

**SCHOOL DISTRICT
OF
JEFFERSON TOWNSHIP**

**Jefferson Township School District
Jefferson Township, New Jersey**

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

**Annual Comprehensive
Financial Report**

of the

Jefferson Township School District

Jefferson Township, New Jersey

For the Fiscal Year Ended June 30, 2024

Prepared by

**Jefferson Township School District
Business Office**

JEFFERSON TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2024

INTRODUCTORY SECTION (Unaudited)

Letter of Transmittal	1
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7

FINANCIAL SECTION.....8

Independent Auditors' Report	9
------------------------------------	---

Required Supplementary Information	12
Management's Discussion and Analysis.....	13

Basic Financial Statements (Sections A. and B.)	21
---	----

A. District-Wide Financial Statements	22
A-1 Statement of Net Position.....	23
A-2 Statement of Activities.....	24

B. Fund Financial Statements.....	26
B-1 Balance Sheet – Governmental Funds	27
B-2 Statement of Revenue, Expenditures and Changes in Fund Balance – Governmental Funds.....	28
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	30
B-4 Statement of Net Position – Proprietary Funds.....	32
B-5 Statement of Revenue, Expenses and Changes in Fund Net Position – Proprietary Funds.....	33
B-6 Statement of Cash Flows – Proprietary Funds	34

Notes to Basic Financial Statements.....	35
--	----

Required Supplementary Information	75
--	----

L. Schedules Related to Accounting and Reporting for Pensions	76
L-1 Schedule of District's Proportionate Share of the Net Pension Liability- Public Employees Retirement System	76
L-2 Schedule of District Contributions – Public Employees Retirement System.....	77
L-3 Schedule of State Proportionate Share of the Net Pension Liability Attributable to the District - Teachers' Pension and Annuity Fund	78
L-4 Schedule of State Contributions – Teachers' Pension and Annuity Fund.....	79
L-5 Schedule of Changes in the State's Proportionate Share of the Total OPEB Liability/ Attributable to the District and Related Ratios	80
Notes to Required Supplementary Information	81

JEFFERSON TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

FINANCIAL SECTION (Cont'd)

C. Budgetary Comparison Schedules	82
C-1 Budgetary Comparison Schedule – General Fund	83
C-2 Budgetary Comparison Schedule – Special Revenue Fund	100
C-3 Required Supplementary Information – Budget Comparison Schedule	101

Other Supplementary Schedules (D.-I.)

D. School Level Schedules (Not Applicable)	102
E. Special Revenue Fund.....	103
E-1 Combining Schedule of Revenue and Expenditures Special Revenue Fund – Budgetary Basis	104
E-2 Preschool Education Aid Budgetary Basis.....	108
F. Capital Projects Fund.....	109
F-1 Summary Schedule of Revenue, Expenditures, and Changes in Fund Balance – Budgetary Basis	110
F-1a Schedule of Project Revenue, Expenditures, Project Balance and Project Status – Upgrading of Existing Facilities	111
G. Proprietary Funds.....	112
Enterprise Fund	
G-1 Statement of Net Position	113
G-2 Statement of Revenue, Expenses and Changes in Fund Net Position	114
G-3 Statement of Cash Flows	115
H. Fiduciary Activities (Not Applicable)	116
I. Long-Term Liabilities	117
I-1 Schedule of Serial Bonds	118
I-2 Schedule of Obligations Under Financed Purchases.....	119
I-3 Schedule of Obligations Under Leases (Not Applicable)	
I-4 Schedule of Obligations Under Subscription-Based Information Technology Arrangements (Not Applicable)	
I-5 Debt Service Fund Budgetary Comparison Schedule	120
J. STATISTICAL SECTION (Unaudited)	121
Statistical Schedules	
J-1 Net Position by Component	122
J-2 Changes in Net Position	123
J-3 Fund Balances – Governmental Funds.....	126
J-4 Changes in Fund Balances – Governmental Funds.....	127
J-5 General Fund Other Local Revenue by Source.....	129
J-6 Assessed Value and Actual Value of Taxable Property.....	130
J-7 Direct and Overlapping Property Tax Rates	131
J-8 Principal Property Taxpayers	132
J-9 Property Tax Levies and Collections	133

JEFFERSON TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

STATISTICAL SECTION (Unaudited) (Cont'd)

J-10	Ratios of Outstanding Debt by Type.....	134
J-11	Ratios of Net General Bonded Debt Outstanding	135
J-12	Ratios of Overlapping Governmental Activities Debt	136
J-13	Legal Debt Margin Information	137
J-14	Demographic and Economic Statistics.....	138
J-15	Principal Employers	139
J-16	Full-Time Equivalent District Employees by Function/Program.....	140
J-17	Operating Statistics	141
J-18	School Building Information.....	142
J-19	Schedule of Required Maintenance for School Facilities	143
J-20	Insurance Schedule.....	144

K. SINGLE AUDIT SECTION 145

K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	146
K-2	Independent Auditors' Report on Compliance for Each Major Federal and State Program; Report on Internal Control Over Compliance by the Uniform Guidance and NJOMB 15-08..	148
K-3	Schedule of Expenditures of Federal Awards	151
K-4	Schedule of Expenditures State Awards	153
K-5	Notes to the Schedules of Federal and State Awards.....	155
K-6	Schedule of Findings and Questioned Costs	157
K-7	Summary Schedule of Prior Audit Findings	159

INTRODUCTORY SECTION
UNAUDITED



Jefferson Township Board of Education

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Jeanne Howe

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Assistant Superintendent of Schools

Roger Jinks, Jr.

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Business Administrator

Rita Oroho Giacchi

RGiacchi@Jefftwp.org

October 1, 2024

The Honorable President and Members of
the Board of Education
Jefferson Township School District
Jefferson Township, New Jersey

Dear Board Members:

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

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends, and the fiscal capacity of the District, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on internal control and compliance with applicable laws and regulations and findings and recommendations, is included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Jefferson Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Jefferson Township School District and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular as well as special education for handicapped youngsters. The District completed the 2023-24 fiscal year with an enrollment of 2,614 students, which is an increase of 85 students from the previous year's enrollment.

2) ECONOMIC CONDITION AND OUTLOOK:

The Jefferson Township Public School District continues to maintain excellent fiscal accountability. Working within financial constraints, the District offered students various honors and advanced curriculum courses, expanded its technology literacy, security initiatives and continued to upgrade its infrastructure. District educational facilities benefit from team cleaning, and maintenance staff possess key technical skills, greatly reducing the need to outsource many repairs and improvement projects.

Shared services continue to result in efficiencies, such as bulk purchasing and transportation jointures. Additionally, the District and Township share multiple services, including: snow removal, computerized vehicle maintenance, recycling, excavation projects, paving/pothole repair, sewer treatment plant management and fuel.

The State of New Jersey revised the Aid funding formula in July of 2018. As a result, the district experienced a reduction of \$1,193,000 during the 2019-2020 school year; \$2,252,000 during the 2020-2021 school year; \$2,791,524 during the 2021-2022 school year; \$2,640,283 during the 2022-2023 school year; and \$1,526,151 during the 2023-2024 school year. New Jersey plans to adjust State Aid incrementally through the 2024-2025 school year. Based upon the most recent state aid notice, the district expects the total reduction will be approximately \$11,500,000 on an annual basis. The rationale for the adjustments is tied to enrollment. As a result, administration and the Board of Education members have been scrupulously identifying potential areas of efficiencies and simultaneously begun to identify additional revenue sources.

The School District plans to continue its sound fiscal management to meet future challenges.

3) MAJOR INITIATIVES:

In recognition of the need to maintain the facilities infrastructure for improvements which cannot be accommodated within the general fund budget, the district conducted a special election in October 2018 to ask residents to authorize a bond sale to make needed improvements to school buildings, which on average are 50 years old and in need of upgrades. The Community fully supported the referendum. Phase 1 of identified improvement projects was completed during the summer of 2019 and Phase 2 continued during the summer of 2020, although progress was somewhat impeded by the COVID-19 pandemic. The improvements completed during the summer of 2020 included the addition of security vestibules at the high school, middle school and two elementary schools, a bathroom renovation at the high school and various door replacements. During the summer of 2021, asbestos flooring was abated in various classrooms throughout the district and the intercom system was upgraded at the high school. During the 2022-2023 year, a project to upgrade the HVAC system in the middle school media center was completed and work got underway on a replacement of the fire alarm system at the high school. The remaining funds continued to be utilized during the 2023-2024 school year and are expected to be exhausted during the 2024-2025 school year.

During the 2022-2023 school year, the district applied for and received Preschool Expansion Aid ("PEA"). This funding is provided by the State of New Jersey and enables districts to offer general education preschool to 3 and 4-year-old children residing in Jefferson Township free of charge. The first PEA classrooms were opened on January 3, 2023 and 10 additional classrooms were added at the start of the 2023-2024 school year. The program is expected to continue to expand through 2024-2025 until the full universe of students can be accommodated. As the program expands the amount of funding received is expected to increase as well.

4) INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system 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 awards and state awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control system, including that portion related to federal and state award 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 a vote of the Board of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as restrictions, commitments and/or assignments of fund balance at June 30, 2024.

6) ACCOUNTING SYSTEM AND REPORTS:

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

7) CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8) RISK MANAGEMENT:

The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The Board oversees risk management for the District. A schedule of insurance coverage can be found on Exhibit J-20.

9) OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board's finance committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The independent auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

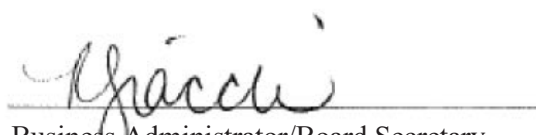
10) ACKNOWLEDGMENTS:

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

Respectfully submitted,

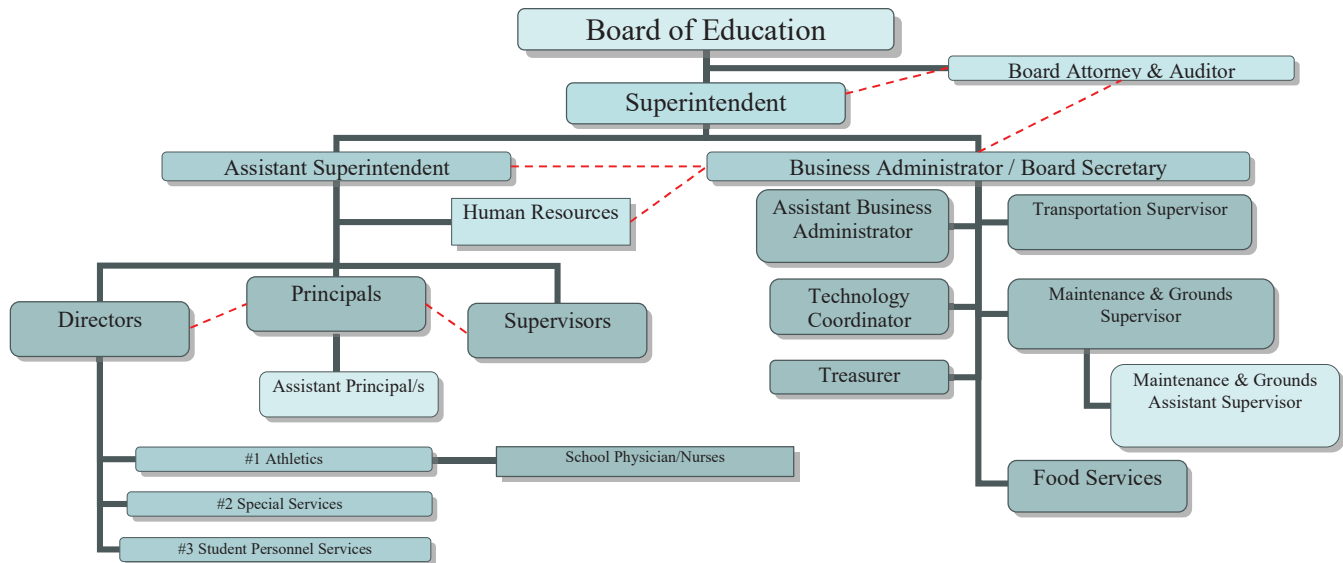


Superintendent
Jeanne Howe



Business Administrator/Board Secretary
Rita Giacchi

1110 ORGANIZATION CHART



Key

Line of Authority —————

Communication - - - - -



**Township of Jefferson Board of Education
Lake Hopatcong, NJ
Roster of Officials
June 30, 2024**

Members of the Board of Education

**Term
Expires**

Mrs. Stacey Poulas	President	12/31/2026
Mrs. Adele Wildermuth	Vice President	12/31/2025
Mr. Christopher Brown	Board Member	12/31/2024
Mr. Jaime Grater	Board Member	12/31/2025
Mrs. Amy Gould	Board Member	12/31/2024
Mr. Christopher Natale	Board Member	12/31/2024
Mrs. Diane Perez	Board Member	12/31/2026
Mrs. Jill Small	Board Member	12/31/2026
Mr. Michael Stewart	Board Member	12/31/2025

Other Officials

Mrs. Jeanne Howe, Superintendent

Mr. Roger Jinks, Jr., Assistant Superintendent

Mrs. Rita Oroho Giacchi, Business Administrator/Board Secretary

Mr. William Eagen, Treasurer

JEFFERSON TOWNSHIP SCHOOL DISTRICT
Consultants and Advisors

Bond Counsel

Wilentz, Goldman, & Spitzer, PA
90 Woodbridge Center Drive, Ste. 900
Woodbridge, NJ 07095

Audit Firm

Nisivoccia LLP, CPAs
Mount Arlington Corporate Center
200 Valley Road, Suite 300
Mount Arlington, New Jersey 07856-1320

Attorney

Cleary Giacobbe Alfieri & Jacobs, LLC
169 Ramapo Valley Road
Upper Level 105
Oakland, NJ 07436

Insurance Agent

The Morville Agency
55 Newton Sparta Road, #102
Newton, NJ 07860

Brown and Brown Benefit Advisors
56 Roseland Avenue, Suite 220
Roseland, NJ 07068

Official Depository

Lakeland Bank

FINANCIAL SECTION

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Jefferson Township School District
Lake Hopatcong 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 the Board of Education of the Jefferson Township School District (the "District"), in the County of Morris, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office") 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 the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 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, are required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information schedules and the schedules of expenditures of federal and state 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*; and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information schedules and the schedules of expenditures of federal and state 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 1, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

October 1, 2024
Mount Arlington, New Jersey

NISIVOCIA LLP



Raymond Sarinelli
Licensed Public School Accountant #2549
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

This section of Jefferson Township School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2024. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more* detail than the district-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food services.
- *Notes to the basic financial statements* provide additional information essential to a full understanding of district wide and fund financial statements.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1
Organization of Jefferson Township School District's Financial Report

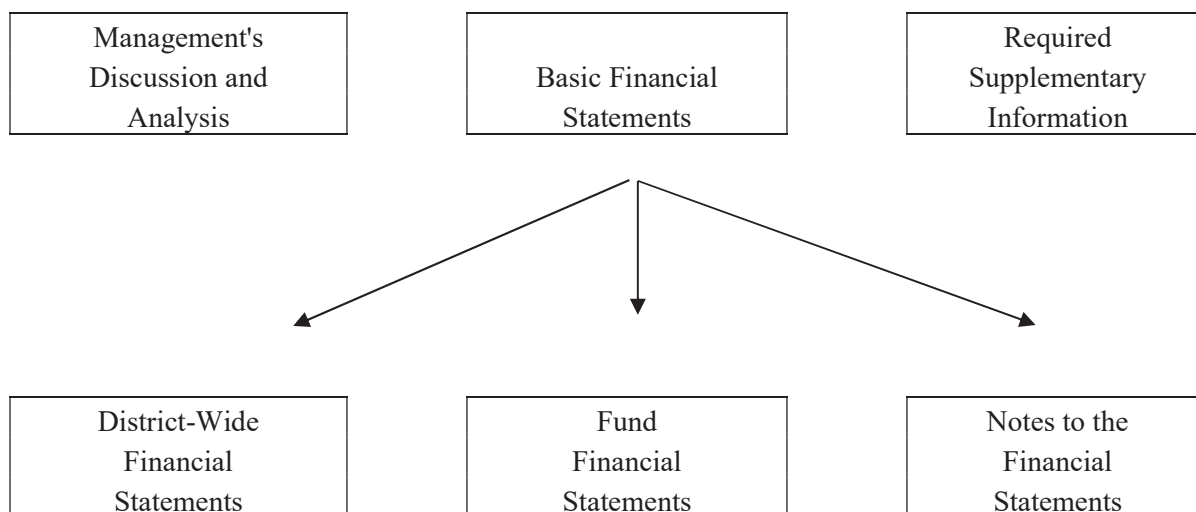


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents of each of the statements.

