	\$ 40,010,234	\$ 40,541,346	\$ 42,891,950	\$ 30,571,380	\$ 32,688,545
District's covered-employee payroll	6,668,291	6,487,932	6,948,324	6,959,409	6,981,543	7,018,544	7,172,733	7,553,293	7,758,451
Proportionate share of the net pension liability as a percentage of District's covered-employee payroll	529.31%	624.68%	725.48%	629.53%	573.09%	577.63%	597.99%	404.74%	421.33%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%

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

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

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

POINT PLEASANT BEACH SCHOOL DISTRICT
Required Supplementary Information
Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2023
(Unaudited)

Last 10 Fiscal Years*

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
State's proportion of the OPEB liability associated with the District						
Service cost	\$ 1,376,110	\$ 1,146,273	\$ 1,028,088	\$ 1,087,547	\$ 1,870,822	\$ 1,634,998
Interest cost	1,145,081	1,327,677	1,252,181	1,029,575	1,070,142	934,833
Changes in benefit terms	-	-	-	-	(43,909)	-
Differences between expected and actual experiences	-	(2,604,953)	(4,891,972)	7,432,893	(6,736,002)	1,811,745
Changes in assumptions	(4,569,168)	(3,643,652)	428,109	8,378,270	40,699	(9,462,900)
Member contributions	30,999	29,344	26,127	24,203	27,358	29,706
Gross benefit payments	(841,848)	(849,026)	(881,395)	(798,501)	(842,972)	(925,980)
Net change in total OPEB liability	(2,858,826)	(4,594,337)	(3,038,862)	17,153,987	(4,613,862)	(5,977,598)
Total State Share of OPEB liability - beginning	39,204,738	36,345,912	31,751,575	28,712,713	45,866,700	41,252,838
Total State Share of OPEB liability - ending	<u>\$ 36,345,912</u>	<u>\$ 31,751,575</u>	<u>\$ 28,712,713</u>	<u>\$ 45,866,700</u>	<u>\$ 41,252,838</u>	<u>\$ 35,275,240</u>
District's covered employee payroll	<u>\$ 9,832,412</u>	<u>\$ 9,735,680</u>	<u>\$ 9,698,592</u>	<u>\$ 10,012,403</u>	<u>\$ 10,484,356</u>	<u>\$ 10,566,229</u>
Total State's OPEB liability as a percentage of covered employee payroll	370%	326%	296%	458%	393%	334%

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

Point Pleasant Beach School District

Notes to Required Supplementary Information - Part III

For the Year Ended June 30, 2023

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 7.00% as of June 30, 2021, to 7.00% as of June 30, 2022.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 7.00% as of June 30, 2021, to 7.00% as of June 30, 2022.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 2.16% as of June 30, 2021, to 3.54% as of June 30, 2022.

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules
Not Applicable

E. Special Revenue Fund

POINT PLEASANT BEACH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2023

	Student Activities	Title I Part A 22/23	IDEA Part Basic 22/23	Title II Part A/D 22/23	IDEA-Part B B -Preschool 22/23	Title IV Part A 22/23
Revenues:						
Local sources	\$ 526,408	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	111,331	202,607	21,485	7,824	10,000
Total revenues	526,408	111,331	202,607	21,485	7,824	10,000
Expenditures:						
Instruction:						
Salaries of teachers	-	73,729	-	-	7,824	-
Other salaries/instruction	-	-	-	-	-	-
Purchased professional services	-	-	-	-	-	-
Other Purchased Services	-	-	22,560	-	-	-
General supplies	-	-	-	-	-	10,000
Technology	-	-	-	-	-	-
Supplies NP	-	-	-	-	-	-
Tuition	-	-	180,047	-	-	-
Textbooks	-	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-	-
Total instruction	-	73,729	202,607	-	7,824	10,000
Support services:						
Other support services - students - special:						
Other professional staff salaries	-	-	-	-	-	-
Secretarial/Clerical salaries	-	-	-	-	-	-
Professional Development	-	-	-	-	-	-
Purchased professional services	-	-	-	21,485	-	-
Other purchased professional services	-	-	-	-	-	-
Purchased technical services	-	-	-	-	-	-
Employee benefits	-	37,602	-	-	-	-
Travel	-	-	-	-	-	-
Nursing Svcs	-	-	-	-	-	-
Miscellaneous purchased services	-	-	-	-	-	-
Personal Services	-	-	-	-	-	-
Student Activities	520,781	-	-	-	-	-
General supplies	-	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-	-
Total other support services - students - special	520,781	37,602	-	21,485	-	-
Equipment:						
Regular programs instruction	-	-	-	-	-	-
Non-instructional equipment	-	-	-	-	-	-
Total equipment	-	-	-	-	-	-
Total expenditures	\$ 520,781	\$ 111,331	\$ 202,607	\$ 21,485	\$ 7,824	\$ 10,000
Excess (deficiency) of revenues Over (under) expenditures	5,627	-	-	-	-	-
Fund Balance, July 1	232,006	-	-	-	-	-
Fund Balance, June 30	\$ 237,633	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued on next page)

POINT PLEASANT BEACH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2023

(Continued from prior page)

	<u>Nonpublic Technology 22/23</u>	<u>Chapter 192/193 22/23</u>	<u>Nonpublic Textbooks 22/23</u>	<u>Nonpublic Nursing 22/23</u>	<u>Nonpublic Security 22/23</u>
Revenues:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	4,788	48,792	5,387	12,768	19,850
Federal sources	-	-	-	-	-
Total revenues	<u>4,788</u>	<u>48,792</u>	<u>5,387</u>	<u>12,768</u>	<u>19,850</u>
Expenditures:					
Instruction:					
Salaries of teachers	-	-	-	-	-
Other salaries/instruction	-	-	-	-	-
Purchased professional services	-	-	-	-	-
Other Purchased Services	-	-	-	-	19,850
General supplies	-	-	-	-	-
Technology	4,788	-	-	-	-
Supplies NP	-	-	-	-	-
Tuition	-	-	-	-	-
Textbooks	-	-	5,387	-	-
Miscellaneous expenses	-	48,792	-	-	-
Total instruction	<u>4,788</u>	<u>48,792</u>	<u>5,387</u>	<u>-</u>	<u>19,850</u>
Support services:					
Other support services - students - special:					
Other professional staff salaries	-	-	-	-	-
Secretarial/Clerical salaries	-	-	-	-	-
Professional Development	-	-	-	-	-
Purchased professional services	-	-	-	-	-
Other purchased professional services	-	-	-	-	-
Purchased technical services	-	-	-	-	-
Employee benefits	-	-	-	-	-
Travel	-	-	-	-	-
Nursing Svcs	-	-	-	12,768	-
Miscellaneous purchased services	-	-	-	-	-
Personal Services	-	-	-	-	-
Student Activities	-	-	-	-	-
General supplies	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-
Total other support services - students - special	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,768</u>	<u>-</u>
Equipment:					
Regular programs instruction	-	-	-	-	-
Non-instructional equipment	-	-	-	-	-
Total equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 4,788</u>	<u>\$ 48,792</u>	<u>\$ 5,387</u>	<u>\$ 12,768</u>	<u>\$ 19,850</u>
Excess (deficiency) of revenues Over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

POINT PLEASANT BEACH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2023

	American Rescue Plan					Beyond The School Day
	ACSERS 22-23	SDA Emergent	Summer Learning	ARP ESSER	Accelerated Learning	
Revenues:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	18,102	-	-	-	-
Federal sources	146,838	-	22,633	495,761	13,966	7,799
Total revenues	146,838	18,102	22,633	495,761	13,966	7,799
Expenditures:						
Instruction:						
Salaries of teachers	-	-	22,633	34,310	-	7,799
Other salaries/instruction	-	-	-	-	-	-
Purchased professional services	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-
General supplies	-	18,102	-	23,835	4,193	-
Technology	-	-	-	-	-	-
Supplies NP	-	-	-	-	-	-
Tuition	146,838	-	-	-	-	-
Textbooks	-	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-	-
Total instruction	146,838	18,102	22,633	58,145	4,193	7,799
Support services:						
Other support services - students - special:						
Other professional staff salaries	-	-	-	-	-	-
Secretarial/Clerical salaries	-	-	-	-	-	-
Professional Development	-	-	-	-	-	-
Purchased professional services	-	-	-	10,236	-	-
Other purchased professional services	-	-	-	-	-	-
Purchased technical services	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-
Travel	-	-	-	-	-	-
Nursing Svcs	-	-	-	-	-	-
Miscellaneous purchased services	-	-	-	-	9,773	-
Personal Services	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-
General supplies	-	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-	-
Total other support services - students - special	-	-	-	10,236	9,773	-
Equipment:						
Regular programs instruction	-	-	-	-	-	-
Non-instructional equipment	-	-	-	427,380	-	-
Total equipment	-	-	-	427,380	-	-
Total expenditures	\$ 146,838	\$ 18,102	\$ 22,633	\$ 495,761	\$ 13,966	\$ 7,799
Excess (deficiency) of revenues Over (under) expenditures	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

POINT PLEASANT BEACH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2023

(Continued from prior page)

	<u>CARES</u> <u>22/23</u>	<u>ESSER II</u> <u>22/23</u>	<u>ESSER II</u> <u>Learning</u> <u>Acceleration</u> <u>22/23</u>	<u>ESSER II</u> <u>Mental</u> <u>Health</u> <u>22/23</u>	<u>Total</u> <u>2023</u>
Revenues:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 526,408
State sources	-	-	-	-	109,687
Federal sources	<u>10,739</u>	<u>410,395</u>	<u>26,702</u>	<u>45,000</u>	<u>1,533,080</u>
Total revenues	<u>10,739</u>	<u>410,395</u>	<u>26,702</u>	<u>45,000</u>	<u>2,169,175</u>
Expenditures:					
Instruction:					
Salaries of teachers	-	-	14,622	28,928	189,845
Other salaries/instruction	-	-	-	-	-
Purchased professional services	-	-	-	-	-
Other Purchased Services	-	-	-	-	22,560
General supplies	10,739	-	6,231	-	92,950
Technology	-	-	-	-	4,788
Supplies NP	-	-	-	-	-
Tuition	-	-	-	-	326,885
Textbooks	-	-	-	-	5,387
Miscellaneous expenses	-	-	-	-	48,792
Total instruction	<u>10,739</u>	<u>-</u>	<u>20,853</u>	<u>28,928</u>	<u>691,207</u>
Support services:					
Other support services - students - special:					
Other professional staff salaries	-	-	-	-	-
Secretarial/Clerical salaries	-	-	-	-	-
Professional Development	-	-	-	-	-
Purchased professional services	-	44,819	-	4,501	81,041
Other purchased professional services	-	-	-	-	-
Purchased technical services	-	-	-	-	-
Employee benefits	-	-	5,849	11,571	55,022
Travel	-	-	-	-	-
Nursing Svcs	-	-	-	-	12,768
Miscellaneous purchased services	-	-	-	-	9,773
Personal Services	-	-	-	-	-
Student Activities	-	-	-	-	520,781
General supplies	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-
Total other support services - students - special	<u>-</u>	<u>44,819</u>	<u>5,849</u>	<u>16,072</u>	<u>679,385</u>
Equipment:					
Regular programs instruction	-	-	-	-	-
Non-instructional equipment	-	365,576	-	-	792,956
Total equipment	<u>-</u>	<u>365,576</u>	<u>-</u>	<u>-</u>	<u>792,956</u>
Total expenditures	<u>\$ 10,739</u>	<u>\$ 410,395</u>	<u>\$ 26,702</u>	<u>\$ 45,000</u>	<u>\$ 2,163,548</u>
Excess (deficiency) of revenues					
Over (under) expenditures	-	-	-	-	5,627
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>232,006</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 237,633</u>

F. Capital Projects Fund

POINT PLEASANT BEACH SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Year Ended June 30, 2023

<u>Project Title/Issue</u>	<u>Revised Budgetary Appropriations</u>	<u>GAAP Expenditures to Date</u>		<u>Unexpended Appropriations June 30, 2023</u>
		<u>Prior Years</u>	<u>Current Year</u>	
High School Renovations	\$ 7,185,556	\$ 6,815,854	\$ -	\$ 369,702
	<u>\$ 7,185,556</u>	<u>\$ 6,815,854</u>	<u>\$ -</u>	<u>\$ 369,702</u>

POINT PLEASANT BEACH SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budgetary Basis
For the Year Ended June 30, 2023

Revenues and Other Financing Sources

Bond proceeds and transfers	\$ -
Total revenues	-

Expenditures and Other Financing Uses

Purchased professional and technical services	-
Construction services	-
Transfer to debt service fund(Bridge Funding payoff)	-
Total expenditures	-

Excess of revenues over expenditures	-
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Fund balance - beginning	369,702
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Fund balance - ending	\$ 369,702
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POINT PLEASANT BEACH SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budgetary Basis
High School Renovations
From Inception and For the Year Ended June 30, 2023

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ -	\$ -	\$ -	\$ -
Bond proceeds and transfers	7,185,556	-	7,185,556	-
Bridge Funding	-	-	-	-
Transfer from capital reserve	-	-	-	-
Transfer from capital outlay	-	-	-	-
Total revenues	7,185,556	-	7,185,556	-
Expenditures and Other Financing Uses				
Purchased prof. and tech. services	736,861	-	736,861	-
Land and improvements	-	-	-	-
Other Objects	-	-	-	-
Construction Services	6,078,993	-	6,078,993	-
Transfer to debt service fund	-	-	-	-
Total expenditures	6,815,854	-	6,815,854	-
Excess (deficiency) or revenues over (under) expenditures	\$ 369,702	\$ -	\$ 369,702	\$ -

Additional project information:

Project Number	4220-050-15-1000
Grant Date	N/A
Bond Authorization Date	5/23/2016
Bonds Authorized	\$ 7,185,556
Bonds Issued	N/A
Original Authorized Cost	\$ 7,185,556
Additional Authorized Cost	-
Revised Authorized Cost	\$ 7,185,556
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	95%
Original target completion date	8/30/2017
Revised target completion date	8/30/2017

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

H. Fiduciary Funds
Not Applicable

I. Long-Term Debt

POINT PLEASANT BEACH SCHOOL DISTRICT
Long-Term Debt
Schedule of Serial Bonds
For the Year Ended June 30, 2023

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Amount	Interest rate	Balance July 1, 2022	Issued	Retired	Balance June 30, 2023
2016 School Bond Series	7/20/2016	\$ 9,900,000							
			7/15/2023	440,000	2.000%				
			7/15/2024	455,000	2.000%				
			7/15/2025	470,000	2.000%				
			7/15/2026	490,000	2.000%				
			7/15/2027	510,000	2.000%				
			7/15/2028	525,000	2.000%				
			7/15/2029	545,000	2.125%				
			7/15/2030	570,000	2.250%				
			7/15/2031	590,000	2.500%				
			7/15/2032	615,000	2.500%				
			7/15/2033	640,000	2.500%				
			7/15/2034	665,000	2.625%				
			7/15/2035	690,000	2.750%				
			7/15/2036	720,000	2.800%				
						8,350,000	-	425,000	7,925,000
						<u>\$ 8,350,000</u>	<u>\$ -</u>	<u>\$ 425,000</u>	<u>\$ 7,925,000</u>

POINT PLEASANT BEACH SCHOOL DISTRICT
Long-Term Debt
Schedule of Obligations Under Finance Purchases Payable
June 30, 2023

<u>Date of Issue</u>	<u>Series</u>	<u>Interest Rate Payable</u>	<u>Amount of Original Issue</u>	<u>Principal Balance July 1, 2022</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Adjustment</u>	<u>Principal Balance Outstanding June 30, 2023</u>
6/1/20	Computers	1.25%	415,586	<u>104,698</u>	<u>-</u>	<u>104,698</u>	<u>-</u>	<u>-</u>
				<u>\$ 104,698</u>	<u>\$ -</u>	<u>\$ 104,698</u>	<u>\$ -</u>	<u>\$ -</u>

POINT PLEASANT BEACH SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 407,896	\$ -	\$ 407,896	\$ 407,896	\$ -
State Sources:					
Debt Service Aid Type II	206,277	-	206,277	206,277	-
				-	
Total - State Sources	206,277	-	206,277	206,277	-
Total Revenues	614,173	-	614,173	614,173	-
EXPENDITURES:					
Regular Debt Service:					
Interest	189,173	-	189,173	189,173	-
Redemption of Principal	425,000	-	425,000	425,000	-
Total Regular Debt Service	614,173	-	614,173	614,173	-
Total expenditures	614,173	-	614,173	614,173	-
Excess of Revenues Over Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

**Point Pleasant Beach School District
Statistical Section**

<u>Contents</u>	<u>Page</u>
<p>Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.</p>	106-110
<p>Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.</p>	111-114
<p>Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.</p>	115-118
<p>Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.</p>	119-120
<p>Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.</p>	121-125