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire District	The activities of the District that are not proprietary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services
Required Financial Statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenue, expenses, and changes in net position • Statement of cash flows
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, deferred outflow of resources, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets, lease assets, subscription assets, or long-term liabilities are included	All assets and liabilities, both financial and capital, short-term and long-term
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

District-wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred inflows and outflows, and liabilities. All of the current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's *net position* and how they have changed. Net position – the difference between the District's assets, deferred inflows and outflows, and liabilities – is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's food service is included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term liabilities) or to show that it is properly using certain revenue (such as federal grants).

The District has two kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. *Internal service funds* (the other kind of proprietary fund) report activities that provide supplies and services for its other programs and activities.
- *Notes to the basic financial statements*: The notes provide information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fund financial statements.

Financial Analysis of the District as a Whole

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

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

Figure A-3
Condensed Statement of Net Position

	Government Activities		Business-Type Activities		Total School District		Percentage Change
		(Restated)		(Restated)		(Restated)	
	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	
Current and							
Other Assets	\$ 9,098,983	\$ 13,506,064	\$ 443,655	\$366,606	\$ 9,542,638	13,872,670	
Capital Assets, Net	28,949,229	28,001,174	125,735	115,634	29,074,964	28,116,808	
Total Assets	<u>38,048,212</u>	<u>41,507,238</u>	<u>569,390</u>	<u>482,240</u>	<u>38,617,602</u>	<u>41,989,478</u>	-8.73%
Deferred Outflows of Resources	<u>1,953,565</u>	<u>2,569,363</u>			<u>1,953,565</u>	<u>2,569,363</u>	-31.52%
Long-Term Liabilities	29,545,013	32,323,268			29,545,013	32,323,268	
Other Liabilities	3,042,124	2,747,183	69,871	74,129	3,111,995	2,821,312	
Total Liabilities	<u>32,587,137</u>	<u>35,070,451</u>	<u>69,871</u>	<u>74,129</u>	<u>32,657,008</u>	<u>35,144,580</u>	-7.62%
Deferred Inflows of Resources	<u>1,987,642</u>	<u>3,247,899</u>			<u>1,987,642</u>	<u>3,247,899</u>	-63.40%
Net Position:							
Net Investment in							
Capital Assets	12,898,223	9,498,553	125,735	115,634	13,023,958	9,614,187	
Restricted	3,786,238	6,522,933			3,786,238	6,522,933	
Unrestricted/(Deficit)	<u>(11,257,463)</u>	<u>(10,263,235)</u>	<u>373,784</u>	<u>292,477</u>	<u>(10,883,679)</u>	<u>(9,970,758)</u>	
Total Net Position	<u>\$ 5,426,998</u>	<u>\$ 5,758,251</u>	<u>\$ 499,519</u>	<u>\$408,111</u>	<u>\$ 5,926,517</u>	<u>\$ 6,166,362</u>	-4.05%

Changes in Net Position. The District's combined net position was \$5,926,517 on June 30, 2024, a decrease of \$239,845 from the year before. (See Figure A-3). The net position of the governmental activities decreased \$331,253 and the net position of the business-type activities increased \$91,408 (See Figure A-4).

Figure A-4
Changes in Net Position from Operating Results

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	
Revenue:							
Program Revenue:							
Charges for Services	\$ 1,014,957	\$ 970,624	\$ 888,381	\$ 818,626	\$ 1,903,338	\$ 1,789,250	
Operating Grants and Contributions	16,198,086	23,434,725	452,720	562,498	16,650,806	23,997,223	
General Revenue:							
Property Taxes	49,850,979	48,323,953			49,850,979	48,323,953	
Unrestricted Federal and State Aid	260,059	281,904			260,059	281,904	
Other	762,729	632,474	13,886	8,466	776,615	640,940	
Total Revenue	68,086,810	73,643,680	1,354,987	1,389,590	69,441,797	75,033,270	-7.45%
Expenses:							
Instruction	40,678,771	37,399,596			40,678,771	37,399,596	
Pupil and Instruction Services	10,175,243	12,871,469			10,175,243	12,871,469	
Administrative and Business	5,815,948	6,327,653			5,815,948	6,327,653	
Maintenance and Operations	6,688,629	6,485,075			6,688,629	6,485,075	
Transportation	3,858,309	4,561,327			3,858,309	4,561,327	
Other	1,201,163	1,141,806	1,263,579	1,312,940	2,464,742	2,454,746	
Total Expenses	68,418,063	68,786,926	1,263,579	1,312,940	69,681,642	70,099,866	-0.60%
Increase/(Decrease) in Net Position	\$ (331,253)	\$ 4,856,754	\$ 91,408	\$ 76,650	\$ (239,845)	\$ 4,933,404	-104.86%

Governmental Activities

Maintaining existing programs and the provision of a multitude of special programs and services for students with special needs place great demands on the District's resources. In recent years retiring teachers are being replaced by teachers of less experience. Such changes have generated salary savings, but these have not been sufficient enough to offset increased special education programs and increased health benefit costs.

Careful management of expenses remains essential for the District to sustain its financial health. Among the many significant cost saving items during the year were:

- Increased use of federal funds for tuition and related service cost savings.

Figure A-5 presents the cost of six major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs).

The net cost shows the financial burden placed on the District's taxpayers by each of these functions:

Figure A-5
Net Cost of Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2023/2024	2022/2023	2023/2024	2022/2023
Instruction	\$ 40,678,771	\$ 37,399,596	\$ 24,211,046	\$18,873,286
Pupil and Instruction Services	10,175,243	12,871,469	10,015,579	10,322,478
Administrative and Business	5,815,948	6,327,653	5,572,180	5,214,623
Maintenance and Operations	6,688,629	6,485,075	6,969,157	5,425,836
Transportation	3,858,309	4,561,327	3,235,895	3,403,548
Other	1,201,163	1,141,806	1,201,163	1,141,806
	<u>\$ 68,418,063</u>	<u>\$ 68,786,926</u>	<u>\$ 51,205,020</u>	<u>\$ 44,381,577</u>

Business-Type Activities

Net position from the District's business-type activity increased by \$91,408. (Refer to Figure A-4). The factor contributing to this result was:

- District received additional state and federal aid.

Financial Analysis of the District's Funds

The District's financial position declined significantly in 2023/2024. Salaries of staff have increased by prior year negotiated agreements and health benefits contributions continue to increase steadily. The District utilized fund balance to offset losses of State Aid due to the implementation of the S-2 funding formula.

General Fund Budgetary Highlights

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

Capital Asset and Long Term Liabilities Administration

Figure A-6
Capital Assets (Net of Depreciation)

	Government Activities		Business-Type Activities		Total School District		Percentage Change
		(Restated)		(Restated)		(Restated)	
	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	
Land	\$ 5,196,400	\$ 5,196,400			\$ 5,196,400	\$ 5,196,400	
Construction in Progress	9,599,580	10,441,960			9,599,580	10,441,960	
Buildings and Building Improvements	11,191,132	10,220,021			11,191,132	10,220,021	
Furniture, Machinery and Equipment	2,962,117	2,142,793	\$125,735	\$115,634	3,087,852	2,258,427	
	<u>\$ 28,949,229</u>	<u>\$ 28,001,174</u>	<u>\$125,735</u>	<u>\$115,634</u>	<u>\$ 29,074,964</u>	<u>\$ 28,116,808</u>	3.41%

The depreciation factored into the governmental activities and the business-type activities for the fiscal year 2023-2024 was \$1,609,699 and \$15,166, respectively.

Long-Term Liabilities

At year-end, the District had \$15,300,000 in general obligation bonds outstanding – a reduction of \$2,025,000 from last year – as shown in Figure A-7. (More detailed information about the District's long-term liabilities is presented in Note 7 to the Basic Financial Statements.)

Figure A-7
Outstanding Long-Term Liabilities

	Total School District		Percentage Change
	2023/2024	2022/2023	2023/2024
General Obligation Bonds (Financed with Property Taxes)	\$ 15,300,000	\$ 17,325,000	
Unamortized Bond Premium	183,375	229,219	
Financed Purchases Payable	1,251,508	1,803,249	
Net Pension Liability	11,481,816	12,300,823	
Compensated Absences Payable	1,328,314	664,977	
	<u>\$ 29,545,013</u>	<u>\$ 32,323,268</u>	-8.60%

Factors Bearing on the District's Future Revenue/Expense Changes

At the time these financial statements were prepared and audited, the District was aware of existing circumstances that could significantly affect its financial health in the future. Many factors were considered by the District's administration during the process of developing the fiscal year budget. The primary factors were the District's projected student population, anticipated state and federal aid, as well as increasing salaries and related benefit costs.

While many factors influence the District's future, the availability of funding for special education needs will have the most impact on educational and fiscal decision making in the future.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office, Robert F. Drummond Building, 31 Route 181, Lake Hopatcong, New Jersey 07849.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

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

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 5,490,626	\$ 330,595	\$ 5,821,221
Receivables from Other Governments	1,113,438	57,763	1,171,201
Other Receivables	276	23,569	23,845
Internal Balances	(21,435)	21,435	
Inventory		10,293	10,293
Restricted Assets:			
Cash and Cash Equivalents	2,516,078		2,516,078
Capital Assets:			
Sites (Land)	5,196,400		5,196,400
Construction in Progress	9,599,580		9,599,580
Depreciable Buildings and Building Improvements and Furniture, Machinery and Equipment	14,153,249	125,735	14,278,984
Total Assets	<u>38,048,212</u>	<u>569,390</u>	<u>38,617,602</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred Amount on Refunding	500,502		500,502
Deferred Outflows Related to Pensions	1,453,063		1,453,063
Total Deferred Outflows of Resources	<u>1,953,565</u>		<u>1,953,565</u>
LIABILITIES			
Accounts Payable	2,839,504	42,999	2,882,503
Accrued Interest Payable	78,595		78,595
Unearned Revenue	124,025	26,872	150,897
Noncurrent Liabilities:			
Due Within One Year	2,586,253		2,586,253
Due Beyond One Year	26,958,760		26,958,760
Total Liabilities	<u>32,587,137</u>	<u>69,871</u>	<u>32,657,008</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows Related to Pensions	1,987,642		1,987,642
Total Deferred Inflows of Resources	<u>1,987,642</u>		<u>1,987,642</u>
NET POSITION			
Net Investment in Capital Assets	12,898,223	125,735	13,023,958
Restricted for:			
Debt Service	43,552		43,552
Capital Projects	2,033,059		2,033,059
Unemployment Compensation	484,912		484,912
Scholarships	45,718		45,718
Student Activities	287,809		287,809
Excess Surplus	891,188		891,188
Unrestricted/(Deficit)	(11,257,463)	373,784	(10,883,679)
Total Net Position	<u>\$ 5,426,998</u>	<u>\$ 499,519</u>	<u>\$ 5,926,517</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

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

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities
Governmental Activities:						
Instruction:						
Regular	\$ 29,058,103		\$ 11,220,082		\$ (17,838,021)	\$ (17,838,021)
Special Education	8,504,287	\$ 365,842	4,286,218		(3,852,227)	(3,852,227)
Other Special Instruction	1,839,017		391,421		(1,447,596)	(1,447,596)
Other Instruction	1,277,364		204,162		(1,073,202)	(1,073,202)
Support services:						
Tuition	1,794,584				(1,794,584)	(1,794,584)
Student & Instruction Related Services	8,380,659	649,115	(489,451)		(8,220,995)	(8,220,995)
General Administrative Services	1,373,544		(47,401)		(1,420,945)	(1,420,945)
School Administrative Services	2,891,996		291,169		(2,600,827)	(2,600,827)
Central Services	1,173,187				(1,173,187)	(1,173,187)
Administrative Information Technology	377,221				(377,221)	(377,221)
Plant Operations and Maintenance	6,688,629		(280,528)		(6,969,157)	(6,969,157)
Pupil Transportation	3,858,309		622,414		(3,235,895)	(3,235,895)
Interest on Long-Term Debt	462,221				(462,221)	(462,221)
Unallocated Depreciation	541,520				(541,520)	(541,520)
Capital Outlay	94,542				(94,542)	(94,542)
Transfer to Charter School	102,880				(102,880)	(102,880)
Total Governmental Activities	68,418,063	1,014,957	16,198,086	\$ -0-	\$ (51,205,020)	\$ -0-

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

<u>Functions/Programs</u>	<u>Program Revenue</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u> <u>Total</u>
Business-Type Activities:						
Food Service	\$ 1,263,579	\$ 888,381	\$ 452,720		\$ 77,522	\$ 77,522
Total Business-Type Activities	1,263,579	888,381	452,720		77,522	77,522
Total Primary Government	\$ 69,681,642	\$ 1,903,338	\$ 16,650,806	\$ -0-	\$ (51,205,020)	(51,127,498)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net					47,658,042	47,658,042
Taxes Levied for Debt Service					2,192,937	2,192,937
Federal and State Aid not Restricted					260,059	260,059
Interest on Capital and Maintenance Reserve Accounts					463,637	463,637
Miscellaneous Income					299,092	312,978
Total General Revenue					50,873,767	50,887,653
Change in Net Position					(331,253)	(239,845)
Net Position - Beginning (Restated)					5,758,251	6,166,362
Net Position - Ending					\$ 5,426,998	\$ 5,926,517