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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 20,446,090	\$ 20,850,502	\$ 21,268,526	\$ 11,905,964	\$ 14,601,816	\$ 21,611,704	\$ 22,072,418	\$ 22,424,895	\$ 22,483,580	\$ 23,174,954
Restricted	1,291,481	1,508,083	1,583,529	11,210,876	8,705,557	2,146,138	2,936,164	3,428,923	4,493,683	5,650,865
Unassigned	(211,627)	(4,544,492)	(4,723,933)	(4,939,079)	(4,903,425)	(4,841,850)	(5,166,071)	(3,789,642)	(3,363,836)	(2,821,726)
Total governmental activities net position	<u>\$ 21,525,944</u>	<u>\$ 17,814,093</u>	<u>\$ 18,128,122</u>	<u>\$ 18,177,761</u>	<u>\$ 18,403,948</u>	<u>\$ 18,915,992</u>	<u>\$ 19,842,511</u>	<u>\$ 22,064,176</u>	<u>\$ 23,613,427</u>	<u>\$ 26,004,093</u>
Business-type activities										
Net investment in capital assets	\$ (110,178)	\$ 12,622	\$ 29,337	\$ 48,475	\$ 25,906	\$ 70,259	\$ 216,075	\$ 172,947	\$ 202,756	\$ 226,555
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	367,464	273,292	265,401	266,089	318,993	326,959	162,983	218,000	436,435	299,083
Total business-type activities net position	<u>\$ 257,286</u>	<u>\$ 285,914</u>	<u>\$ 294,738</u>	<u>\$ 314,564</u>	<u>\$ 344,899</u>	<u>\$ 397,218</u>	<u>\$ 379,058</u>	<u>\$ 390,947</u>	<u>\$ 639,191</u>	<u>\$ 525,638</u>
District-wide										
Net investment in capital assets	\$ 20,335,912	\$ 20,863,124	\$ 21,297,863	\$ 11,954,439	\$ 14,627,722	\$ 21,681,963	\$ 22,288,493	\$ 22,597,842	\$ 22,686,336	\$ 23,401,509
Restricted	1,291,481	1,508,083	1,583,529	11,210,876	8,705,557	2,146,138	2,936,164	3,428,923	4,493,683	5,650,865
Unassigned	155,837	(4,271,200)	(4,458,532)	(4,672,990)	(4,584,432)	(4,514,891)	(5,003,088)	(3,571,642)	(2,927,401)	(2,522,643)
Total district net position	<u>\$ 21,783,230</u>	<u>\$ 18,100,007</u>	<u>\$ 18,422,860</u>	<u>\$ 18,492,325</u>	<u>\$ 18,748,847</u>	<u>\$ 19,313,210</u>	<u>\$ 20,221,569</u>	<u>\$ 22,455,123</u>	<u>\$ 24,252,618</u>	<u>\$ 26,529,731</u>

Source: ACFR Schedule A-1 and District records.

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities										
Current:										
Regular instruction	\$ (4,641,838)	\$ (4,921,786)	\$ (4,942,891)	\$ (3,308,202)	\$ (5,207,200)	\$ (5,009,158)	\$ (4,867,929)	\$ (5,107,091)	\$ (5,341,495)	\$ (5,535,573)
Special schools instruction	(1,331,698)	(1,318,468)	(1,228,211)	(1,320,697)	(1,293,534)	(1,299,518)	(1,278,174)	(1,481,751)	(1,598,092)	(1,644,025)
Other special instruction	(802,664)	(837,216)	(839,782)	(862,725)	(821,453)	(826,877)	(731,501)	(855,691)	(825,986)	(926,788)
Support services and undistributed costs:										
Instruction	(355,828)	(319,859)	(462,618)	(361,319)	(329,373)	(453,495)	(529,374)	(670,869)	(694,035)	(440,268)
Attendance	(216,904)	(222,074)	(254,817)	(215,401)	(225,428)	(240,485)	(241,853)	(246,622)	(271,771)	(287,960)
Health services	(373,503)	(423,584)	(426,868)	(404,279)	(420,438)	(462,520)	(402,548)	(452,862)	(441,198)	(426,653)
Other support services	(825,300)	(754,145)	(917,724)	(1,040,358)	(1,058,514)	(1,100,588)	(1,278,168)	(1,396,840)	(1,609,477)	(1,727,803)
Educational media services	(217,794)	(216,829)	(233,983)	(169,528)	(173,278)	(98,145)	(110,593)	(99,729)	(106,720)	(108,203)
Instruction staff training	-	-	-	-	-	-	-	-	-	-
General administrative services	(327,909)	(331,203)	(304,192)	(339,284)	(353,047)	(379,598)	(393,371)	(433,367)	(446,281)	(425,435)
Central services	(411,485)	(422,098)	(406,054)	(390,582)	(442,497)	(399,078)	(449,911)	(437,889)	(457,449)	(448,444)
School administrative services	(272,808)	(263,147)	(261,994)	(269,959)	(254,908)	(282,247)	(289,083)	(308,281)	(284,652)	(286,375)
Admin info technology	(180,034)	(90,838)	(113,265)	(119,946)	(117,946)	(140,085)	(141,517)	(219,076)	(148,535)	(140,386)
Allowed maintenance for school facilities	(1,613,088)	(1,711,983)	(1,723,088)	(1,923,262)	(1,940,265)	(1,955,990)	(1,988,445)	(2,107,259)	(1,875,426)	(2,056,594)
Other operation & maintenance of plant	(319,328)	(322,118)	(322,133)	(350,151)	(398,826)	(402,953)	(354,619)	(330,280)	(692,768)	(579,199)
Business and other support services	(2,313,007)	(2,502,584)	(2,842,191)	(2,745,983)	(2,804,044)	(3,081,284)	(3,215,357)	(2,110,709)	(1,873,491)	(2,266,389)
Unallocated employee benefits	-	-	-	-	-	-	-	(15,931)	-	10,000
Non-budgeted expenditures	(1,173,008)	(1,035,989)	(1,078,099)	(906,685)	(1,113,377)	(1,102,696)	(1,052,442)	(1,114,609)	(1,170,393)	(1,240,719)
Interest on long-term debt	(167,980)	(145,948)	(139,170)	(310,508)	(290,467)	(267,628)	(243,933)	(210,797)	(193,765)	(185,277)
Total governmental activities expenses	<u>(15,544,176)</u>	<u>(15,839,869)</u>	<u>(16,497,080)</u>	<u>(15,038,512)</u>	<u>(17,246,595)</u>	<u>(17,502,345)</u>	<u>(17,568,818)</u>	<u>(17,599,653)</u>	<u>(18,029,534)</u>	<u>(18,717,091)</u>
Business-type activities:										
Food service	\$ (439,319)	\$ (354,213)	\$ (345,027)	\$ (343,180)	\$ (262,499)	\$ (202,538)	\$ (162,751)	\$ (179,864)	\$ (334,247)	\$ (231,579)
EBS Technology Program	-	-	-	-	(82,476)	(74,133)	(134,174)	(163,125)	(165,357)	(178,083)
Total business-type activities expense	<u>(439,319)</u>	<u>(354,213)</u>	<u>(345,027)</u>	<u>(343,180)</u>	<u>(344,975)</u>	<u>(276,671)</u>	<u>(296,925)</u>	<u>(342,989)</u>	<u>(499,604)</u>	<u>(409,662)</u>
Total district expenses	<u>(15,983,495)</u>	<u>(16,194,082)</u>	<u>(16,842,107)</u>	<u>(15,381,692)</u>	<u>(17,591,570)</u>	<u>(17,779,016)</u>	<u>(17,865,743)</u>	<u>(17,942,642)</u>	<u>(18,529,138)</u>	<u>(19,126,753)</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ -	\$ -	\$ -	\$ -	\$ 2,071,131	\$ 1,957,558	\$ 1,998,788	\$ 2,391,459	\$ 2,413,297	\$ 2,856,004
Pupil transportation	-	-	-	-	-	-	-	-	-	-
Central and other support services	-	-	-	-	-	-	-	622,203	564,965	1,642,767
Operating grants and contributions	1,173,008	1,035,989	1,078,099	906,685	1,113,377	1,102,696	1,052,442	1,114,609	1,170,393	1,240,719
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>1,173,008</u>	<u>1,035,989</u>	<u>1,078,099</u>	<u>906,685</u>	<u>3,184,508</u>	<u>3,060,254</u>	<u>3,051,230</u>	<u>4,128,271</u>	<u>4,148,655</u>	<u>5,739,490</u>
Business-type activities:										
Charges for services:										
Food service	\$295,027	\$292,720	\$268,355	\$ 285,589	\$ 174,449	\$ 143,147	\$ 91,250	\$ 6,623	\$ -	\$ 53,915
EBS Technology Program	-	-	-	-	122,147	114,421	125,840	108,168	359,792	121,441
Operating grants and contributions	92,153	89,944	85,320	77,248	78,316	70,390	60,730	223,638	387,135	112,396
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	<u>387,180</u>	<u>382,664</u>	<u>353,675</u>	<u>362,837</u>	<u>374,912</u>	<u>327,958</u>	<u>277,820</u>	<u>338,429</u>	<u>746,927</u>	<u>287,752</u>
Total district program revenues	<u>\$ 1,560,188</u>	<u>\$ 1,418,653</u>	<u>\$ 1,431,774</u>	<u>\$ 1,269,522</u>	<u>\$ 3,559,420</u>	<u>\$ 3,388,212</u>	<u>\$ 3,329,050</u>	<u>\$ 4,466,700</u>	<u>\$ 4,895,582</u>	<u>\$ 6,027,242</u>
Net (Expense)/Revenue										
Governmental activities										
Governmental activities	\$ (14,371,168)	\$ (14,803,880)	\$ (15,418,981)	\$ (14,131,827)	\$ (14,062,087)	\$ (14,442,091)	\$ (14,517,588)	\$ (13,471,382)	\$ (13,880,879)	\$ (12,977,601)
Business-type activities	(52,139)	28,451	8,648	19,657	29,937	51,287	(19,105)	(4,560)	247,323	(121,910)
Total district-wide net expense	<u>\$ (14,423,307)</u>	<u>\$ (14,775,429)</u>	<u>\$ (15,410,333)</u>	<u>\$ (14,112,170)</u>	<u>\$ (14,032,150)</u>	<u>\$ (14,390,804)</u>	<u>\$ (14,536,693)</u>	<u>\$ (13,475,942)</u>	<u>\$ (13,633,556)</u>	<u>\$ (13,099,511)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 11,065,070	\$ 11,556,952	\$ 11,915,714	\$ 12,154,028	\$ 12,397,109	\$ 12,645,051	\$ 13,147,952	\$ 13,410,911	\$ 13,679,129	\$ 13,865,549
Taxes levied for debt service	965,083	971,315	967,688	988,443	956,806	874,540	883,459	891,439	403,480	407,896
Unrestricted grants and contributions	504,787	518,062	532,370	525,811	544,472	660,619	694,604	769,489	811,702	741,980
Restricted grants and contributions	424,870	424,856	473,187	484,431	609,579	711,801	679,258	201,709	204,043	206,277
Tuition revenue	1,736,084	1,736,539	1,766,266	-	-	-	-	-	-	-
Miscellaneous income	144,141	222,184	69,477	24,228	19,528	43,392	26,024	171,911	322,739	72,326
Miscellaneous income Restricted	-	-	-	-	-	-	-	69	80	612
Investment earnings	3,016	2,340	8,578	4,525	10,040	18,732	12,810	5,548	8,957	73,627
Total governmental activities	<u>14,843,051</u>	<u>15,432,248</u>	<u>15,733,280</u>	<u>14,181,466</u>	<u>14,288,274</u>	<u>14,954,135</u>	<u>15,444,107</u>	<u>15,451,076</u>	<u>15,430,130</u>	<u>15,368,287</u>
Business-type activities:										
Investment earnings	\$182	\$177	\$176	\$ 169	\$ 398	\$ 1,032	\$ 945	\$ 518	\$ 921	\$ 8,357
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>182</u>	<u>177</u>	<u>176</u>	<u>169</u>	<u>398</u>	<u>1,032</u>	<u>945</u>	<u>518</u>	<u>921</u>	<u>8,357</u>
Total district-wide	<u>\$ 14,843,233</u>	<u>\$ 15,432,425</u>	<u>\$ 15,733,456</u>	<u>\$ 14,181,635</u>	<u>\$ 14,288,672</u>	<u>\$ 14,955,167</u>	<u>\$ 15,445,052</u>	<u>\$ 15,451,594</u>	<u>\$ 15,431,051</u>	<u>\$ 15,376,644</u>
Change in Net Position										
Governmental activities										
Governmental activities	\$ 471,883	\$ 628,368	\$ 314,299	\$ 49,639	\$ 226,187	\$ 512,044	\$ 926,519	\$ 1,979,694	\$ 1,549,251	\$ 2,390,666
Business-type activities	(51,957)	28,628	8,824	19,826	30,335	52,319	(18,160)	(4,042)	248,244	(113,553)
Total district	<u>\$ 419,926</u>	<u>\$ 656,996</u>	<u>\$ 323,123</u>	<u>\$ 69,465</u>	<u>\$ 256,522</u>	<u>\$ 564,363</u>	<u>\$ 908,359</u>	<u>\$ 1,975,652</u>	<u>\$ 1,797,495</u>	<u>\$ 2,277,113</u>

Source: ACFR Schedule A-2 and District records.

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

Exhibit J-3

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	\$ -	\$ -	\$ -	\$ 1,274,142	\$ 1,360,000	\$ 1,597,300	\$ 2,566,462	\$ 3,105,129	\$ 3,891,975	\$ 5,043,530
Assigned	-	-	-	36,734	160,000	59,331	89,331	79,723	121,190	469,012
Unassigned	-	-	-	283,227	270,657	332,434	350,302	747,978	758,230	394,740
Reserved	1,291,481	1,508,083	1,583,529	-	-	-	-	-	-	-
Unreserved	265,976	273,036	294,245	-	-	-	-	-	-	-
Total general fund	<u>\$ 1,557,457</u>	<u>\$ 1,781,119</u>	<u>\$ 1,877,774</u>	<u>\$ 1,594,103</u>	<u>\$ 1,790,657</u>	<u>\$ 1,989,065</u>	<u>\$ 3,006,095</u>	<u>\$ 3,932,830</u>	<u>\$ 4,771,395</u>	<u>\$ 5,907,282</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted										
Debt service fund										
Capital projects fund	-	-	1,551,866	1,535,488	727,530	489,507	369,702	369,702	369,702	369,702
Special revenue fund	-	-	-	-	-	-	-	246,072	232,006	237,633
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,551,866</u>	<u>\$ 1,535,488</u>	<u>\$ 727,530</u>	<u>\$ 489,507</u>	<u>\$ 369,702</u>	<u>\$ 615,774</u>	<u>\$ 601,708</u>	<u>\$ 607,335</u>

Source: ACFR Schedule B-1 and District records.

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax levy	\$ 12,030,153	\$ 12,528,267	\$ 12,883,402	\$ 13,142,471	\$ 13,104,655	\$ 13,519,591	\$ 14,031,411	\$ 14,302,350	\$ 14,082,609	\$ 14,273,445
Tuition charges	1,736,084	1,736,539	1,766,266	1,756,591	2,071,131	1,957,558	1,998,788	2,120,297	2,042,647	2,329,596
Interest earnings	3,016	2,340	8,578	4,525	10,040	18,732	12,810	5,548	8,957	73,627
Miscellaneous	144,141	222,184	69,477	24,228	19,528	43,392	26,024	443,142	693,469	599,346
State sources	1,787,067	1,671,555	1,718,818	1,562,367	1,882,920	2,077,234	2,043,738	2,205,471	2,309,264	2,298,663
Federal sources	315,598	307,352	364,838	354,560	384,508	397,882	382,566	502,539	441,839	1,533,080
Total revenue	16,016,059	16,468,237	16,811,379	16,844,742	17,472,782	18,014,389	18,495,337	19,579,347	19,578,785	21,107,757
Expenditures										
Current:										
Regular instruction	4,641,838	4,921,786	4,942,891	5,064,793	5,207,200	5,009,158	4,867,929	5,107,091	5,341,495	5,535,573
Special education instruction	1,331,698	1,318,468	1,228,211	1,320,697	1,293,534	1,299,518	1,278,174	1,481,751	1,598,092	1,644,025
Other special instruction	802,664	837,216	839,782	862,725	821,453	826,877	731,501	855,691	825,986	926,788
Support services and undistributed costs:										
Instruction	355,828	319,859	462,618	361,319	329,373	453,495	529,374	670,869	694,035	440,268
Attendance	216,904	222,074	254,817	215,401	225,428	240,485	241,853	246,622	271,771	287,960
Health services	373,503	423,584	426,868	404,279	420,438	462,520	402,548	452,862	441,198	426,653
Other support services	825,300	754,145	917,724	1,040,358	1,058,514	1,100,588	1,278,168	1,396,840	1,609,477	1,727,803
Educational media services	217,794	216,829	233,983	169,528	173,278	98,145	110,593	99,729	106,720	108,203
Instruction staff training	-	-	-	-	-	-	-	-	-	-
General administrative services	327,909	331,203	304,192	339,284	353,047	379,598	393,371	433,367	446,281	425,435
School administrative services	411,485	422,098	406,054	390,582	442,497	399,078	449,911	437,889	457,449	449,444
Information technology	272,808	263,147	261,994	269,955	256,908	282,247	289,083	308,281	284,652	286,375
Allowed maintenance for school facilit	180,034	90,838	113,265	119,593	117,946	140,085	141,517	219,076	146,535	140,386
Other operation & maintenance of plar	1,161,637	1,201,740	1,208,724	1,420,571	1,360,630	1,390,678	1,408,250	1,536,517	1,389,789	1,476,793
Student transportation services	319,328	322,118	322,133	350,151	398,826	402,953	354,619	330,280	692,768	579,199
Business and other support services	-	-	-	-	-	-	-	-	-	-
Unallocated employee benefits	2,340,547	2,502,878	2,658,660	2,746,312	2,743,173	3,077,432	2,780,137	2,794,739	2,535,800	2,820,271
Undistributed Food Service	-	-	-	-	-	-	-	15,931	-	(10,000)
Non-budgeted expenditures	1,173,008	1,035,989	1,078,099	906,685	1,113,377	1,102,696	1,052,442	1,114,609	1,170,393	1,240,719
Debt service:										
Principal	806,736	835,000	855,000	3,390,000	420,000	800,000	835,000	870,000	410,000	425,000
Interest and other charges	158,347	136,315	112,688	106,051	399,562	271,278	247,733	223,148	197,523	189,173
Capital outlay	53,219	89,288	1,035,155	7,566,507	949,002	317,173	205,909	53,219	134,322	846,175
Total expenditures	15,970,587	16,244,575	17,662,858	27,044,791	18,084,186	18,054,004	17,598,112	18,648,511	18,754,286	19,966,243
Excess (Deficiency) of revenues over (under) expenditures	45,472	223,662	(851,479)	(10,200,049)	(611,404)	(39,615)	897,225	930,836	824,499	1,141,514
Other Financing sources (uses)										
FEMA Aid	-	-	-	-	-	-	-	-	-	-
Sale of bonds	-	-	2,500,000	9,900,000	-	-	-	-	-	-
Capital leases (non-budgeted)	-	-	-	-	-	-	-	-	-	-
Proceeds from refunding	-	-	-	-	-	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	4,525	7,608	-	-	-	-	-	-
Transfers out	-	-	(4,525)	(7,608)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	2,500,000	9,900,000	-	-	-	-	-	-
Net change in fund balances	45,472	223,662	1,648,521	(300,049)	(611,404)	(39,615)	897,225	930,836	824,499	1,141,514
Debt service as a percentage of noncapital expenditures	5.07%	5.17%	5.14%	17.40%	2.45%	4.51%	4.80%	5.88%	3.26%	3.21%