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

FUND FINANCIAL STATEMENTS

JEFFERSON TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 4,984,945		\$ 462,129	\$ 43,552	\$ 5,490,626
Intergovernmental Accounts Receivable - State	496,583				496,583
Intergovernmental Accounts Receivable - Federal		\$ 610,972			610,972
Intergovernmental Accounts Receivable - Other	5,883				5,883
Interfund Receivable	705,158				705,158
Other Receivable	276				276
Restricted Cash and Cash Equivalents	2,182,551	333,527			2,516,078
Total Assets	\$ 8,375,396	\$ 944,499	\$ 462,129	\$ 43,552	\$ 9,825,576
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 1,416,583	\$ 92,192	\$ 126,709		\$ 1,635,484
Interfund Payable	21,435	705,158			726,593
Unearned Revenue	32,866	91,159			124,025
Total Liabilities	1,470,884	888,509	126,709		2,486,102
Fund Balances:					
Restricted for:					
Capital Reserve Account	1,697,639				1,697,639
Unemployment Compensation	484,912				484,912
Excess Surplus 2024-2025	891,188				891,188
Debt Service				\$ 43,552	43,552
Scholarships		45,718			45,718
Student Activities		287,809			287,809
Capital Projects			335,420		335,420
Assigned:					
Subsequent Year's Expenditures	2,900,000				2,900,000
Encumbrances	308,605				308,605
Unassigned/(Deficit)	622,168	(277,537)			344,631
Total Fund Balances	6,904,512	55,990	335,420	43,552	7,339,474
Total Liabilities and Fund Balances	\$ 8,375,396	\$ 944,499	\$ 462,129	\$ 43,552	

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.	28,949,229
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds.	(78,595)
Deferred Amount on Refunding costs are reported as expenditures in the governmental funds in the year of expenditure.	500,502
Bond issuance premiums are reported as a revenue in the Governmental Funds in the year of receipt.	(183,375)
The Net Pension Liability for PERS is not due and payable in the current period and is not reported in the Governmental Funds.	(11,481,816)
Certain amounts related to the Net Pension Liability are deferred and amortized in the Statement of Activities and are not reported in the Governmental Funds:	
Deferred Outflows	249,043
Deferred Inflows	(1,987,642)
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	(17,879,822)
Net Position of Governmental Activities	\$ 5,426,998

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 47,658,042			\$ 2,192,937	\$ 49,850,979
Tuition	365,842				365,842
Restricted Miscellaneous Revenue	29,171	\$ 649,115			678,286
Unrestricted Miscellaneous Revenue	713,384		\$ 20,174		733,558
Total - Local Sources	48,766,439	649,115	20,174	2,192,937	51,628,665
State Sources	18,783,747	2,583,398		212,905	21,580,050
Federal Sources	47,154	1,968,613			2,015,767
Total Revenue	67,597,340	5,201,126	20,174	2,405,842	75,224,482
EXPENDITURES:					
Current:					
Regular Instruction	15,757,298	4,543,426			20,300,724
Special Education Instruction	5,290,639	707,744			5,998,383
Other Special Instruction	1,163,241				1,163,241
Other Instruction	836,538				836,538
Support Services and Undistributed Costs:					
Tuition	1,794,584				1,794,584
Student & Instruction Related Services	6,221,685	606,622			6,828,307
General Administrative Services	1,023,094				1,023,094
School Administrative Services	2,045,640				2,045,640
Central Services	1,050,670				1,050,670
Administrative Information Technology	377,221				377,221
Plant Operations and Maintenance	6,214,597				6,214,597
Pupil Transportation	4,032,010				4,032,010
Unallocated Benefits	23,106,889				23,106,889

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
EXPENDITURES (Cont'd):					
Debt Service:					
Principal					
Interest and Other Charges					
Capital Outlay	\$ 2,393,387		\$ 157,620	2,025,000	\$ 2,025,000
Transfer to Charter School	102,880			386,999	386,999
Total Expenditures	<u>71,410,373</u>	<u>\$ 5,857,792</u>	<u>157,620</u>	<u>2,411,999</u>	<u>2,551,007</u>
					<u>102,880</u>
					<u>79,837,784</u>
Excess/(Deficiency) of Revenue over/(under) Expenditures	<u>(3,813,033)</u>	<u>(656,666)</u>	<u>(137,446)</u>	<u>(6,157)</u>	<u>(4,613,302)</u>
OTHER FINANCING SOURCES/(USES):					
Transfers In		525,070		20,174	545,244
Transfers Out	<u>(525,070)</u>		<u>(20,174)</u>		<u>(545,244)</u>
Total Other Financing Sources/(Uses)		<u>525,070</u>	<u>(20,174)</u>	<u>20,174</u>	
Net Change in Fund Balances	<u>(4,338,103)</u>	<u>(131,596)</u>	<u>(157,620)</u>	<u>14,017</u>	<u>(4,613,302)</u>
Fund Balance—July 1	<u>11,242,615</u>	<u>187,586</u>	<u>493,040</u>	<u>29,535</u>	<u>11,952,776</u>
Fund Balance—June 30	<u>\$ 6,904,512</u>	<u>\$ 55,990</u>	<u>\$ 335,420</u>	<u>\$ 43,552</u>	<u>\$ 7,339,474</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

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

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2)

\$ (4,613,302)

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 differ from depreciation in the period.

Depreciation expense	\$ (1,609,699)
Capital outlays	2,557,754

948,055

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

 $(663, 337)$

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. When accrued interest exceeds the interest paid, the difference is a deduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).

4,060

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

The governmental funds report the effect of bond premium when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. (+)	\$	(125,126)
The governmental funds report the effect of deferred amount on refunding when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. (-)		45,844
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:		
Change in Net Pension Liability		819,007
Change in Deferred Outflows		(583,452)
Change in Deferred Inflows		1,260,257
Repayment of serial bonds and financed purchases 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.		
Change in Net Position of Governmental Activities (Exhibit A-2)		<u>2,576,741</u>
	\$	<u><u>(331,253)</u></u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

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

	Business-type Activities - Enterprise Funds Food Service
<u>ASSETS:</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 330,595
Intergovernmental Accounts Receivable:	
Federal	53,355
State	4,408
Other Accounts Receivable	23,569
Interfund Receivable - General Fund	21,435
Inventories	10,293
Total Current Assets	443,655
Non-Current Assets:	
Capital Assets	421,328
Less: Accumulated Depreciation	(295,593)
Total Non-Current Assets	125,735
Total Assets	569,390
<u>LIABILITIES:</u>	
Accounts Payable - Vendors	42,999
Unearned Revenue - Prepaid Sales	25,564
Unearned Revenue - Donated Commodities	1,308
Total Current Liabilities	69,871
<u>NET POSITION:</u>	
Investment in Capital Assets	125,735
Unrestricted	373,784
Total Net Position	\$ 499,519

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

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

	Business-type Activities - Enterprise Funds
	<u>Food Service</u>
Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 621,276
Daily Sales - Non-reimbursable Programs	253,760
Special Events	11,838
Miscellaneous Revenue	<u>1,506</u>
Total Operating Revenue	<u>888,381</u>
Operating Expenses:	
Cost of Sales - Reimbursable Programs	400,656
Cost of Sales - Non-Reimbursable Programs	163,648
Salaries, Benefits and Payroll Taxes	495,192
Supplies , Insurance & Other Costs	67,673
Management Fee	72,125
Miscellaneous Expenditures	49,119
Depreciation Expense	<u>15,166</u>
Total Operating Expenses	<u>1,263,579</u>
Operating Loss	<u>(375,198)</u>
Non-Operating Revenue:	
Local Sources	
Interest Revenue	13,886
State Sources:	
State School Breakfast Program	1,935
State School Lunch Program	19,921
Federal Sources	
National School Lunch Program	229,367
School Breakfast Program	36,768
Other Nutrition Programs -	
Supply Chain Assistance Program	61,957
Local Food for Schools Cooperative Program	9,490
Food Distribution Program	<u>93,282</u>
Total Non-Operating Revenue	<u>466,606</u>
Change in Net Position	91,408
Net Position - Beginning of Year (Restated)	<u>408,111</u>
Net Position - End of Year	<u><u>\$ 499,519</u></u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

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

	Business-type Activities- Enterprise
	Food Service
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 889,946
Payments to Food Service Vendor	(1,161,658)
Net Cash (Used for) Operating Activities	(271,712)
Cash Flows (Used for) Capital and Related Financing Activities:	
Purchase of Capital Assets	(25,267)
Net Cash (Used for) Capital and Related Financing Activities	(25,267)
Cash Flows from Investing Activities:	
Interest Income	13,886
Net Cash Provided by Investing Activities	13,886
Cash Flows from Noncapital Financing Activities:	
State Sources:	
State School Lunch Program	20,320
Federal Sources:	
National School Lunch Program	308,921
Net Cash Provided by Noncapital Financing Activities	366,008
Net Increase in Cash and Cash Equivalents	82,915
Cash and Cash Equivalents, July 1	247,680
Cash and Cash Equivalents, June 30	\$ 330,595
Reconciliation of Operating Loss to Net Cash (Used for) Operating Activities:	
Operating Loss	\$ (375,198)
Adjustment to Reconcile Operating Loss to net Cash (Used for) Operating Activities:	
Depreciation	15,166
Federal Food Distribution Program	93,282
Changes in Assets and Liabilities:	
(Increase)/Decrease in Interfund Receivable	(5,332)
(Increase)/Decrease in Inventories	4,628
Increase/(Decrease) in Accounts Payable	(11,365)
Increase/(Decrease) in Unearned Revenue - Prepaid Sales	6,897
Increase/(Decrease) in Unearned Revenue - Donated Commodities	210
Net Cash (Used for) Operating Activities	\$ (271,712)

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$93,492 and \$93,282, respectively, the fiscal year ended June 30, 2024.

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3) The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. 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:

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental and business-type activities. These statements include the financial activities of the overall District in its entirety. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business-type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) 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. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

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 information about the District's funds. Separate statements for each fund category – *governmental* and *proprietary* – 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 GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all governmental funds as major is important for public interest and to promote consistency among district financial reporting models.

The District reports the following governmental funds:

General Fund: The general fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund.

As required by NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states 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 revenue. 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 and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus the Special Revenue Fund is used to account for the proceeds of specific revenue from state and federal governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (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, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

Debt Service Fund: The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The District reports the following proprietary fund:

Enterprise (Food Service) Fund: The enterprise fund accounts for all revenue and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus and Basis of Accounting:

The district-wide financial statements and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after 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. Capital asset, lease asset, or subscription asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under financed purchases are reported as other financing sources.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2024 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1 Budget amendments/transfers must be made by School Board resolution. All budgeting amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

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 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.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control: (Cont'd)

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

The General Fund and Special Revenue Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the June state aid payments for the current year. Since the State is recording the June state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 67,293,196	\$ 5,079,924
Differences - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures, and Revenues on the Budgetary Basis but not on the GAAP Basis		
Prior Year Encumbrances		(79,032)
Current Year Encumbrances		374,323
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	797,847	103,448
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(493,703)</u>	<u>(277,537)</u>
Total Revenue as Reported on the Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 67,597,340</u>	<u>\$ 5,201,126</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 71,410,373	\$ 5,562,501
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes.		
Current Year Encumbrances		(79,032)
Prior Year Encumbrances		374,323
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 71,410,373</u>	<u>\$ 5,857,792</u>

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Cash and Cash Equivalents, and Investments:

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

The District generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

New Jersey school districts are limited as to type of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-41et 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 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 market value of 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 the other public depositories, is available to pay the full amount of their deposits to Governmental Units.

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenue. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenue/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position, except for amounts due between governmental and business-type activities, which are presented as internal balances.

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

H. 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 restricted, committed, and/or assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

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

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

I. 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.

J. Inventories and Prepaid Expenses:

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

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

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Capital Assets: (Cont'd)

	<u>Estimated Useful Life</u>
Buildings	40 years
Furniture, Machinery, and Building Improvements	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

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

L. Lease Assets:

Intangible right-to-use lease assets are assets which the District leases for a term of more than one year. The value of leases are determined by the net present value of the leases at the District's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

M. Long Term Liabilities:

In the government-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise funds. Bond premiums and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

N. Accrued Salaries and Wages:

The District allows ten-month academic year employees who provide services, the option to have their salaries evenly distributed during the entire twelve-month year by having 10% of their semi-monthly salary, deducted and the accumulated deductions disbursed in 2 installments over the two summer months. Accrued salaries and wages as of June 30, 2024 totaled \$763,410.

O. Compensated Absences:

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

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

In the district-wide Statement of Net Position, the liabilities, whose average maturities are greater than one year, should be reported in two components - the amount due within one year and the amount due in more than one year.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

P. Lease Payable:

In the district-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

Q. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the special revenue fund.

R. Fund Balance Appropriated:

General Fund: Of the \$6,904,512 General Fund balance at June 30, 2024, \$1,697,639 is restricted in the capital reserve account; \$484,912 is restricted in the unemployment compensation reserve account; \$308,605 is assigned for encumbrances, \$891,188 is restricted as prior year excess surplus and has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2025. There is also \$2,900,000 of fund balance assigned for subsequent year's expenditures and \$622,168 of unassigned fund balance which is \$493,703 less than the budgetary unassigned fund balance, on a GAAP Basis, due to the final two state aid payments, that are not recognized on a GAAP basis.

Special Revenue Fund: Of the Special Revenue Fund fund balance at June 30, 2024 of \$55,990, \$287,809 is restricted for student activities, \$45,718 is restricted for scholarships and (\$277,537) is a deficit in unassigned fund balance. The deficit is due to the last two state aid payments, which are not recognized on a GAAP basis until the fiscal year ended June 30, 2025.

Capital Projects Fund: The \$335,420 Capital Projects Fund fund balance at June 30, 2024 is restricted fund balance.

Debt Service Fund: Of the \$43,552 Debt Service Fund balance at June 30, 2024, \$23,378 is restricted and has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2025. \$20,174 is restricted for 2026.

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 Restricted 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 restrict 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 year's budget. The District had excess surplus at June 30, 2024.

P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year.

For intergovernmental transactions, GASB requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the School District cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

S. Deficit Net Position:

The \$11,257,463 deficit in the unrestricted net position of the District's Governmental Activities is primarily due to net pension liability and deferred inflows of resources and deferred outflows of resources related to pensions. The District has a \$277,537 deficit unassigned fund balance in the Special Revenue Fund due to the final state aid payments, which are not recognized until the fiscal year ended June 30, 2025. These deficits do not indicate that the District is having financial difficulties and is a permitted practice under generally accepted accounting principles.

T. Net Position:

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflow of resources at June 30, 2024 for the deferred amount on refunding and related to pensions.

The District had deferred inflows of resources at June 30, 2024 related to pensions.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, lease assets, net of accumulated amortization reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

U. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted, committed or assigned.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

U. Fund Balance Restrictions, Commitments and Assignments: (Cont'd)

Fund balance restrictions have been established for excess surplus, the debt service fund, the capital projects fund, capital reserve, student activities, scholarships, unemployment compensation.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District had no committed resources as of June 30, 2024.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for year-end encumbrances and for amounts designated for subsequent year's expenditures in the General Fund at June 30, 2024.

V. Revenue - Exchange and Nonexchange Transactions:

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

Nonexchange transactions, in which the 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 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.

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

W. Operating Revenue and Expenses:

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

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

X. Management Estimates:

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

Y. Pensions

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

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB requires disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents, and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk - In accordance with its cash management plan, the District ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk - The District limits its investments to those authorized in its cash management plan which are permitted under state statute as detailed in the section of this Note on Investments.

Custodial Credit Risk – The District's policy with respect to custodial credit risk requires that the District ensures that District funds are only deposited in financial institutions in which NJ school districts are permitted to invest their funds.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Deposits:

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

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.);
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
 - (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
 - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
 - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
 - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
 - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents	Total
Checking and Savings Accounts	\$ 5,821,221	\$ 2,516,078	\$ 8,337,299

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

During the period ended June 30, 2024, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2024, was \$8,337,299 and the bank balance was \$8,989,228.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Jefferson Township Board of Education by inclusion of \$1 on October 16, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2023		\$ 2,256,822
Add:		
Return of Unspent Portion of Capital Projects	\$ 93,472	
Interest Earned in Capital Reserve Account	61,345	
		<u>154,817</u>
		2,411,639
Less: Budgeted Withdrawal		<u>714,000</u>
Ending Balance, June 30, 2024		<u><u>\$ 1,697,639</u></u>

The June 30, 2024 LRFP balance of local support costs of uncompleted capital projects at June 30, 2024 is equal to or greater than \$1,697,639. The withdrawal from the capital reserve was for use in DOE approved facilities projects, consistent with the District's LRFP.

NOTE 5: TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2024, the District transferred a total of \$1,249,535 to capital outlay accounts. \$449,969 was for equipment which did not require approval from the County Superintendent. \$799,566 was transferred for facilities acquisition and construction services and County Superintendent approval was received.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 6: CAPITAL ASSETS

Depreciation expense was charged to governmental functions as follows:

Student and Instructional Support	\$ 625,874
General Administration	260,725
Operations and Maintenance of Plant	36,662
Transportation	144,918
Unallocated	541,520
	<u>\$ 1,609,699</u>

Capital asset balances and activity for the year ended June 30, 2024 were as follows:

	Beginning Balance	Adjustments	Restated Balance	Additions	Adjustments/ Deletions	Ending Balance
Governmental Activities:						
Capital Assets not Being Depreciated:						
Sites (Land)	\$ 883,279	\$ 4,313,121	\$ 5,196,400			\$ 5,196,400
Construction in Progress	10,441,960		10,441,960	\$ 157,620	\$ (1,000,000)	9,599,580
Total Capital Assets Not Being Depreciated	11,325,239	4,313,121	15,638,360	157,620	(1,000,000)	14,795,980
Capital Assets Being Depreciated:						
Buildings and Building Improvements	67,608,254	\$ (35,280,975)	32,327,279	\$ 2,009,301		34,336,580
Machinery and Equipment	13,863,579	(4,526,108)	9,337,471	390,833	1,000,000	10,728,304
Total Capital Assets Being Depreciated	81,471,833	(39,807,083)	41,664,750	2,400,134	1,000,000	45,064,884
Governmental Activities Capital Assets	92,797,072	(35,493,962)	57,303,110	2,557,754		59,860,864
Less Accumulated Depreciation for:						
Buildings and Building Improvements	(23,938,237)	1,830,979	(22,107,258)	(1,038,190)		(23,145,448)
Machinery and Equipment	(5,359,567)	(1,835,111)	(7,194,678)	(571,509)		(7,766,187)
	(29,297,804)	(4,132)	(29,301,936)	(1,609,699)		(30,911,635)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 63,499,268</u>	<u>\$ (35,498,094)</u>	<u>\$ 28,001,174</u>	<u>\$ 948,055</u>	<u>\$ -0-</u>	<u>\$ 28,949,229</u>
Business Type Activities:						
Capital Assets Being Depreciated:						
Machinery and Equipment	\$ 767,337	\$ (371,276)	\$ 396,061	\$ 25,267		\$ 421,328
	767,337	(371,276)	396,061	25,267		421,328
Less Accumulated Depreciation for:						
Machinery and Equipment	(575,346)	294,919	(280,427)	(15,166)		(295,593)
	(575,346)	294,919	(280,427)	(15,166)		(295,593)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 191,991</u>	<u>\$ (76,357)</u>	<u>\$ 115,634</u>	<u>\$ 10,101</u>	<u>\$ -0-</u>	<u>\$ 125,735</u>

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 7. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2024, the following changes occurred in liabilities reported in the district-wide financial statements:

	Balance 6/30/2023	Issued/ Accrued	Retired	Balance 6/30/2024
Serial Bonds Payable	\$ 17,325,000		\$ 2,025,000	\$ 15,300,000
Unamortized Bond Premium	229,219		45,844	183,375
Compensated Absences Payable	664,977	\$ 663,337		1,328,314
Net Pension Liability	12,300,823		819,007	11,481,816
Financed Purchases Payable	1,803,249		551,741	1,251,508
	<u>\$ 32,323,268</u>	<u>\$ 663,337</u>	<u>\$ 3,441,592</u>	<u>\$ 29,545,013</u>

A. Bonds Payable:

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

The District had bonds outstanding as of June 30, 2024 as follows:

Purpose	Final Maturity Date	Interest Rates	Amount
School Bonds - 2018	9/15/2038	3.25%-4.00%	\$ 8,310,000
Refunding Bonds of 2021	9/15/2027	0.702%-1.581%	6,990,000
			<u>\$ 15,300,000</u>

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

Year	Principal	Interest	Total
2025	\$ 2,040,000	\$ 365,954	\$ 2,405,954
2026	2,060,000	340,029	2,400,029
2027	2,085,000	308,885	2,393,885
2028	2,105,000	273,015	2,378,015
2029	650,000	243,099	893,099
2030-2034	3,250,000	886,842	4,136,842
2035-2039	3,110,000	273,313	3,383,313
	<u>\$ 15,300,000</u>	<u>\$ 2,691,137</u>	<u>\$ 17,991,137</u>

B. Bonds Authorized but not Issued:

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

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 7. LONG-TERM LIABILITIES (Cont'd)

C. Financed Purchase Payable:

The District has three finance purchase agreements for transportation, and other various capital equipment. All finance purchase agreements are for terms of four years. The District has finance purchase agreements totaling \$2,000,000 of which \$748,492 have been liquidated. The following is a schedule of the future minimum finance purchase payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2024.

<u>Year</u>	<u>Amount</u>
2025	\$ 531,180
2026	531,181
2027	269,740
Total Finance Purchase Payments	1,332,101
Less: Amount representing interest	(80,593)
Present value of net minimum financed purchase payments	<u>\$ 1,251,508</u>

The current portion of financed purchases payable at June 30, 2024 is \$500,409, the long term portion payable is \$751,099. Financed Purchase agreements will be liquidated through the General Fund.

D. Compensated Absences:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term portions. The long-term portion of compensated absences of \$1,328,314. Governmental Funds compensated absences will be liquidated by the General Fund.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2024, no liability existed for compensated absences in the Food Service Fund.

E. Unamortized Bond Premium

The unamortized bond issuance premium of the governmental fund types is recorded in the noncurrent liabilities. The current portion of the unamortized bond issuance premium balance of the governmental funds is \$45,844 and is separated from the long-term portion of \$137,531.

F. Net Pension Liability

The Public Employee's Retirement System (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2024 is \$-0- and the long term portion is \$11,481,816. See Note 8 for further information on the PERS.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. 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.

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

District contributions to PERS amounted to \$1,192,445 for the current fiscal year. During the fiscal year ended June 30, 2023, the State of New Jersey contributed \$35,807 to the PERS for normal pension benefits on behalf of the District.

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

Special Funding Situation

Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation 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 statement of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entity's total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must disclose pension expense as well as revenue associated with the employers in an amount equal to the nonemployer contributing entity's total proportionate share of the collective pension expense associated with the local participating employer.

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

At June 30, 2024, the District reported a liability of \$11,481,816 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2023, the District's proportion was 0.0812%, which was a decrease of .0003% from its proportion measured as of June 30, 2022.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

For the fiscal year ended June 30, 2024, the District recognized an actual pension benefit of \$1,192,445 related to the District's proportionate share of the net pension liability. Additionally, for the fiscal year ended June 30, 2023, the State recognized pension benefit on behalf of the District in the amount of \$35,807 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2024 financial statements.

There was no state proportionate share of net pension liability attributable to the District as of June 30, 2023.

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2019	5.21		\$ (62,368)
	2020	5.16		(567,497)
	2021	5.13	\$ 25,223	
	2022	5.04		(65,982)
			<u>25,223</u>	<u>(695,847)</u>
Difference Between Expected and Actual Experience	2019	5.21	4,768	
	2020	5.16	31,617	
	2021	5.13		(20,059)
	2022	5.04		(26,875)
	2023	5.08	<u>73,396</u>	
			<u>109,781</u>	<u>(46,934)</u>
Changes in Proportion	2019	5.21	21,183	
	2020	5.16	39,981	
	2021	5.13		(505,943)
	2022	5.04		(439,263)
	2023	5.08	<u>61,164</u>	<u>(299,655)</u>
			<u>61,164</u>	<u>(1,244,861)</u>
Net Difference Between Projected and Actual				
Investment Earnings on Pension Plan Investments	2020	5.00	177,811	
	2021	5.00	(1,478,761)	
	2022	5.00	1,759,366	
	2023	5.00	<u>(405,541)</u>	
			<u>52,875</u>	
District Contribution Subsequent to the				
Measurement Date	2023	1.00	<u>1,204,020</u>	
			<u>\$ 1,453,063</u>	<u>\$ (1,987,642)</u>

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including the District contribution subsequent to the measurement date) related to pensions will be recognized in the pension benefit as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2024	\$ (606,197)
2025	(338,356)
2026	472,830
2027	(84,618)
2028	1,439
	<u>\$ (554,902)</u>

Actuarial Assumptions

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

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

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

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

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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

Discount Rate

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

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2023 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2023		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	(6.00%)	(7.00%)	(8.00%)
District's proportionate share of the Net Pension Liability	\$ 14,946,881	\$ 11,481,816	\$ 8,532,587

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division).

For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

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:

Tier	Definition
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

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. 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. For fiscal year 2023, the State's pension contribution was more than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2024, the State of New Jersey contributed \$8,543,207 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$8,670,505.

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

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

At June 30, 2024, the State's proportionate share of the net pension liability associated with the District was \$106,195,933. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2023, the District's proportion was 0.208%, which was a decrease of 0.015057% from its proportion measured as of June 30, 2022.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>106,195,933</u>
Total	<u>\$ 106,195,933</u>

For the fiscal year ended June 30, 2023, the State recognized pension expense on behalf of the District in the amount of \$2,608,925 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2024 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2016	8.30	\$ 391,340,712	
	2017	8.30		\$ 2,080,865,206
	2018	8.29		1,883,063,885
	2019	8.04		1,514,535,609
	2020	7.99	805,517,879	
	2021	7.93		9,179,534,541
	2022	7.83	82,066,487	
			<u>1,278,925,078</u>	<u>14,657,999,241</u>
Difference Between Expected and Actual Experience	2016	8.30		4,866,656
	2017	8.30	37,022,988	
	2018	8.29	330,339,649	
	2019	8.04		58,842,090
	2020	7.99		4,293,040
	2021	7.93	121,815,868	
	2022	7.83		15,372,285
	2023	7.93	169,161,907	
			<u>658,340,412</u>	<u>83,374,071</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2020	5.00	241,395,539	
	2021	5.00	(1,777,316,905)	
	2022	5.00	2,489,500,994	
	2023	6.00	(477,296,442)	
			<u>476,283,186</u>	
			<u>\$ 2,413,548,676</u>	<u>\$ 14,741,373,312</u>

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense excluding that attributable to employer-paid members contribution as follows:

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2024	\$ (3,918,676,894)
2025	(3,446,016,070)
2026	(1,604,289,401)
2027	(1,742,641,843)
2028	(1,672,806,952)
Thereafter	<u>56,606,524</u>
	<u>\$ (12,327,824,636)</u>

Actuarial Assumptions

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

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

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

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

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Long Term Expected Rate of Return

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

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

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the pension 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 pension plan investments was applied to all projected benefit payments in determining the total pension liability.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

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

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

	June 30, 2023		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 125,224,276	\$ 106,195,933	\$ 90,169,546

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the District recognized pension expense of \$78,337 for the fiscal year ended June 30, 2024. Employee contributions to DCRP amounted to \$186,537 for the year ended June 30, 2024.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 9. RISK MANAGEMENT

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

Property and Liability Insurance

The District is a member of the School Alliance Insurance Fund (the “Fund”) and the Pooled Insurance Program of New Jersey (the “PIP”). These public entity risk management pools provide general liability, property and automobile coverage and workers’ compensation for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. The Fund and the PIP are risk-sharing public entity risk pools that are an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund and PIP are elected.

As a member of the Fund and the PIP, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund and the PIP were to be exhausted, members would become responsible for their respective shares of the Fund’s and the PIP’s liabilities. The Fund and the PIP can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

The June 30, 2024 audits were not available as of the date of this report; however, selected, summarized financial information for the Fund and the PIP as of June 30, 2023 is as follows:

	<u>Pooled Insurance Program</u>	<u>School Alliance Insurance Fund</u>
Total Assets	\$ 20,583,145	\$ 55,099,784
Net Position	\$ 2,700,884	\$ 19,896,776
Total Revenue	\$ 10,363,718	\$ 53,694,497
Total Expenses	\$ 13,942,640	\$ 54,788,356
Change in Net Position	\$ (3,578,922)	\$ (1,093,859)
Members Dividends	\$ -0-	\$ -0-

Financial statements for the Fund are available at the Fund’s Executive Director’s Office:

Public Entity Group Administrative Services
51 Everett Drive
Suite B-40
West Windsor, NJ 08550

Financial statements for the Pooled Insurance Program are available at the PIP’s Executive Director’s Office:

Burton Agency
44 Bergen Street
Westwood, NJ 07675
(201) 664-0310

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 9. RISK MANAGEMENT (Cont'd)

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 following is a summary of interest earned, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Compensation Restricted Fund Balance in the General Fund for the current and previous two years.

<u>Fiscal Year</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Utilized in Budget</u>	<u>Ending Balance</u>
2023-2024	\$ 18,571	\$ 98,864	\$ 88,265	\$ 200,000	\$ 484,912
2022-2023	18,680	88,762	136,421		655,742
2021-2022	1,839	85,722	25,187		684,721

NOTE 10. ECONOMIC DEPENDENCY

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

NOTE 11. INTERFUNDS PAYABLE AND RECEIVABLE

The District had the following interfunds payable or receivable on their various balance sheets as of June 30, 2024:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 705,158	\$ 21,435
Special Revenue Fund		705,158
Enterprise Fund	21,435	
	<u>\$ 726,593</u>	<u>\$ 726,593</u>

The General Fund is owed \$705,158 from the Special Revenue Fund for a cash deficit which will be reimbursed when grant money is received from the federal grantors. The Enterprise Fund is owed \$21,435 for subsidy reimbursements received in the General Fund not turned over to the Enterprise Fund.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 12. DEFERRED COMPENSATION

The Board offers its employees a choice of the following 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:

AIG/VALIC	Vanguard
AXA Equitable	Legend Employee Benefit
Lincoln Investment Security Benefit	

NOTE 13. TAX CALENDAR

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipality and are remitted to the school district on a predetermined, agreed-upon schedule.