Source: ACFR Schedule B-2 and District records.

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

Fiscal Year Ending June 30,	Tuition	Transportation	Interest on Investments	Prior Year Refunds	Rentals	Miscellaneous	Annual Totals
2014	465,418	-	905	-	-	144,141	610,464
2015	595,363	-	2,517	-	-	222,184	820,064
2016	619,553	-	8,754	-	-	69,477	697,784
2017	619,553	-	4,694	-	-	24,228	648,475
2018	624,601	-	10,438	-	-	19,528	654,567
2019	608,997	-	19,764	-	-	35,642	664,403
2020	650,313	-	13,755	-	-	17,924	681,992
2021	758,918	-	6,066	-	-	168,211	933,195
2022	819,259	-	9,037	-	-	322,739	1,151,035
2023	795,870	-	74,239	-	-	72,326	942,435

Source: District records

POINT PLEASANT BEACH SCHOOL DISTRICT
June 30, 2023
Last Ten Fiscal Years
UNAUDITED

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities ^a	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
2014	94,330,400	1,485,734,900	-	-	335,788,000	-	12,655,900	1,928,509,200	113,491,300	363,997	1,815,381,897	2,127,374,246	0.646
2015	95,046,200	1,504,470,600	-	-	338,044,400	-	12,779,100	1,950,340,300	114,340,300	363,997	1,836,363,997	2,065,287,933	0.657
2016	87,840,600	1,535,585,500	-	-	338,309,800	-	12,779,100	1,974,515,000	113,721,000	363,997	1,860,794,000	2,095,085,265	0.659
2017	87,996,100	1,548,780,600	-	-	337,182,100	-	12,710,100	1,986,668,900	114,535,800	-	1,872,133,100	2,056,358,050	0.653
2018	75,781,100	1,583,146,300	-	-	333,976,700	-	12,710,700	2,005,614,200	114,649,400	-	1,890,964,800	2,127,521,163	0.668
2019	73,251,400	1,598,326,900	-	-	333,041,400	-	12,710,100	2,017,329,800	115,721,200	-	1,901,608,600	2,017,329,800	0.691
2020	69,916,600	1,616,690,000	-	-	331,708,000	-	12,710,100	2,031,024,700	115,392,400	-	1,915,632,300	2,031,024,700	0.701
2021	63,968,300	1,638,951,900	-	-	324,718,300	-	12,710,000	2,040,348,500	115,996,700	-	1,924,351,900	2,487,926,594	0.685
2022	63,783,600	1,646,687,300	-	-	325,507,200	-	12,710,000	2,048,688,100	115,856,800	-	1,932,831,300	2,744,747,053	0.690
2023	60,060,700	1,664,155,200	-	-	325,427,900	-	13,673,900	2,063,317,700	116,715,500	-	1,946,602,200	2,764,359,191	N/A

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

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

^b Tax rates are per \$100

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

POINT PLEASANT BEACH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
June 30, 2023
Last ten fiscal years
UNAUDITED

Assessment Year	Pt. Pleasant Beach School District	Pt. Pleasant Beach Township	Ocean County	Total
2014	0.646	0.404	0.449	1.499
2015	0.657	0.409	0.440	1.506
2016	0.659	0.417	0.442	1.518
2017	0.653	0.424	0.434	1.511
2018	0.668	0.429	0.438	1.535
2019	0.691	0.434	0.434	1.559
2020	0.701	0.438	0.442	1.581
2021	0.685	0.449	0.449	1.583
2022	0.690	0.465	0.464	1.619
2023	N/A	N/A	N/A	N/A

Source: Tax Collector

POINT PLEASANT BEACH SCHOOL DISTRICT
June 30, 2023
Current Year and Ten Years Ago
UNAUDITED

	2023				2014		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value		Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Jenkinson's	\$ 78,873,900		53.18%	Jenkinson's	\$ 93,794,100		55.87%
Chef's International, Inc.	12,483,800		8.42%	Chef's International, Inc.	12,297,700		7.33%
1106 Ocean Ave Inc.	12,099,700		8.16%	1106 Ocean Ave Inc.	12,082,900		7.20%
Tower Beacon Gardens	9,158,400		6.18%	Cameryn & Dalton	11,570,200		6.89%
Cameryn & Dalton	7,495,000		5.05%	Tower Beacon Gardens	9,158,400		5.46%
Lammers, William	6,934,800		4.68%	Senkle Corporation	8,080,200		4.81%
Port of Point Pleasant LLC	6,768,200		4.56%	Risden's Beach Corp.	7,259,400		4.32%
1500 Richmond Ave LLC	5,089,700		3.43%	Lammers, William	5,453,300		3.25%
Korzeniowski Trust	4,990,600		3.36%	Clayton Family, LLC	4,415,400		2.63%
Clayton Family, LLC	4,417,600		2.98%	DL Real Estate Holdings	3,755,400		3.24%
Total	<u>\$ 148,311,700</u>		<u>100.00%</u>		<u>\$ 167,867,000</u>		<u>100.00%</u>

Source: Municipal Tax Assessor

POINT PLEASANT BEACH SCHOOL DISTRICT
Property Tax Levies and Collections
June 30, 2023
UNAUDITED

<u>Year Ended June 30,</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of tax Levy Collected</u>
2014	29,051,282	28,613,337	98.49%
2015	29,366,244	29,179,615	98.68%
2016	29,956,331	29,672,370	99.05%
2017	30,217,293	29,792,797	98.60%
2018	30,783,954	30,520,132	99.14%
2019	31,570,074	31,155,445	98.69%
2020	32,252,829	31,920,156	98.97%
2021	32,390,077	32,067,498	99.00%
2022	33,283,098	32,977,917	99.08%
2023	34,367,026	N/A	N/A

Source: Ocean County Board of Taxation

POINT PLEASANT BEACH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
June 30, 2023
UNAUDITED

Year Ended June 30,	Governmental Activities		Business- Type Activities	Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Capital Leases	Capital Leases			
2014	4,365,000	-	500,710	4,865,710	0.92888808%	45,197
2015	3,530,000	-	297,801	3,827,801	1.23483431%	47,267
2016	5,175,000	-	200,977	5,375,977	0.90822561%	48,826
2017	11,685,000	-	101,730	11,786,730	0.42722621%	50,356
2018	11,265,000	-	231,446	11,496,446	0.45423833%	51,725
2019	10,465,000	-	157,223	10,622,223	0.45423833%	53,517
2020	9,630,000	-	310,201	9,940,201	0.45423833%	57,344
2021	8,760,000	-	208,093	8,968,093	N/A	N/A
2022	8,350,000	-	104,698	8,454,698	N/A	N/A
2023	7,925,000	-	-	7,925,000	N/A	N/A

Note: GASB 44 requires this schedule to list out ten years of data, however only the years listed above are available. As the information becomes available it will be shown until the full ten years is disclosed.