NOTE 14. COMMITMENTS AND CONTINGENT LIABILITIES

Grant Programs

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

Litigation

The District is periodically involved in claims and pending lawsuits. The District estimates that the potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial position of the District.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 14. COMMITMENTS AND CONTINGENT LIABILITIES (Cont'd)

Encumbrances

At June 30, 2024, there were encumbrances as detailed below in the governmental funds.

General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Activities
<u> </u>	<u> </u>	<u> </u>	<u> </u>
\$ 308,605	\$ 79,032	\$ 126,710	\$ 514,347

On the District's Governmental Funds Balance Sheet as of June 30, 2022, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$79,032 less than the actual year-end encumbrances on a budgetary basis. Encumbrances are not recognized on a GAAP basis and are reflected as either a reduction in grants receivable or an increase in unearned revenue. On the GAAP basis, the year-end encumbrances of \$126,710 in Capital Projects Fund are included in the \$335,420 restricted fund balance.

NOTE 15. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$100,000 was established by the District in the 2003-04 budget. The funds for the establishment of this reserve were withdrawn from unassigned general fund balance. These funds are restricted to be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building. Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the district by transferring unassigned general fund balance or by transferring excess, unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year's budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end.

At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the district's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning Balance July 1, 2023	\$ 242,661
Less:	
Budget Withdrawal	<u>242,661</u>
Ending Balance June 30, 2024	<u>\$ -0-</u>

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 16. ACCOUNTS PAYABLE

Payables as of June 30, 2024 were:

	Governmental Funds				District Contribution Subsequent to Measurement Date	Total Governmental Activities	Business-Type Activities Proprietary Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds			
Vendors	\$ 592,720	\$ 92,192	\$ 126,709	\$ 811,621		\$ 811,621	\$ 42,999
Payroll Deductions and Withholdings	60,453			60,453		60,453	
Accrued Salaries and Wages	763,410			763,410		763,410	
State of New Jersey					\$ 1,204,020	1,204,020	
	<u>\$ 1,416,583</u>	<u>\$ 92,192</u>	<u>\$ 126,709</u>	<u>\$ 1,635,484</u>	<u>\$ 1,204,020</u>	<u>\$ 2,839,504</u>	<u>\$ 42,999</u>

NOTE 17. POST-RETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

The District is in a “special funding situation”, as described in GASB Codification Section P50, in that OPEB contributions and expenses are legally required to be made by and are the sole responsibility of the State of New Jersey, not the District.

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the 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 Benefits Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 17. POST-RETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Plan Description and Benefits Provided (Cont'd)

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

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the Division's annual financial statements which can be found at <https://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

Employees Covered by Benefit Terms

At June 30, 2022, the plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	152,383
Active Plan Members	<u>217,212</u>
Total	<u><u>369,595</u></u>

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023.

Actuarial Assumptions and Other Inputs

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

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

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

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

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 17. POST-RETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Mortality Rates

Pre-retirement 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. Post-retirement 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 were 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.

Health Care Trend Assumptions

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

Discount Rate

The discount rate for June 30, 2022 was 3.65%. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. 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.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 17. POST-RETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Changes in the State's Proportionate Share of the Total OPEB Liability Associated with the District

	<u>Total OPEB Liability</u>
Balance at June 30, 2022	\$ 120,143,689
Changes for Year:	
Service Cost	4,331,969
Interest on the Total OPEB Liability	4,293,738
Differences between Expected and Actual Experiences	(3,861,970)
Changes in Assumptions	245,733
Gross Benefit Payments by the State	(3,347,039)
Contributions from Members	110,033
Net Changes	<u>1,772,464</u>
Balance at June 30, 2023	<u>\$ 121,916,153</u>

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2023, calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>June 30, 2023</u>		
	<u>At 1% Decrease (2.65%)</u>	<u>At Discount Rate (3.65%)</u>	<u>At 1% Increase (4.65%)</u>
Total OPEB Liability Attributable to the District	\$ 142,925,759	\$ 121,916,153	\$ 105,047,878

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 17. POST-RETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2023, calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	1%	Healthcare	1%
	Decrease	Cost Trend Rate	Increase
Total OPEB Liability Attributable to the District	\$ 101,209,203	\$ 121,916,153	\$ 149,011,250

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

For the fiscal year ended June 30, 2024 the District recognized OPEB expense of \$1,148,275 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2023 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 17. POST-RETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd)

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 4,393,099
	2018	9.51		4,547,252
	2019	9.29	\$ 668,972	
	2020	9.24	16,355,260	
	2021	9.24	93,089	
	2022	9.13		24,704,149
	2023	9.30	219,310	
			<u>17,336,631</u>	<u>33,644,500</u>
Differences between Expected and Actual Experience	2018	9.51		4,298,568
	2019	9.29		7,873,843
	2020	9.24	15,243,744	
	2021	9.24		17,901,778
	2022	9.13	2,544,172	
	2023	9.30		2,037,311
			<u>17,787,916</u>	<u>32,111,500</u>
Changes in Proportion	N/A	N/A	293,557	7,449,598
			<u>\$ 35,418,104</u>	<u>\$ 73,205,598</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources, excluding changes in proportion, related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2024	\$ (6,079,840)
2025	(6,079,840)
2026	(5,284,239)
2027	(3,115,387)
2028	(637,682)
Thereafter	<u>(9,434,464)</u>
	<u>\$ (30,631,452)</u>

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 18. PRIOR YEAR ADJUSTMENT

The district made a prior year adjustment in the district-wide financial statements and the proprietary fund financial statements of the district's capital assets. During the fiscal year 2024, the District determined that capital assets were not being properly recorded at their historical value. Therefore capital assets were adjusted according to the table below:

	Balance June 30, 2023 as Previously Reported	Error Correction	Balance June 30, 2023 as Restated
<u>Statement of Net Activities - Governmental Activities:</u>			
Assets:			
Capital Assets, Net:			
Site (Land)	\$ 883,279	\$ 4,313,121	\$ 5,196,400
Depreciable Buildings and Building Improvements			
Machinery and Equipment	52,174,029	(39,811,215)	12,362,814
Total Assets	77,005,332	(35,498,094)	41,507,238
Net Position:			
Net Investment in Capital Assets	44,996,647	(35,498,094)	9,498,553
Net Position - Ending	41,256,345	(35,498,094)	5,758,251
<u>Statement of Net Position - Business-type Activities:</u>			
Assets:			
Capital Assets, Net:			
Depreciable Buildings and Building			
Improvements and Machinery and Equipment	191,991	(76,357)	115,634
Total Assets	558,597	(76,357)	482,240
Net Position:			
Net Investment in Capital Assets	191,991	(76,357)	115,634
Net Position - Ending	484,468	(76,357)	408,111

REQUIRED SUPPLEMENTARY
INFORMATION SCHEDULES

JEFFERSON TOWNSHIP BOARD OF EDUCATION
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
 SCHEDULE OF DISTRICTS PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PUBLIC EMPLOYEES RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
District's proportion of the net pension liability	0.0850994995%	0.0868809315%	0.0906040009%	0.0878332234%	0.0878151471%	0.0901347898%	0.0909247587%	0.0853375590%	0.0815089499%	0.0795713282%
District's proportionate share of the net pension liability	\$ 15,932,954	\$ 19,503,028	\$ 26,834,306	\$ 20,446,170	\$ 17,290,365	\$ 16,240,922	\$ 14,827,450	\$ 10,109,513	\$ 12,300,823	\$ 11,481,816
District's covered employee payroll	\$ 6,003,824	\$ 5,941,086	\$ 6,124,440	\$ 6,052,317	\$ 6,407,207	\$ 6,408,469	\$ 6,350,591	\$ 6,010,393	\$ 5,993,291	\$ 6,052,665
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	265.38%	328.27%	438.15%	337.82%	269.86%	253.43%	233.48%	168.20%	205.24%	189.70%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	46.18%	48.10%	53.60%	56.27%	58.32%	70.33%	46.41%	65.23%

JEFFERSON TOWNSHIP BOARD OF EDUCATION
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution	\$ 698,661	\$ 746,943	\$ 807,774	\$ 813,681	\$ 873,477	\$ 1,012,875	\$ 994,672	\$ 1,098,880	\$ 1,133,592	\$ 1,059,470.00
Contributions in relation to the contractually required contribution	(698,661)	(746,943)	(807,774)	(813,681)	(873,477)	(1,012,875)	(994,672)	(1,098,880)	(1,133,592)	(1,059,470)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 5,941,086	\$ 6,124,440	\$ 6,052,317	\$ 6,407,207	\$ 6,408,469	\$ 6,350,591	\$ 6,010,393	\$ 5,993,291	\$ 6,052,665	\$ 6,277,286
Contributions as a percentage of covered employee payroll	11.76%	12.20%	13.35%	12.70%	13.63%	15.95%	16.55%	18.34%	18.73%	16.88%

JEFFERSON TOWNSHIP BOARD OF EDUCATION
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
 SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT
 TEACHERS' PENSION AND ANNUITY FUND
 LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
State's proportion of the net pension liability attributable to the District	0.2441698897%	0.2448459693%	0.2426656615%	0.0023914585%	0.2306180889%	0.2244263900%	0.2317096096%	0.2330760949%	0.22231512514%	0.2094019100%
State's proportionate share of the net pension liability attributable to the District	\$ 130,500,859	\$ 154,753,117	\$ 190,894,687	\$ 161,240,754	\$ 146,714,284	\$ 137,732,602	\$ 152,577,976	\$ 112,051,772	\$ 115,133,585	\$ 106,195,933
District's covered employee payroll	\$ 24,083,925	\$ 24,524,919	\$ 24,642,692	\$ 23,808,209	\$ 24,289,342	\$ 24,732,921	\$ 25,073,940	\$ 23,910,999	\$ 24,116,577	\$ 23,772,003
District's proportionate share of the net pension liability attributable to the district as a percentage of its covered employee payroll	541.86%	631.00%	774.65%	677.25%	604.03%	556.88%	608.51%	468.62%	477.40%	446.73%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.79%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	34.68%

JEFFERSON TOWNSHIP BOARD OF EDUCATION
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
 SCHEDULE OF STATE CONTRIBUTIONS
 TEACHERS' PENSION AND ANNUITY FUND
 LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution	\$ 9,449,071	\$ 7,022,171	\$ 14,343,079	\$ 11,169,943	\$ 8,552,930	\$ 8,123,837	\$ 9,487,948	\$ 6,830,325	\$ 9,339,440	\$ 8,670,505
Contributions in relation to the contractually required contribution	(1,942,860)	(1,323,727)	(2,595,866)	(1,869,653)	(2,044,060)	(5,082,279)	(6,775,240)	(9,186,370)	(8,507,009)	(8,543,207)
Contribution deficiency/(excess)	\$ 7,506,211	\$ 5,698,444	\$ 11,747,213	\$ 9,300,290	\$ 6,508,870	\$ 3,041,558	\$ 2,712,708	\$ (2,356,045)	\$ 832,431	\$ 127,298
District's covered employee payroll	\$ 24,524,919	\$ 24,642,692	\$ 23,808,209	\$ 24,289,342	\$ 24,732,921	\$ 25,073,940	\$ 23,910,999	\$ 24,116,577	\$ 23,772,003	\$ 25,156,923
Contributions as a percentage of covered employee payroll	38.53%	28.50%	60.24%	45.99%	34.58%	32.40%	39.68%	28.32%	39.29%	34.47%

JEFFERSON TOWNSHIP BOARD OF EDUCATION
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
 SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB
 LIABILITY ATTRIBUTABLE TO THE DISTRICT AND RELATED RATIOS
 LAST SEVEN FISCAL YEARS

	Fiscal Years Ending June 30,						
	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	\$ 5,601,427	\$ 4,653,305	\$ 4,150,445	\$ 4,133,225	\$ 7,354,381	\$ 5,961,386	\$ 4,331,969
Interest Cost	4,292,365	4,979,430	4,641,555	3,705,790	3,751,074	3,183,940	4,293,738
Changes of Benefit Terms					(153,909)		
Differences between Expected and Actual Experiences		(11,772,755)	(21,436,641)	26,839,237	(28,829,000)	1,680,695	(3,861,970)
Changes in Assumptions	(17,436,905)	(13,461,652)	1,537,660	30,175,193	142,659	(32,229,623)	245,733
Member Contributions	115,940	108,412	93,842	87,168	95,897	101,175	110,033
Gross Benefit Payments	(3,148,608)	(3,136,768)	(3,165,749)	(2,875,884)	(2,954,795)	(3,153,787)	(3,347,039)
Net Change in Total OPEB Liability	(10,575,781)	(18,630,028)	(14,178,888)	62,064,729	(20,593,693)	(24,456,214)	1,772,464
Total OPEB Liability - Beginning	146,513,564	135,937,783	117,307,755	103,128,867	165,193,596	144,599,903	120,143,689
Total OPEB Liability - Ending	\$ 135,937,783	\$ 117,307,755	\$ 103,128,867	\$ 165,193,596	\$ 144,599,903	\$ 120,143,689	\$ 121,916,153
District's Covered Employee Payroll *	\$ 30,466,005	\$ 24,524,919	\$ 24,642,692	\$ 23,808,209	\$ 24,289,342	\$ 24,732,921	\$ 25,073,940
Total OPEB Liability as a Percentage of Covered Employee Payroll	22%	21%	24%	14%	17%	21%	21%

* - Covered payroll for the fiscal year ending June 30, 2017, June 30, 2018, June 30, 2019, June 30, 2020, June 30, 2021, June 30, 2022, and June 30, 2023 are based on the payroll on the June 30, 2016, June 30, 2017, June 30, 2018, June 30, 2019, June 30, 2020, June 30, 2021, and June 30, 2022 census data.

Note: This schedule does not contain ten years of information as GASB No. 75 was implemented during the fiscal year ended June 30, 2018.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

There were none.

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2022 actuarial valuation the salary increases were 2.75 – 4.25% based on years of service while in the July 1, 2021 actuarial valuation the salary increases were 2.75% - 5.65% based on years of service.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2023 was 3.65%. The discount rate for June 30, 2022 was 3.54%, a change of .11%.

The health care trend rates in the valuation as of June 30, 2023 were based on the following:

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

The health care trend rates in the valuation as of June 30, 2022 were based on the following:

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 4.5% 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 rate after eight years.

BUDGETARY COMPARISON SCHEDULES

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 47,658,042		\$ 47,658,042	\$ 47,658,042	
Tuition From Other LEAs Within the State	366,758		366,758	365,842	\$ (916)
Rents and Royalties				40,390	40,390
Sale of Property				30,048	30,048
Unrestricted Miscellaneous Revenues	256,000		256,000	642,946	386,946
Other Restricted Miscellaneous Revenues				29,171	29,171
Total Revenues from Local Sources	48,280,800		48,280,800	48,766,439	485,639
Revenues from State Sources:					
Categorical Transportation Aid	636,026		636,026	636,026	
Extraordinary Aid	441,010		441,010	315,763	(125,247)
Categorical Special Education Aid	2,137,733		2,137,733	2,137,733	
Equalization Aid	2,028,551		2,028,551	2,028,551	
Categorical Security Aid	303,337		303,337	303,337	
Non Public Transportation Aid				89,180	89,180
Stabilization Aid		\$ 118,320	118,320	118,320	
TPAF Post Retirement Contributions (Non-Budgeted)				2,351,665	2,351,665
TPAF Pension Contributions (Non-Budgeted)				8,543,207	8,543,207
TPAF Non-Contributory Insurance (Non-Budgeted)				97,431	97,431
TPAF Long-Term Disability Insurance (Non-Budgeted)				3,043	3,043
Reimbursed TPAF Social Security Contributions				1,855,347	1,855,347
Total Revenues from State Sources	5,546,657	118,320	5,664,977	18,479,603	12,814,626

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Federal Sources:					
Medicaid Reimbursement	\$ 57,496		\$ 57,496	\$ 47,154	\$ (10,342)
Total Revenues from Federal Sources	<u>57,496</u>		<u>57,496</u>	<u>47,154</u>	<u>(10,342)</u>
 TOTAL REVENUE	 53,884,953	 \$ 118,320	 54,003,273	 67,293,196	 13,289,923
 GENERAL CURRENT EXPENSE					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers		6,244	6,244	6,244	
Kindergarten - Salaries of Teachers	544,088	71,154	615,242	615,242	
Grades 1-5 - Salaries of Teachers	4,580,265	(96,313)	4,483,952	4,483,952	
Grades 6-8 - Salaries of Teachers	3,258,389	185,092	3,443,481	3,443,481	
Grades 9-12 - Salaries of Teachers	5,970,216	(224,537)	5,745,679	5,745,679	
Regular Programs - Home Instruction:					
Salaries of Teachers	35,000	70,999	105,999	105,999	
Purchased Professional-Educational Services	20,000	(6,413)	13,587	9,534	4,053
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	32,475	33,233	65,708	65,708	
Purchased Professional-Educational Services	249,554	5,447	255,001	248,785	6,216
Other Purchased Services (400-500 series)	543,644	(68,602)	475,042	430,206	44,836
General Supplies	382,551	(155)	382,396	318,227	64,169
Textbooks	167,476	19,912	187,388	179,618	7,770
Other Objects	2,807	1,740	4,547	2,771	1,776
Total Regular Programs - Instruction	<u>15,786,465</u>	<u>(2,199)</u>	<u>15,784,266</u>	<u>15,655,446</u>	<u>128,820</u>

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	\$ 629,014	\$ (258,718)	\$ 370,296	\$ 370,296	
Other Salaries for Instruction	470,078	(23,922)	446,156	446,156	
General Supplies	4,725		4,725	1,143	\$ 3,582
Total Learning and/or Language Disabilities	1,103,817	(282,640)	821,177	817,595	3,582
Behavioral Disabilities:					
Salaries of Teachers	535,462	(46,259)	489,203	489,203	
Other Salaries for Instruction	212,189	(30,814)	181,375	181,375	
General Supplies	1,688		1,688	746	942
Total Behavioral Disabilities	749,339	(77,073)	672,266	671,324	942
Multiple Disabilities:					
Salaries of Teachers	197,455	14,225	211,680	211,680	
Other Salaries for Instruction	19,403	(19,280)	123	123	
General Supplies	6,267	5,290	11,557	3,939	7,618
Other Objects	5,960	50	6,010	4,385	1,625
Total Multiple Disabilities	229,085	285	229,370	220,127	9,243
Resource Room/Resource Center:					
Salaries of Teachers	1,874,719	130,136	2,004,855	2,004,855	
Other Salaries for Instruction	389,692	273,013	662,705	662,705	
General Supplies	4,500	(50)	4,450	1,851	2,599
Textbooks	1,050		1,050		1,050
Total Resource Room/Resource Center	2,269,961	403,099	2,673,060	2,669,411	3,649

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Autism:					
Salaries of Teachers	\$ 312,439	\$ (70,255)	\$ 242,184	\$ 242,184	
Other Salaries for Instruction	459,535	(335,979)	123,556	123,556	
General Supplies	4,000		4,000	1,819	\$ 2,181
Total Autism	775,974	(406,234)	369,740	367,559	2,181
Preschool Disabilities - Full-Time:					
Salaries of Teachers	227,900	13,921	241,821	241,821	
Other Salaries for Instruction	101,354	156,848	258,202	258,202	
Purchased Professional-Educational Services	300		300	199	101
General Supplies	5,625	(1,458)	4,167	3,136	1,031
Other Objects		3,561	3,561	3,561	
Total Preschool Disabilities - Full-Time	335,179	172,872	508,051	506,919	1,132
Home Instruction:					
Salaries of Teachers		1,053	1,053	1,053	
Purchased Professional-Educational Services	20,000	(7,250)	12,750	7,775	4,975
Total Home Instruction	20,000	(6,197)	13,803	8,828	4,975
TOTAL SPECIAL EDUCATION - INSTRUCTION	5,483,355	(195,888)	5,287,467	5,261,763	25,704

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	\$ 673,814	\$ 149,685	\$ 823,499	\$ 810,731	\$ 12,768
Total Basic Skills/Remedial - Instruction	673,814	149,685	823,499	810,731	12,768
Bilingual Education - Instruction:					
Salaries of Teachers	263,547	75,123	338,670	338,670	
Purchased Professional-Educational Services	15,479	(3,999)	11,480	10,780	700
Other Purchased Services (400-500 series)	1,200		1,200	793	407
General Supplies	780	2,400	3,180	2,267	913
Total Bilingual Education - Instruction	281,006	73,524	354,530	352,510	2,020
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	181,345	28,013	209,358	209,358	
Purchased Services (300-500 series)	10,950	(5,912)	5,038	5,038	
Supplies and Materials	22,203	(7,336)	14,867	14,847	20
Other Objects	23,150	(2,468)	20,682	13,700	6,982
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	237,648	12,297	249,945	242,943	7,002
School-Sponsored Athletics - Instruction:					
Salaries	414,008	(4,029)	409,979	390,160	19,819
Purchased Services (300-500 series)	178,026	(3,551)	174,475	138,352	36,123
Supplies and Materials	61,579	(21,475)	40,104	33,991	6,113
Other Objects	43,100		43,100	31,092	12,008
Total School-Sponsored Athletics - Instruction	696,713	(29,055)	667,658	593,595	74,063
TOTAL INSTRUCTION	23,159,001	8,364	23,167,365	22,916,988	250,377

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Regular	\$ 16,575	\$ 12,757	\$ 29,332	\$ 29,331	\$ 1
Tuition to Other LEAs Within the State-Special	372,681	(148,453)	224,228	148,687	75,541
Tuition to County Voc. School Dist.-Regular	955,596	16,082	971,678	971,678	
Tuition to County Voc. School Dist.-Special	29,707	(23,739)	5,968		5,968
Tuition to Priv. Sch. for the Handicap. W/I State	1,324,331	(68,336)	1,255,995	603,813	652,182
Tuition - State Facilities	41,075		41,075	41,075	
Total Undistributed Expenditures - Instruction	2,739,965	(211,689)	2,528,276	1,794,584	733,692
Undistributed Expenditures - Health Services:					
Salaries	452,572	(16,193)	436,379	436,379	
Purchased Professional and Technical Services	30,300		30,300	28,199	2,101
Other Purchased Services (400-500 series)	2,100		2,100	950	1,150
Supplies and Materials	24,105		24,105	13,512	10,593
Total Undist. Expenditures - Health Services	509,077	(16,193)	492,884	479,040	13,844
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	744,464	(103,998)	640,466	640,466	
Purchased Professional - Educational Services	14,050	499	14,549	7,099	7,450
Supplies and Materials	2,256		2,256	724	1,532
Total Undist. Expend. - Speech, OT, PT, Related Svcs	760,770	(103,499)	657,271	648,289	8,982
Undist.Expend.-Other Supp.Serv.Students-Extra.Serv.:					
Salaries	1,026,953	46,569	1,073,522	1,069,150	4,372
Purchased Professional - Educational Services	110,130	(62,564)	47,566	44,120	3,446
Supplies and Materials	2,350		2,350	442	1,908
Total Undist. Expend. - Other Supp. Svcs. Students - Extra. Serv.	1,139,433	(15,995)	1,123,438	1,113,712	9,726

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist.Expend.-Guidance:					
Salaries of Other Professional Staff	\$ 1,054,477	\$ (81,670)	\$ 972,807	\$ 933,600	\$ 39,207
Salaries of Secretarial and Clerical Assistants	159,824	285	160,109	160,109	
Purchased Professional - Educational Services	650	2,106	2,756	1,567	1,189
Other Purchased Prof. and Tech. Services	14,196	6,387	20,583	10,655	9,928
Other Purchased Services (400-500 series)	29,818	4,448	34,266	29,785	4,481
Supplies and Materials	25,115	(1,700)	23,415	5,908	17,507
Other Objects	445	810	1,255	1,045	210
Total Undist Expend. - Guidance	1,284,525	(69,334)	1,215,191	1,142,669	72,522
Undist. Expend.-Child Study Team:					
Salaries of Other Professional Staff	1,017,545	24,957	1,042,502	1,022,272	20,230
Salaries of Secretarial and Clerical Assistants	121,682		121,682	121,682	
Purchased Professional - Educational Services	26,050	11,003	37,053	29,801	7,252
Other Purchased Prof. and Tech. Services	30,000	(4,499)	25,501	3,090	22,411
Other Purchased Services (400-500 series)	3,050	2,170	5,220	3,249	1,971
Supplies and Materials	15,674		15,674	14,859	815
Other Objects	1,455	1,190	2,645	178	2,467
Total Undist Expend. - Child Study Team	1,215,456	34,821	1,250,277	1,195,131	55,146

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Improv. of Inst. Serv.:					
Salaries of Supervisors of Instruction	\$ 308,824		\$ 308,824	\$ 308,824	
Salaries of Other Professional Staff	654,729	\$ 125	654,854	645,465	\$ 9,389
Purchased Professional - Educational Services	160	1,595	1,755	1,555	200
Other Purchased Services (400-500 series)	18,800		18,800	13,656	5,144
Supplies and Materials	2,100		2,100	332	1,768
Other Objects	12,547	3,781	16,328	14,480	1,848
Total Undist. Expend.-Improv. of Inst. Serv.	997,160	5,501	1,002,661	984,312	18,349
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	225,357	56,211	281,568	255,675	25,893
Salaries of Technology Coordinators	301,362		301,362	301,362	
Supplies and Materials	16,416	1,172	17,588	15,003	2,585
Total Undist Expend-Edu. Media Serv./Sch. Library	543,135	57,383	600,518	572,040	28,478
Undist.Expend.-Instructional Staff Training Services:					
Purchased Professional - Educational Service	40,600	(5,681)	34,919	27,111	7,808
Other Purchased Services (400-500 series)	30,800	4,554	35,354	15,919	19,435
Supplies and Materials		93	93	93	
Total Undist.Expend.-Instructional Staff Training Services	71,400	(1,034)	70,366	43,123	27,243

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	\$ 569,030	\$ 4,496	\$ 573,526	\$ 573,526	
Legal Services	150,000	(32,834)	117,166	60,132	\$ 57,034
Audit Fees	46,000	5,000	51,000	51,000	
Architectural/Engineering Services	58,422	111,600	170,022	134,623	35,399
Other Purchased Professional Services	7,300		7,300	6,020	1,280
Purchased Technical Services	15,460	7,427	22,887	13,002	9,885
Communications / Telephone	71,080	10,000	81,080	62,002	19,078
BOE Other Purchased Services	7,370	(75)	7,295	3,234	4,061
Other Purch. Serv. (400-500 series other than 530 & 585)	67,339		67,339	60,426	6,913
General Supplies	3,800	(580)	3,220	2,531	689
BOE In-house training/ Meeting Supplies	1,055		1,055	369	686
Miscellaneous Expenditures	48,570	10,000	58,570	56,154	2,416
BOE Membership Dues and Fees		75	75	75	
Total Undist. Expend.-Support Serv.-Gen. Admin.	1,045,426	115,109	1,160,535	1,023,094	137,441
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	1,203,399	19,923	1,223,322	1,220,822	2,500
Salaries of Secretarial and Clerical Assistants	670,254	53,887	724,141	724,141	
Purchased Professional and Technical Services	5,150	44,473	49,623	46,076	3,547
Other Purchased Services (400-500 series)	29,175		29,175	20,110	9,065
Supplies and Materials	20,050	(421)	19,629	14,698	4,931
Other Objects	11,530	55	11,585	11,138	447
Total Undist. Expend.-Support Serv.-School Adm.	1,939,558	117,917	2,057,475	2,036,985	20,490

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Central Services:					
Salaries	\$ 779,936	\$ 3,200	\$ 783,136	\$ 783,136	
Purchased Professional Services	2,100	25,000	27,100	27,100	
Purchased Technical Services	55,561	7,942	63,503	62,099	\$ 1,404
Miscellaneous Purchased Services (400-500 series other than 594)	66,375	19,463	85,838	81,695	4,143
Supplies and Materials	5,775	(60)	5,715	4,021	1,694
Interest on Lease Purchase Agreements	92,560	(2,590)	89,970	89,970	
Other Objects	2,890	302	3,192	2,649	543
Total Undist. Expend. - Central Services	1,005,197	53,257	1,058,454	1,050,670	7,784
Undist. Expend. - Admin. Info. Technology:					
Salaries	352,722	14,064	366,786	366,786	
Other Purchased Services (400-500 series)	4,500	245	4,745	4,709	36
Supplies and Materials	1,500	(945)	555	472	83
Total Undist. Expend. - Admin. Info. Technology	358,722	13,364	372,086	371,967	119
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	655,745	(38,358)	617,387	617,387	
Cleaning, Repair, and Maintenance Services	712,319	(158,005)	554,314	531,278	23,036
Lead Testing of Drinking Water	29,610	5,000	34,610	32,898	1,712
General Supplies	292,518	(6,560)	285,958	261,164	24,794
Total Undist. Expend.- Required Maint. for School Facilities	1,690,192	(197,923)	1,492,269	1,442,727	49,542

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Custodial Services:					
Salaries	\$ 1,629,372	\$ 8,238	\$ 1,637,610	\$ 1,637,610	
Cleaning, Repair, and Maintenance Services	57,000	(10,000)	47,000	32,129	\$ 14,871
Other Purchased Property Services	21,000		21,000	21,000	
Insurance	458,877	12,830	471,707	466,133	5,574
Miscellaneous Purchased Services	9,450		9,450	2,525	6,925
General Supplies	252,382	(22,692)	229,690	195,846	33,844
Energy (Natural Gas)	545,000	49,286	594,286	552,677	41,609
Energy (Electricity)	528,750	29,000	557,750	556,242	1,508
Energy (Oil)	27,500		27,500	21,118	6,382
Energy (Gasoline)	21,900		21,900	19,592	2,308
Other Objects	1,900		1,900	725	1,175
Total Undist. Expend.-Custodial Services	3,553,131	66,662	3,619,793	3,505,597	114,196
Care and Upkeep of Grounds:					
Salaries	290,503	21,920	312,423	312,423	
Cleaning, Repair, and Maintenance Services	431,665	62,925	494,590	395,745	98,845
General Supplies	93,365	(35,760)	57,605	41,541	16,064
Total Care And Upkeep Of Grounds	815,533	49,085	864,618	749,709	114,909