NOTE:

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

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

^b Includes Early Retirement Incentive Plan (ERIP) refunding

POINT PLEASANT BEACH SCHOOL DISTRICT
Ratio of General Bonded Debt Outstanding
June 30, 2023
Last ten fiscal years
UNAUDITED

Fiscal Year Ended June 30,	School District Population	Net Assessed Valuation Taxable	Net Bonded Debt	Ratio of Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2014	4,582	1,928,553,100	11,640,000	0.60%	2,540
2015	4,567	1,928,553,100	11,640,000	0.60%	2,549
2016	4,541	1,974,515,000	9,640,000	0.49%	2,123
2017	4,530	1,986,668,900	11,685,000	0.59%	2,579
2018	4,546	2,005,614,200	11,265,000	0.56%	2,478
2019	4,559	2,017,329,800	10,465,000	0.52%	2,295
2020	4,597	2,031,024,700	9,630,000	0.47%	2,095
2021	4,828	2,487,926,594	8,760,000	0.35%	1,814
2022	4,869	2,744,747,053	8,350,000	0.30%	1,715
2023	N/A	2,764,359,191	7,925,000	0.29%	-

Source: Assessed valuations were provided by the Abstract of Ratables,
County Board of Taxation.
School district population data was provided by the
U.S. Bureau of the Census, Population Division.

POINT PLEASANT BEACH SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 June 30, 2023
 UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
General Debt	\$ 29,480,677	100.00%	\$ -
Water, Sewer and Utility	9,611,521	100.00%	-
Subtotal, overlapping debt			39,092,198
District Direct Debt			<u>7,925,000</u>
Total direct and overlapping debt			<u><u>\$ 47,017,198</u></u>

Sources: Statutory Audits of Local Government Units and Ocean County
 Department of Finance.

POINT PLEASANT BEACH SCHOOL DISTRICT
Legal Debt Margin Information
June 30, 2023
UNAUDITED

	Equalized valuation basis									
	2023	2,764,359,191								
	2022	2,744,747,053								
	2021	2,487,926,594								
	[A]	<u>\$ 7,997,032,838</u>								
	[A/3]	\$ 2,665,677,613								
a Debt limit (4 % of ave	[B]	106,627,105								
Total Net Debt Applic:	[C]	-								
Legal debt margir	[B-C]	<u>\$ 106,627,105</u>								
	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	30,490,459	35,076,819	37,072,884	78,529,827	79,557,308	83,804,256	80,719,583	87,150,415	106,365,609	106,627,105
Total net debt applicable to limit	<u>4,365,000</u>	<u>3,530,000</u>	<u>5,175,000</u>	<u>11,685,000</u>	<u>11,265,000</u>	<u>10,465,000</u>	<u>9,630,000</u>	<u>8,760,000</u>	<u>8,350,000</u>	<u>7,925,000</u>
Legal debt margin	<u>\$ 26,125,459</u>	<u>\$ 31,546,819</u>	<u>\$ 31,897,884</u>	<u>\$ 66,844,827</u>	<u>\$ 68,292,308</u>	<u>\$ 73,339,256</u>	<u>\$ 71,089,583</u>	<u>\$ 78,390,415</u>	<u>\$ 98,015,609</u>	<u>\$ 98,702,105</u>
Total net debt applicable to the limit as a percentage of debt limit	14.32%	10.06%	13.96%	14.88%	14.16%	12.49%	11.93%	10.05%	7.85%	7.43%

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

a Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

Note: GASB 44 requires this schedule to list out ten years of data, however only the years listed above are available. As the information becomes available it will be shown until the full ten years is disclosed.

POINT PLEASANT BEACH SCHOOL DISTRICT
Demographic and Economic Statistics
June 30, 2023
UNAUDITED

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2014	4,582	205,965,482	44,951	5.90%
2015	4,567	215,174,205	47,115	4.60%
2016	4,541	220,592,698	48,578	4.20%
2017	4,530	225,652,890	49,813	4.00%
2018	4,546	233,450,738	51,353	3.50%
2019	4,559	242,260,701	53,139	3.20%
2020	4,597	263,610,368	57,344	8.40%
2021	4,828	193,653,444	60,823	4.50%
2022	4,869	-	-	0.00%
2023	-	-	-	0.00%

Source:

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

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

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

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

POINT PLEASANT BEACH SCHOOL DISTRICT
June 30, 2023
Current Year and Nine Years Ago
UNAUDITED

Employer	2023			2014		
	Employees	Rank [Optional]	Percentage of Total Municipal Employment	Employees	Rank [Optional]	Percentage of Total Municipal Employment
N/A		1	0.00%			0.00%
		2	0.00%			0.00%
		3	0.00%			0.00%
		4	0.00%			0.00%
		5	0.00%			0.00%
		6	0.00%			0.00%
		7	0.00%			0.00%
		8	0.00%			0.00%
		9	0.00%			0.00%
		10	0.00%			0.00%
			-	-		
		-	-			-
		-	-			-
	-		0.00%	-		0.00%
	-		0.00%	-		0.00%

Source:

POINT PLEASANT BEACH SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program
June 30, 2023
UNAUDITED

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction										
Regular	64	65	63	64	64	65	65	65	57.5	60.5
Special education teachers	18	17	18.6	20	20	19	19	19	22	21
Other instruction	25	27	25.5	20	20	21	20	20	20	23
Support Services:										
Student & instruction related services	7	7	7	7	7	7	7	7	7	7
General administration	1	1	1	1	1	1	1	1	1	1
School administrative services	3	3.5	4	5	5.5	5.5	5.5	5.5	5	5
Other administrative services	3	3	3	3	3	3	3	3	2	2
Administrative Information Technology	1	1	1	1	1	1	1	1	1	1
Plant operations and maintenance	10	10.5	9	10	10.5	10.5	11	11	11	11
Pupil transportation	2	2	2	2	2	2	3	3	3	3
Other support services	13.5	13.5	13.5	13.5	13.5	13.5	13.5	13.5	13.5	13.5
Total	<u>147.5</u>	<u>150.5</u>	<u>147.6</u>	<u>146.5</u>	<u>147.5</u>	<u>148.5</u>	<u>149.0</u>	<u>149.0</u>	<u>143.0</u>	<u>148.0</u>

Source: District Personnel Records

POINT PLEASANT BEACH SCHOOL DISTRICT
 June 30, 2023
 Last Ten Fiscal Years
 UNAUDITED

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures^a</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff^b</u>	<u>Pupil/Teacher Ratio</u>	<u>Average Daily Enrollment (ADE)^c</u>	<u>Average Daily Attendance (ADA)^c</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2014	843.0	14,580,634	17,296	4.24%	82.00	10.3:1	824.6	774.9	1.54%	93.97%
2015	848.0	15,195,082	17,919	3.60%	82.00	10.3:1	847.0	800.1	2.72%	94.46%
2016	830.0	15,786,894	19,020	6.15%	81.60	10.2:1	822.3	773.9	-2.92%	94.12%
2017	835.0	16,378,825	19,734	10.13%	84.00	9:9:1	798.8	752.0	-2.86%	94.14%
2018	859.0	14,845,726	17,283	-3.22%	84.00	10.2:1	806.3	766.5	0.94%	95.06%
2019	764.0	16,665,553	21,814	19.74%	84.00	9.1:1	758.0	717.0	-5.99%	94.59%
2020	745.0	16,309,470	21,892	20.13%	84.00	8.9:1	745.0	719.0	-1.72%	96.51%
2021	744.0	17,502,144	23,524	28.41%	84.00	8.1:1	744.0	716.0	-0.13%	96.24%
2022	725.0	18,012,441	24,845	35.10%	79.50	9.1:1	719.7	676.0	-3.27%	93.93%
2023	707.0	18,505,895	26,175	41.84%	81.50	8.3:1	674.6	632.2	-6.27%	93.71%

Sources: District records

Note: Enrollment based on annual October district count.