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Security:					
Salaries	\$ 429,387	\$ 30,645	\$ 460,032	\$ 460,032	
Cleaning, Repair, and Maintenance Services	9,040	4,634	13,674	12,608	\$ 1,066
Travel - All Other		1,200	1,200	475	725
General Supplies	36,350	4,631	40,981	38,190	2,791
Total Security	474,777	41,110	515,887	511,305	4,582
Total Undist. Expend.-oper. And Maint. Of Plant Serv.	6,533,633	(41,066)	6,492,567	6,209,338	283,229
Undist. Expend.-Student Transportation Serv.:					
Salaries of Non-Instructional Aides	143,536	42,626	186,162	186,162	
Sal. for Pupil Trans. (Bet. Home and Sch)-Reg.	1,239,928	(25,127)	1,214,801	1,194,352	20,449
Sal. for Pupil Trans. (Bet. Home and Sch)-Spl. Ed.		6,544	6,544		
Sal. for Pupil Trans. (Oth. than Bet. Home & Sch)	187,111	(138,170)	48,941	38,361	10,580
Other Purchased Professional and Technical Services	25,028	1,287	26,315	16,623	9,692
Cleaning, Repair, and Maint. Services	21,985	(2,000)	19,985	10,446	9,539
Lease Purchase Payments - School Buses	200,710	13,601	214,311	214,311	
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	219,730	(77,121)	142,609	114,274	28,335
Contr Serv.-Aid in Lieu of Payments-Charter Sch Stud.	5,110	(5,110)			
Contr Serv.-Aid in Lieu of Payments-Choice Stud.	10,220	3,760	13,980	11,650	2,330
Contract. Serv.(Oth. than Bet. Home & Sch.)-Vend.	36,670	25,000	61,670	35,586	26,084
Contract. Serv.(Spl. Ed. Students)-Joint Agrmnts		5,351	5,351	922	4,429
Contract. Serv.(Reg. Students)-ESCs & CTSA	1,231,675	272,155	1,503,830	1,458,392	45,438
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSA	1,000,000	(194,166)	805,834	445,774	360,060
Misc. Purchased Serv. - Transportation	36,184	2,215	38,399	36,924	1,475
General Supplies	212,500		212,500	146,700	65,800
Transportation Supplies	94,920	24,577	119,497	113,014	6,483
Other Objects	3,175	1,600	4,775	1,975	2,800
Total Undist. Expend.-Student Trans. Serv.	4,668,482	(42,978)	4,625,504	4,032,010	593,494

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
ALLOCATED BENEFITS					
Regular Programs - Instruction:					
Unused Sick Payment to Terminated/Retired Staff	\$ 106,284	\$ (4,432)	\$ 101,852	\$ 101,852	
Total Regular Programs - Instruction	106,284	(4,432)	101,852	101,852	
Special Programs - Instruction:					
Unused Sick Payment to Terminated/Retired Staff	23,600	5,276	28,876	28,876	
Total Special Programs - Instruction	23,600	5,276	28,876	28,876	
Other Support Services - Students - Extraordinary Services:					
Unused Sick Payment to Terminated/Retired Staff	594		594	594	
Total Other Supp Serv - Students - Extraordinary Serv	594		594	594	
Other Support Services - Guidance:					
Unused Sick Payment to Terminated/Retired Staff	4,033		4,033	4,033	
Total Other Supp Serv - Guidance	4,033		4,033	4,033	
Other Support Services - Child Study Team:					
Unused Sick Payment to Terminated/Retired Staff	29,959		29,959	29,959	
Total Other Supp Serv - Child Study Team	29,959		29,959	29,959	

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Educational Media Services - School Library:					
Unused Sick Payment to Terminated/Retired Staff	\$ 8,783		\$ 8,783	\$ 8,783	
Total Educational Media Services - School Library	8,783		8,783	8,783	
Support Services - School Administration:					
Unused Sick Payment to Terminated/Retired Staff	8,655		8,655	8,655	
Total Support Services - School Administration	8,655		8,655	8,655	
Support Services - Admin. Info. Technology:					
Unused Sick Payment to Terminated/Retired Staff	5,254		5,254	5,254	
Total Support Services - Admin. Info. Technology	5,254		5,254	5,254	
Required Maintenance for School Facilities:					
Unused Sick Payment to Terminated/Retired Staff	1,796	\$ 1,751	3,547	3,547	
Total Required Maintenance For School Facilities	1,796	1,751	3,547	3,547	
Custodial Services:					
Unused Sick Payment to Terminated/Retired Staff	2,158	(1,000)	1,158	407	\$ 751
Total Custodial Services	2,158	(1,000)	1,158	407	751
Security:					
Unused Sick Payment to Terminated/Retired Staff	1,305		1,305	1,305	
Total Security	1,305		1,305	1,305	
TOTAL ALLOCATED BENEFITS	192,421	1,595	194,016	193,265	751

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
UNALLOCATED BENEFITS					
Social Security Contributions	\$ 908,250	\$ 131,606	\$ 1,039,856	\$ 1,035,140	\$ 4,716
Other Retirement Contributions - PERS	1,111,240	86,671	1,197,911	1,192,445	5,466
Workers Compensation	290,725	(1,920)	288,805	288,805	
Health Benefits	7,595,281	(148,474)	7,446,807	7,240,368	206,439
Tuition Reimbursement	132,500	(12,830)	119,670	93,180	26,490
Other Employee Benefits	418,521	(1,748)	416,773	406,258	10,515
TOTAL UNALLOCATED BENEFITS	10,456,517	53,305	10,509,822	10,256,196	253,626
ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)				2,351,665	(2,351,665)
TPAF Pension Contributions (Non-Budgeted)				8,543,207	(8,543,207)
TPAF Non-Contributory Insurance (Non-Budgeted)				97,431	(97,431)
TPAF Long-Term Disability Insurance (Non-Budgeted)				3,043	(3,043)
Reimbursed TPAF Social Security Contributions				1,855,347	(1,855,347)
TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)				12,850,693	(12,850,693)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	10,648,938	54,900	10,703,838	23,300,154	(12,596,316)
TOTAL UNDISTRIBUTED EXPENDITURES	35,460,877	(49,536)	35,411,341	45,997,118	(10,585,777)
TOTAL GENERAL CURRENT EXPENSE	58,619,878	(41,172)	58,578,706	68,914,106	(10,335,400)

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CAPITAL OUTLAY					
Equipment					
Grades 6-8		\$ 40,222	\$ 40,222	40,222	
School-Sponsored and Other Instructional Programs		22,475	22,475	22,475	
Undistributed:					
Undistributed Expenditures - School Admin.		2,938	2,938	2,938	
Undist. Expend. - Required Maint for School Fac.		57,295	57,295	28,266	\$ 29,029
Undist. Expend. - Care and Upkeep of Grounds		76,618	76,618	76,618	
Undist. Expend.-Student Trans.- Non-Inst. Equip.		250,421	250,421	119,025	131,396
Total Equipment		449,969	449,969	289,544	160,425
Facilities Acquisition and Construction Serv.:					
Other Purchased Prof. and Tech. Services		145,631	145,631		145,631
Construction Services	\$ 1,500,500	653,935	2,154,435	2,009,301	145,134
Assessment for Debt Service on SDA Funding	94,542		94,542	94,542	
Total Facilities Acquisition and Const. Serv.	1,595,042	799,566	2,394,608	2,103,843	290,765
TOTAL CAPITAL OUTLAY	1,595,042	1,249,535	2,844,577	2,393,387	451,190
Transfer of Funds to Charter Schools	95,223	7,657	102,880	102,880	
	95,223	7,657	102,880	102,880	
TOTAL EXPENDITURES	60,310,143	1,216,020	61,526,163	71,410,373	\$ (9,884,210)
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(6,425,190)	(1,097,700)	(7,522,890)	(4,117,177)	3,405,713

JEFFERSON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Financing Sources/(Uses):					
Local Contrib. - Transfer to Special Revenue Fund- Inclusion	\$ (525,070)		\$ (525,070)	\$ (525,070)	
Total Other Financing Sources/(Uses)	<u>(525,070)</u>		<u>(525,070)</u>	<u>(525,070)</u>	
Excess/(Deficit) of Revenues and Other Financing Sources					
Over/(Under) Expenditures and Other Financing Uses	(6,950,260)	\$ (1,097,700)	(8,047,960)	(4,642,247)	\$ 3,405,713
Fund Balance, July 1	12,040,462		12,040,462	12,040,462	
Fund Balance, June 30	<u>\$ 5,090,202</u>	<u>\$ (1,097,700)</u>	<u>\$ 3,992,502</u>	<u>\$ 7,398,215</u>	<u>\$ 3,405,713</u>
<u>Recapitulation:</u>					
Restricted Fund Balance:					
Excess Surplus - Restricted For 2024-2025				\$ 891,188	
Capital Reserve				1,697,639	
Unemployment Compensation				484,912	
Assigned Fund Balance:					
Year End Encumbrances				308,605	
Designated for Subsequent Year's Expenditures				2,900,000	
Unassigned Fund Balance				<u>1,115,871</u>	
				<u>7,398,215</u>	
Reconciliation to Governmental Funds Statement (GAAP):				<u>(493,703)</u>	
Last State Aid Payments not Recognized on GAAP basis					
Fund Balance per Governmental Funds (GAAP)				<u>\$ 6,904,512</u>	

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Federal Sources	\$ 880,603	\$ 949,404	\$ 1,830,007	\$ 1,613,330	\$ (216,677)
State Sources	2,775,370	63,913	2,839,283	2,817,479	(21,804)
Local Sources		649,115	649,115	649,115	
Total Revenues	3,655,973	1,662,432	5,318,405	5,079,924	(238,481)
OTHER FINANCING SOURCES:					
Transfer in - Board Contribution - General Fund	525,070		525,070	525,070	
Total Revenue and Other Financing Sources	4,181,043	1,662,432	5,843,475	5,604,994	(238,481)
EXPENDITURES:					
Instruction					
Salaries of Teachers	1,931,005	138,234	2,069,239	1,982,854	86,385
Purchased Professional/Educational Services		6,336	6,336	6,336	
Other Purchased Services	546,002	128,564	674,566	674,566	
Tuition - Other LEAs within the State		264,871	264,871	264,871	
General Supplies	196,904	7,139	204,043	202,145	1,898
Other Objects		600	600	600	
Total Instruction	2,673,911	545,744	3,219,655	3,131,372	88,283
Support Services					
Salaries of Other Professional Staff	715,282	217,811	933,093	927,917	5,176
Personal Service - Employee Benefits	554,389	(37,455)	516,934	516,252	682
Purchased Professional - Educational Services	10,485	44,328	54,813	54,813	
Purchased Professional - Technical Services	145,076	(61,731)	83,345	52,585	30,760
Other Purchased Services		188,053	188,053	87,174	100,879
Travel		2,200	2,200	2,200	
Supplies and Materials	1,900	50,266	52,166	39,465	12,701
Other Objects		10,849	10,849	10,849	
Non-Instructional Equipment					
Scholarships Awarded		29,017	29,017	29,017	
Student Activities		577,605	577,605	577,605	
Total Support Services	1,427,132	1,020,943	2,448,075	2,297,877	150,198
Facilities Acquisition and Construction Services:					
Instructional Equipment					
Non-Instructional Equipment	80,000	53,252	133,252	133,252	
Total Facilities Acquisition and Construction Services	80,000	53,252	133,252	133,252	
Total Expenditures	4,181,043	1,619,939	5,800,982	5,562,501	238,481
Excess (Deficiency) of Revenues Over (Under)					
Expenditures	\$ -0-	\$ 42,493	\$ 42,493	\$ 42,493	\$ -0-

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

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual Amounts (Budgetary Basis) "Revenue"		
from the Budgetary Comparison Schedule	\$ 67,293,196	\$ 5,079,924
Differences - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that		
Encumbrances are Recognized as Expenditures, and Revenue on the		
Budgetary Basis but not on the GAAP Basis.		
Current Year Encumbrances		(79,032)
Prior Year Encumbrances		374,323
Prior Year State Aid Payments Recognized for GAAP Purposes, not		
Recognized for Budgetary Statements	797,847	103,448
Current Year State Aid Payments Recognized for Budgetary Purposes, not		
Recognized for GAAP Statements	(493,703)	(277,537)
Total Revenues as Reported on the Statement of Revenues, Expenditures		
and Changes in Fund Balances - Governmental Funds.	<u>\$ 67,597,340</u>	<u>\$ 5,201,126</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the		
Budgetary Comparison Schedule	\$ 71,410,373	\$ 5,562,501
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are		
Reported in the Year the Order is Placed for Budgetary Purposes, not in		
the Year the Supplies are Received for Financial Reporting Purposes.		
Current Year Encumbrances		(79,032)
Prior Year Encumbrances		374,323
Total Expenditures as Reported on the Statement of Revenues,		
Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 71,410,373</u>	<u>\$ 5,857,792</u>

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2024 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Budget amendments/transfers must be made by Board resolution. All budgeting amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are not substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary intergration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The General Fund and Special Revenue Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last state aid payments for the current year. Since the State is recording the last state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

JEFFERSON TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Preschool Education Aid	Title I	Elementary and Secondary Education Act	Title III	Title IV
		Title II			
REVENUE:					
Federal Sources		\$ 228,973	\$ 45,029	\$ 11,533	\$ 10,000
State Sources	\$ 2,753,566				
Local Sources					
Total Revenue	2,753,566	228,973	45,029	11,533	10,000
OTHER FINANCING SOURCES:					
Transfer in - Board Contribution - General Fund	525,070				
Total Revenue and Other Financing Sources	3,278,636	228,973	45,029	11,533	10,000
EXPENDITURES:					
Instruction:					
Salaries of Teachers	1,675,748	139,252	27,457	4,198	10,000
Purchased Professional/Educational Services	36				
Other Purchased Services					
Tuition - Other LEAs within the State	202,145	600			
General Supplies					
Other Objects					
Total Instruction	1,877,929	139,852	27,457	4,198	10,000
Support Services:					
Salaries of Other Professional Staff	833,046			7,335	
Personal Service - Employee Benefits	397,573	89,121	17,572		
Purchased Professional - Educational Services	54,813				
Purchased Professional - Technical Services					
Other Purchased Services					
Travel	2,200				
Supplies and Materials	937				
Other Objects	10,849				
Scholarships Awarded					
Student Activities					
Total Support Services	1,299,418	89,121	17,572	7,335	
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment	101,289				
Total Facilities Acquisition and Construction Services	101,289				
Total Expenditures	3,278,636	228,973	45,029	11,533	10,000