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

POINT PLEASANT BEACH SCHOOL DISTRICT
School Building Information
June 30, 2023
UNAUDITED

District Building	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Elementary											
G. Harold Antrim Elementary School											
Square Feet	68,200	68,200	68,200	68,200	68,200	68,200	68,200	68,200	68,200	68,200	68,200
Capacity (students)	615	615	615	615	615	615	615	615	615	615	615
Enrollment	482	473	450	431	417	441	380	361	365	346	339
High School											
Point Pleasant Beach High School											
Square Feet	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000
Capacity (students)	580	580	580	580	580	580	580	580	580	580	580
Enrollment	389	370	398	399	413	418	384	384	379	374	368

Number of Schools at June 30, 2021
 Elementary = 1
 Middle School = 0
 Senior High School = 1

Source: District Facilities Office

POINT PLEASANT BEACH SCHOOL DISTRICT
Schedule of Required Maintenance
June 30, 2023
Undistributed Expenditures - required
Maintenance For School Facilities
11-000-261-XXX
UNAUDITED

		<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
School Facilities:	Project # (s)										
G. Harold Antrim Elementary School	N/A	78,498	36,335	45,306	71,884	64,870	78,762	77,834	99,474	66,536	63,174
Point Pleasant Beach High School	N/A	117,748	54,503	67,959	47,709	53,076	78,761	63,683	119,602	79,999	77,212
Total School Facilities		<u>196,246</u>	<u>90,838</u>	<u>113,265</u>	<u>119,593</u>	<u>117,946</u>	<u>157,523</u>	<u>141,517</u>	<u>219,076</u>	<u>146,535</u>	<u>140,386</u>
Other Facilities		-	-	-	-	-	-	-	-	-	-
Grand Total		<u>\$ 196,246</u>	<u>\$ 90,838</u>	<u>\$ 113,265</u>	<u>\$ 119,593</u>	<u>\$ 117,946</u>	<u>\$ 157,523</u>	<u>\$ 141,517</u>	<u>\$ 219,076</u>	<u>\$ 146,535</u>	<u>\$ 140,386</u>

*School Facilities as defined under EFCFA
(NJAC 6A:26-1.2 and NJAC 6:24-1.3)

POINT PLEASANT BEACH SCHOOL DISTRICT
 Insurance Schedule
 June 30, 2023
 Unaudited

	<u>Coverage</u>	<u>Deductible</u>
Multi Peril Package Policy		
Property - NJ School Board Insurance		
Blanket Building and Contents	\$ 45,521,089	5,000
Blanket Extra Expense	50,000,000	5,000
Blanket Valuable Papers and Records	10,000,000	5,000
Demolition & Increased Costs of Construction	25,000,000	5,000
Fire Department Service Charge/Arson Reward	10,000	5,000
Flood Zones A & V	25,000,000	500,000
Flood Zone B	75,000,000	10,000
Earthquake	50,000,000	-
Terrorism	1,000,000	-
General Liability - New Jersey School Boards		
Comprehensive General Liability	-	-
Bodily Injury, Property Damage, Sexual Abuse	16,000,000	
Each Occurrence	-	-
Sexual Abuse	15,000,000	-
Medical Expense	10,000	100
Employee Benefits Programs	16,000,000	1,000
Crime - NJ School Boards		
Employee Dishonesty	250,000	1,000
Forgery or Alteration	250,000	1,000
Money and Securities	25,000	500
Money Orders/Counterfeit	25,000	500
Computer Fraud	1,000,000	1,000
Automobile - NJSBAIG		
Comprehensive Automobile Liability	16,000,000	-
Uninsured/Underinsured Motorist	1,000,000	-
Personal Injury Protection	250,000	-
Garage keepers Liability	Included	-
Comprehensive & Collision Deductibles		1,000
Inland Marine		
Blanket Hardware/Software	1,250,000	1,000
Flood	1,000,000	500,000
Errors and Omissions - N.J. School Boards		
Association Insurance Group	16,000,000	5,000
Boiler and Machinery - N.J. School Boards		-
Association Insurance Group	100,000,000	5,000
NJ Unshared Excess Program		
Limit of Liability	30,000,000	-
Workers Compensation - NJ School Boards		
Section A	Statutory	
Section B	3,000,000	Each Accident
	3,000,000	Each Employee
	3,000,000	Aggregate Limit
Student Accident Insurance		
Maximum Benefit Blanket Athletic Coverage		
Including Football	5,000,000	
Public Official Bonds - Selective Insurance Co.		
Christine Riehl, Treasurer	200,000	
Brian Savage, Business Administrator/ Board Secretary	200,000	
Flood Insurance		
299 Cooks Lane	Buildings	500,000
	Contents	500,000
Cooks Lane & Niblick Ave	Buildings	500,000
	Contents	500,000

Source: District Records

SINGLE AUDIT SECTION



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

Honorable President and
Members of the Board of Education
Point Pleasant Beach
County of Ocean
Pt. Pleasant Beach, 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 Point Pleasant Beach in the County of Ocean, State of New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise of the Point Pleasant Beach basic financial statements, and have issued our report thereon dated October 9, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Point Pleasant Beach'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Purpose of this Report

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

Respectfully Submitted

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



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

Toms River, New Jersey
October 9, 2023



K-2

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

Honorable President and
Members of the Board of Education
Point Pleasant Beach
County of Ocean
Pt. Pleasant Beach, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Point Pleasant Beach's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey OMB Circular 15-08 that could have a direct and material effect on each of Point Pleasant Beach's major federal and state programs for the year ended June 30, 2023. Point Pleasant Beach'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, Point Pleasant Beach 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, 2023.

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

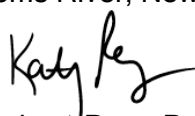
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

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

Respectfully submitted,

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



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

Toms River, New Jersey
October 9, 2023

POINT PLEASANT BEACH SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal FAIN Number	Grant Period	Award Amount	Balance at June 30, 2022	Carryover Amount	Cash Received	Budgetary Expenditures	Repayment of Prior years' Balances	Deferred Revenue at June 30, 2023	(Accounts Receivable) at June 30, 2023	Due to Grantor at June 30, 2023
U.S. Department of Agriculture												
Passed-through State Department of Education:												
Enterprise Fund:												
Food Distribution Program	10.565	231NJ304N1099	7/1/22-6/30/23	\$ 13,177	\$ -	\$ -	\$ 13,177	\$ (13,177)	\$ -	\$ -	\$ -	\$ -
Child Nutrition Cluster:												
Supply Chain Assistance Funding	10.555	231NJ304N1099	7/1/22-6/30/23	18,919	-	-	18,919	(18,919)	-	-	-	-
National School Lunch Program	10.555	231NJ304N1099	7/1/22-6/30/23	77,494	-	-	72,596	(77,494)	-	-	(4,898)	-
Summer Food Service Program for Children	10.559	231NJ304N1099	7/1/21-6/30/22	362,746	(27,094)	-	27,094	-	-	-	-	-
Subtotal of Child Nutrition Cluster					(27,094)	-	118,609	(96,413)	-	-	(4,898)	-
Total Enterprise Fund					(27,094)	-	131,786	(109,590)	-	-	(4,898)	-
U.S. Department of Treasury												
Coronavirus State and Local Fiscal Recovery Fund												
Special Education Services	21.027	SLRFDOE1SES	7/1/22-6/30/23	146,838	-	-	73,419	(146,838)	-	-	(73,419)	-
U.S. Department of Education												
Passed-through State Department of Education:												
Special Revenue Fund:												
Special Education Cluster:												
I.D.E.A. Part B Basic Regular	84.027	H027A220100	7/1/22-6/30/23	206,831	-	-	188,814	(202,607)	-	-	(13,793)	-
I.D.E.A. Part B Preschool	84.173	H173A220114	7/1/22-6/30/23	7,824	-	-	4,783	(7,824)	-	-	(3,041)	-
ARP I.D.E.A Basic	84.027X	H027X210100	7/1/21-9/30/22	40,960	(40,960)	-	40,960	-	-	-	-	-
ARP I.D.E.A Preschool	84.173X	H173X210114	7/1/22-9/30/23	3,494	(3,494)	-	3,494	-	-	-	-	-
Subtotal of Special Education Cluster					(44,454)	-	238,051	(210,431)	-	-	(16,834)	-
Title I	84.010	S010A220030	7/1/22-6/30/23	111,331	-	-	43,826	(111,331)	-	-	(67,505)	-
Title II	84.365	S367A220029	7/1/22-6/30/23	22,605	-	-	1,335	(21,485)	-	-	(20,150)	-
Title IV	84.424	S424A210031	7/1/21-6/30/22	10,000	(1,789)	-	1,789	-	-	-	-	-
Title IV	84.424	S424A220031	7/1/22-6/30/23	10,000	-	-	1,439	(10,000)	-	-	(8,561)	-
Elementary and Secondary Education Cluster:												
CARES	84.425D	S425D220027	3/13/20-9/30/22	130,659	(16,689)	-	27,428	(10,739)	-	-	-	-
CRRSA-ESSER II	84.425D	S425D220027	3/13/20-9/30/23	425,341	(769)	-	411,164	(410,395)	-	-	-	-
CR Learning Acceleration-ESSER II	84.425D	S425D220027	3/13/20-9/30/23	27,296	(594)	-	594	(26,702)	-	-	(26,702)	-
CR Mental Health-ESSER II	84.425D	S425D220027	3/13/20-9/30/23	45,000	-	-	45,000	(45,000)	-	-	-	-
ARP ESSER III	84.425U	S425U210027	3/13/20-9/30/24	955,927	(6,500)	-	412,355	(495,761)	-	-	(89,906)	-
ARP Evidence Based Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000	-	-	22,633	(22,633)	-	-	-	-
ARP Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	50,000	(259)	-	13,685	(13,966)	-	-	(540)	-
ARP Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000	-	-	4,525	(7,799)	-	-	(3,274)	-
Subtotal Elementary and Secondary Education Cluster					(24,811)	-	937,384	(1,032,995)	-	-	(120,422)	-
Total Special Revenue Fund					(71,054)	-	1,297,243	(1,533,080)	-	-	(306,891)	-
Total Expenditures of Federal Financial Awards					\$ (98,148)	\$ -	\$ 1,429,029	\$ (1,642,670)	\$ -	\$ -	\$ (385,208)	\$ -

See accompanying notes to schedules of expenditures.

POINT PLEASANT BEACH SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Year Ended June 30, 2023

State Grantor/ Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022				Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Deferred Revenue at June 30, 2023	(Accounts Receivable) at June 30, 2023	Due to Grantor at June 30, 2023	MEMO Budgetary Receivable	MEMO Total Expenditures
				Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover Amount									
State Department of Agriculture:															
Enterprise Fund:															
National School Lunch Program (State Share)	22-100-010-3350-023	7/1/21-6/30/22	\$ 8,474	\$ (621)	\$ -	\$ -	\$ 621	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
National School Lunch Program (State Share)	23-100-010-3350-023	7/1/22-6/30/23	2,806	-	-	-	2,642	(2,806)	-	-	(164)	-	-	2,806	
Total Enterprise Fund				(621)	-	-	3,263	(2,806)	-	-	(164)	-	-	2,806	
State Department of Education:															
General Fund:															
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	467,391	-	-	-	425,540	(467,391)	-	-	-	-	41,851	467,391	
Extraordinary Aid	23-495-034-5120-011	7/1/22-6/30/23	126,841	-	-	-	-	(126,841)	-	-	(126,841)	-	-	126,841	
Extraordinary Aid	22-495-034-5120-011	7/1/21-6/30/22	169,391	(169,391)	-	-	169,391	-	-	-	-	-	-	-	
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	74,652	-	-	-	67,968	(74,652)	-	-	-	-	6,684	74,652	
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	71,924	-	-	-	65,484	(71,924)	-	-	-	-	6,440	71,924	
Non Public Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	312	-	-	-	-	(312)	-	-	(312)	-	-	312	
Supplemental Stabilization Aid	22-495-034-2150-128	7/1/22-6/30/23	3,606	-	-	-	3,606	(3,606)	-	-	-	-	-	3,606	
On-behalf TPAF Pension Contribution	23-495-034-5095-002	7/1/22-6/30/23	2,584,621	-	-	-	2,584,621	(2,584,621)	-	-	-	-	-	2,584,621	
On-Behalf TPAF Post-Retirement Medical	23-495-034-5095-001	7/1/22-6/30/23	678,974	-	-	-	678,974	(678,974)	-	-	-	-	-	678,974	
On-Behalf TPAF Long-Term Disability Insurance	23-495-034-5095-004	7/1/22-6/30/23	911	-	-	-	911	(911)	-	-	-	-	-	911	
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	560,834	-	-	-	560,834	(560,834)	-	-	-	-	-	560,834	
Total General Fund				(169,391)	-	-	4,557,329	(4,570,066)	-	-	(127,153)	-	54,975	4,570,066	
Special Revenue Fund:															
SDA Emergency	23-100-034-5120-519	7/1/22-6/30/23	18,102	-	-	-	18,102	(18,102)	-	-	-	-	-	18,102	
Chapter 192/193	22-100-034-5120-067	7/1/21-6/30/22	52,449	2,690	-	-	-	-	(2,690)	-	-	-	-	-	
Chapter 192/193	23-100-034-5120-067	7/1/22-6/30/23	59,036	-	-	-	59,036	(48,792)	-	-	-	10,244	-	48,792	
Security	22-100-034-5120-068	7/1/21-6/30/22	28,000	7,341	-	-	-	-	(7,341)	-	-	-	-	-	
Security	23-100-034-5120-068	7/1/22-6/30/23	23,370	-	-	-	23,370	(19,850)	-	-	-	3,520	-	19,850	
Technology	22-100-034-5120-373	7/1/21-6/30/22	6,720	13	-	-	-	-	(13)	-	-	-	-	-	
Technology	23-100-034-5120-373	7/1/22-6/30/23	9,558	-	-	-	4,788	(4,788)	-	-	-	-	-	4,788	
Textbooks	22-100-034-5120-064	7/1/21-6/30/22	9,603	-	-	-	-	-	-	-	-	-	-	-	
Textbooks	23-100-034-5120-064	7/1/22-6/30/23	7,524	-	-	-	7,524	(5,387)	-	-	-	2,137	-	5,387	
Nursing	23-100-034-5120-070	7/1/22-6/30/23	12,768	-	-	-	12,768	(12,768)	-	-	-	-	-	12,768	
Nursing	22-100-034-5120-070	7/1/21-6/30/22	17,920	846	-	-	-	-	(846)	-	-	-	-	-	
Total Special Revenue Fund				10,890	-	-	125,588	(109,687)	(10,890)	-	-	15,901	-	109,687	
Debt Service Fund:															
Debt Service Aid Type II	22-495-034-5120-075	7/1/21-6/30/22	206,277	-	-	-	206,277	(206,277)	-	-	-	-	-	206,277	
Total Debt Service Fund				-	-	-	206,277	(206,277)	-	-	-	-	-	206,277	
Total State Financial Assistance for testing				(159,122)	\$ -	\$ -	\$ 4,892,457	\$ (4,888,836)	\$ (10,890)	\$ -	\$ (127,317)	\$ 15,901	\$ 54,975	\$ 4,888,836	
State Financial Assistance Not Subject to Single Audit Determination															
General Fund:															
On-behalf TPAF Pension Contribution	23-495-034-5095-002	7/1/22-6/30/23	2,584,621	-	-	-	2,584,621	(2,584,621)	-	-	-	-	-	2,584,621	
On-Behalf TPAF Post-Retirement Medical	23-495-034-5095-001	7/1/22-6/30/23	678,974	-	-	-	678,974	(678,974)	-	-	-	-	-	678,974	
On-Behalf TPAF Long-Term Disability Insurance	23-495-034-5095-004	7/1/22-6/30/23	911	-	-	-	911	(911)	-	-	-	-	-	911	
Total State Financial Assistance Not Subject to Single Audit Determination				-	-	-	3,264,506	(3,264,506)	-	-	-	-	-	3,264,506	
Total State Financial Assistance				(159,122)	\$ -	\$ -	\$ 1,627,951	\$ (1,624,330)	\$ (10,890)	\$ -	\$ (127,317)	\$ 15,901	\$ 54,975	\$ 8,153,342	

See accompanying notes to schedules of expenditures.

Point Pleasant Beach School District

Notes to the Schedules of Expenditures of Awards and Financial Assistance

June 30, 2023

1. General

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

2. Basis of Accounting

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

3. Relationship to Basic Financial Statements

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

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

Point Pleasant Beach School District

Notes to the Schedules of Expenditures of Awards and
Financial Assistance (continued)
June 30, 2023

3. Relationship to General Purpose Financial Statements (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(2,645,308) for the general fund and \$- for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the GAAP basis of accounting for the general and special revenue fund. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ -	\$ 1,982,699	\$ 1,982,699
Special Revenue Fund	1,533,080	109,687	1,642,767
Debt Service Fund	-	206,277	206,277
Food Service Fund	<u>109,590</u>	<u>2,806</u>	<u>112,396</u>
Total awards and financial assistance	<u>\$ 1,642,670</u>	<u>\$ 2,301,469</u>	<u>\$ 3,944,139</u>

4. Relationship to Federal and State Financial Reports

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

5. Other

TPAF Social Security and Post Retirement/Medical Benefits Contributions represent the amounts reimbursed by the State for the employer's share of social security contributions and Post Retirement/Medical Benefits for TPAF members for the year ended June 30, 2023.

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

6. Indirect Costs

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

Point Pleasant Beach School District
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2023

Section I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor’s report issued: Unmodified Opinion

Internal control over financial reporting:

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

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

Federal Awards Section

Internal Control over major programs:

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

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425D	Elementary and Secondary School Emergency Relief Fund
84.425U	American Rescue Plan - Elementary and Secondary School Emergency Relief Fund

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

Auditee qualified as low-risk auditee? _____ yes X no

Point Pleasant Beach School District
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2023

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

State Awards Section

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

Auditee qualified as low-risk auditee? yes none reported

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

Internal Control over major programs:

1) Material weakness(es) identified? yes no

2) Significant deficiencies identified that are not considered to be material weaknesses? yes none reported

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08? yes no

Identification of major programs:

GMIS Number(s)	Name of State Program
State Aid-Public Cluster	
495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid

Section II - Financial Statement Findings - N/A

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

Point Pleasant Beach School District
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2023

Summary Schedule of Prior Audit Findings - N/A