JEFFERSON TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Education Stabilization Aid					
	IDEA		NJ High Impact Tutoring Competitive		CRRSA	
	Basic	Preschool			Learning Acceleration	Mental Health
REVENUE:						
Federal Sources	\$ 674,566	\$ 33,178	\$ 92,954	\$ 2,866	\$ 11,144	
State Sources						
Local Sources						
Total Revenue	674,566	33,178	92,954	2,866	11,144	
OTHER FINANCING SOURCES:						
Transfer in - Board Contribution - General Fund						
Total Revenue and Other Financing Sources	674,566	33,178	92,954	2,866	11,144	
EXPENDITURES:						
Instruction:						
Salaries of Teachers						
Purchased Professional/Educational Services		33,178	80,968	2,866	1,398	6,300
Other Purchased Services	674,566					
Tuition - Other LEAs within the State						
General Supplies						
Other Objects						
Total Instruction	674,566	33,178	80,968	2,866	7,698	
Support Services:						
Salaries of Other Professional Staff			11,986			
Personal Service - Employee Benefits						
Purchased Professional - Educational Services						
Purchased Professional - Technical Services						
Other Purchased Services						
Travel						
Supplies and Materials						3,446
Other Objects						
Scholarships Awarded						
Student Activities						
Total Support Services			11,986		3,446	
Facilities Acquisition and Construction Services:						
Non-Instructional Equipment						
Total Facilities Acquisition and Construction Services						
Total Expenditures	\$ 674,566	\$ 33,178	\$ 92,954	\$ 2,866	\$ 11,144	

JEFFERSON TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Education Stabilization Aid					
	American Rescue Plan					Beyond the School Day
	ESSER III	Accelerated Learning Coaching and Educator Support	NJSS Mental Health Support Staffing	Homeless Children and Youth		
REVENUE:						
Federal Sources	\$ 31,543	\$ 83,492	\$ 9,923	\$ 17,933	\$	7,789
State Sources						
Local Sources						
Total Revenue	31,543	83,492	9,923	17,933		7,789
OTHER FINANCING SOURCES:						
Transfer in - Board Contribution - General Fund						
Total Revenue and Other Financing Sources	31,543	83,492	9,923	17,933		7,789
EXPENDITURES:						
Instruction:						7,789
Salaries of Teachers						
Purchased Professional/Educational Services						
Other Purchased Services						
Tuition - Other LEAs within the State						
General Supplies						
Other Objects						
Total Instruction						7,789
Support Services:						
Salaries of Other Professional Staff						
Personal Service - Employee Benefits						
Purchased Professional - Educational Services		50,985	1,600			
Purchased Professional - Technical Services			6,124	17,557		
Other Purchased Services	31,543					
Travel		32,507	2,199	376		
Supplies and Materials						
Other Objects						
Scholarships Awarded						
Student Activities						
Total Support Services	31,543	83,492	9,923	17,933		
Facilities Acquisition and Construction Services:						
Non-Instructional Equipment						
Total Facilities Acquisition and Construction Services						
Total Expenditures	\$ 31,543	\$ 83,492	\$ 9,923	\$ 17,933	\$	7,789

JEFFERSON TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Additional Compensatory Special Education and Related Services	Emergent and Capital Maintenance Needs	Student Activities	Scholarship	Total
REVENUE:					
Federal Sources	\$ 352,407	\$ 63,913			\$ 1,613,330
State Sources			\$ 616,364	\$ 32,751	2,817,479
Local Sources					649,115
Total Revenue	352,407	63,913	616,364	32,751	5,079,924
OTHER FINANCING SOURCES:					
Transfer in - Board Contribution - General Fund					525,070
Total Revenue and Other Financing Sources	352,407	63,913	616,364	32,751	5,604,994
EXPENDITURES:					
Instruction:					
Salaries of Teachers					1,982,854
Purchased Professional/Educational Services					6,336
Other Purchased Services					674,566
Tuition - Other LEAs within the State	264,871				264,871
General Supplies					202,145
Other Objects					600
Total Instruction	264,871				3,131,372
Support Services:					
Salaries of Other Professional Staff	87,536				927,917
Personal Service - Employee Benefits					516,252
Purchased Professional - Educational Services					54,813
Purchased Professional - Technical Services					52,585
Other Purchased Services		31,950			87,174
Travel					2,200
Supplies and Materials					39,465
Other objects					10,849
Scholarships Awarded				29,017	29,017
Student Activities			577,605		577,605
Total Support Services	87,536	31,950	577,605	29,017	2,297,877
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment		31,963			133,252
Total Facilities Acquisition and Construction Services		31,963			133,252
Total Expenditures	\$ 352,407	\$ 63,913	\$ 577,605	\$ 29,017	\$ 5,562,501

JEFFERSON TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

District-Wide Total

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 1,683,408	\$ 1,675,748	\$ 7,660
Purchased Professional/Educational Services	36	36	
General Supplies	202,145	202,145	
Total instruction	<u>1,885,589</u>	<u>1,877,929</u>	<u>7,660</u>
Support services:			
Salaries of Other Professional Staff	847,190	833,046	14,144
Personal Service - Employee Benefits	397,573	397,573	
Purchased Professional - Educational Services	54,813	54,813	
Travel	2,200	2,200	
Supplies and Materials	937	937	
Other Objects	10,849	10,849	
Total support services	<u>1,313,562</u>	<u>1,299,418</u>	<u>14,144</u>
Facilities acquisition and const. serv.:			
Noninstructional Equipment	101,289	101,289	
Total facilities acquisition and const. serv.	<u>101,289</u>	<u>101,289</u>	
Total expenditures	<u>\$ 3,300,440</u>	<u>\$ 3,278,636</u>	<u>\$ 21,804</u>

SUMMARY OF LOCATION TOTALS

Total Revised 2023-24 Preschool Education Allocation	\$ 2,775,370
Add: Budgeted Transfer from General Fund	525,070
Total Preschool Education Aid Funds Available for 2023-24 Budget	3,300,440
Less: 2023-24 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	(3,300,440)
Available & Unbudgeted Preschool Aid Funds as of June 30, 2024	-0-
Add: 2023-24 Unexpended Preschool Education Aid	<u>\$ 21,804</u>
2023-24 Preschool Education Aid Carryover Budgeted in 2024-25	<u>\$ -0-</u>

CAPITAL PROJECTS FUND

JEFFERSON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE- BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Revenue and Other Financing Sources:	
Interest on Investments	\$ 20,174
Total Revenue and Other Financing Sources	<u>20,174</u>
Expenditures:	
Architectural/Engineering Services	6,250
Construction Services	151,370
Total Expenditures	<u>157,620</u>
Other Financing Uses:	
Transfer to Debt Service Fund	<u>(20,174)</u>
Total Other Financing Uses	<u>(20,174)</u>
Deficit of Revenue and Other Financing Sources Under Expenditures and Other Financing Uses	(137,446)
Fund Balance - Beginning of Year	<u>493,040</u>
Fund Balance - End of Year	<u><u>\$ 335,420</u></u>
Recapitulation:	
Restricted for Year-End Encumbrances	\$ 126,709
Restricted Fund Balance	<u>208,711</u>
Fund Balance per Governmental Funds (GAAP)	<u><u>\$ 335,420</u></u>

JEFFERSON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
UPGRADING OF EXISTING FACILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 9,935,000		\$ 9,935,000	\$ 9,935,000
Total Revenue and Other Financing Sources	9,935,000		9,935,000	9,935,000
Expenditures:				
Legal Services	35,971		35,971	29,207
Architectural/Engineering Services	470,406	\$ 6,250	476,656	516,675
Other Purchased Professional and Technical Services	141,990		141,990	110,655
Construction Services	7,521,041	151,370	7,672,411	7,935,472
Supplies and Materials	941,610		941,610	842,991
Equipment	330,942		330,942	500,000
Total Expenditures	9,441,960	157,620	9,599,580	9,935,000
Excess/(Deficit) of Revenue and Other Financing Sources				
Over/(Under) Expenditures	\$ 493,040	\$ (157,620)	\$ 335,420	\$ -0-

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bonds Authorized Date	11/30/2246
Original Authorized Cost	\$ 9,935,000
Revised Authorized Cost	9,935,000
Percentage Completion	96.62%
Original Target Completion Date	6/30/2021
Revised Target Completion Date	6/30/2025

PROPRIETARY FUNDS

JEFFERSON TOWNSHIP BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF NET POSITION
JUNE 30, 2024

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$ 330,595
Intergovernmental Accounts Receivable:	
Federal	53,355
State	4,408
Other Accounts Receivable	23,569
Interfund Receivable - General Fund	21,435
Inventories	10,293

Total Current Assets	443,655
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Non-Current Assets:

Capital Assets	421,328
Less: Accumulated Depreciation	(295,593)

Total Non-Current Assets	125,735
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Total Assets	569,390
--------------	---------

LIABILITIES:

Accounts Payable - Vendors	42,999
Unearned Revenue - Prepaid Sales	25,564
Unearned Revenue - Donated Commodities	1,308

Total Liabilities	69,871
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NET POSITION:

Investment in Capital Assets	125,735
Unrestricted	373,784

Total Net Position	\$ 499,519
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JEFFERSON TOWNSHIP BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Operating Revenue:

Local Sources:

Daily Sales - Reimbursable Programs	\$ 621,276
Daily Sales - Non-reimbursable Programs	253,760
Special Events	11,838
Miscellaneous Revenue	1,506

Total Operating Revenue

888,381

Operating Expenses:

Cost of Sales - Reimbursable Programs	400,656
Cost of Sales - Non-Reimbursable Programs	163,648
Salaries, Benefits & Payroll Taxes	495,192
Supplies, Insurance & Other Costs	67,673
Management Fee	72,125
Miscellaneous Expenditures	49,119
Depreciation Expense	15,166

Total Operating Expenses

1,263,579

Operating Loss

(375,198)

Non-Operating Revenue:

Local Sources:

Interest Income	13,886
-----------------	--------

State Sources:

State School Breakfast Program	1,935
State School Lunch Program	19,921

Federal Sources:

National School Lunch Program	229,367
School Breakfast Program	36,768
Other Nutrition Programs -	
Supply Chain Assistance Program	61,957
Local Food for Schools Cooperative Program	9,490
Food Distribution Program	93,282

Total Non-Operating Revenue

466,606

Change in Net Position

91,408

Net Position - Beginning of Year (Restated)

408,111

Net Position - End of Year

\$ 499,519

JEFFERSON TOWNSHIP BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 889,946
Payments to Food Service Vendor	(1,161,658)
Net Cash (Used for) Operating Activities	(271,712)
Cash Flows (Used for) Capital and Related Financing Activities:	
Purchase of Capital Assets	(25,267)
Net Cash (Used for) Capital and Related Financing Activities	(25,267)
Cash Flows from Investing Activities:	
Local Sources:	
Interest Income	13,886
Net Cash Provided by Investing Activities	13,886
Cash Flows from Noncapital Financing Activities:	
State Sources:	
State School Lunch Program	20,320
Federal Sources:	
National School Lunch Program	308,921
Net Cash Provided by Noncapital Financing Activities	366,008
Net Increase in Cash and Cash Equivalents	82,915
Cash and Cash Equivalents, July 1	247,680
Cash and Cash Equivalents, June 30	\$ 330,595
Reconciliation of Operating Loss to Net Cash (Used for) Operating Activities:	
Operating Loss	\$ (375,198)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	15,166
Federal Food Distribution Program	93,282
Changes in Assets and Liabilities:	
(Increase)/Decrease in Other Accounts Receivable	(5,332)
(Increase)/Decrease in Inventories	4,628
Increase/(Decrease) in Accounts Payable	(11,365)
Increase/(Decrease) in Unearned Revenue - Prepaid Sales	6,897
Increase/(Decrease) in Unearned Revenue - Donated Commodities	210
Net Cash (Used for) Operating Activities	\$ (271,712)

Noncash Investing and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$93,492 and \$93,282, respectively, the fiscal year ended June 30, 2024.

FIDUCIARY ACTIVITIES
NOT APPLICABLE

LONG-TERM LIABILITIES

JEFFERSON TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding				Interest Rate	Balance June 30, 2023	Matured	Balance June 30, 2024
			Date	June 30, 2024	Amount					
Referendum School Bonds - Series 2018	11/29/2018	\$ 9,935,000	9/15/2024	\$ 325,000			3.250%	\$ 8,635,000	\$ 325,000	\$ 8,310,000
			9/15/2025	325,000			3.250%			
			9/15/2026	325,000			3.250%			
			9/15/2027	325,000			3.250%			
			9/15/2028	650,000			3.250%			
			9/15/2029	650,000			3.375%			
			9/15/2030	650,000			3.375%			
			9/15/2031	650,000			3.375%			
			9/15/2032	650,000			3.500%			
			9/15/2033	650,000			3.500%			
			9/15/2034	635,000			3.500%			
			9/15/2035	625,000			4.000%			
			9/15/2036	625,000			4.000%			
			9/15/2037	625,000			4.000%			
			9/15/2038	600,000			4.000%			
Refunding School Bonds - Series 2021	3/17/2021	9,050,000	9/15/2024	1,715,000			0.702%	8,690,000	1,700,000	6,990,000
			9/15/2025	1,735,000			1.077%			
			9/15/2026	1,760,000			1.277%			
			9/15/2027	1,780,000			1.581%			
								<u>\$ 17,325,000</u>	<u>\$ 2,025,000</u>	<u>\$ 15,300,000</u>

OTHER FINANCING SOURCES:

JEFFERSON TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES

<u>Item</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance June 30, 2023</u>	<u>Matured</u>	<u>Balance June 30, 2024</u>
Buses (2)	1.119%	\$ 220,000	\$ 55,096	\$ 55,096	
Various Capital Equipment and Vehicles	2.398%	1,000,000	748,153	243,499	\$ 504,654
Various Capital Equipment and Vehicles	4.120%	1,000,000	<u>1,000,000</u>	<u>253,146</u>	<u>746,854</u>
			<u>\$ 1,803,249</u>	<u>\$ 551,741</u>	<u>\$ 1,251,508</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 2,192,937		\$ 2,192,937	\$ 2,192,937	
State Sources:					
Debt Service State Aid Support	212,905		212,905	212,905	
Total Revenue	2,405,842		2,405,842	2,405,842	
EXPENDITURES:					
Regular Debt Service:					
Interest	386,999		386,999	386,999	
Redemption of Principal	2,025,000		2,025,000	2,025,000	
Total Regular Debt Service	2,411,999		2,411,999	2,411,999	
Total Expenditures	2,411,999		2,411,999	2,411,999	
Excess/(Deficit) of Revenues Over/Under Expenditures	(6,157)		(6,157)	(6,157)	
OTHER FINANCING SOURCES:					
Transfers In - Capital Projects Fund				20,174	\$ 20,174
Total Other Financing Sources				20,174	20,174
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures	(6,157)		(6,157)	14,017	20,174
Fund Balance, July 1	29,535		29,535	29,535	
Fund Balance, June 30	\$ 23,378	\$ -0-	\$ 23,378	\$ 43,552	\$ 20,174
<u>Recapitulation of Fund Balance:</u>					
Restricted for Subsequent Year's Expenditures 2024-2025				\$ 23,378	
Restricted for Subsequent Year's Expenditures 2025-2026				20,174	
				\$ 43,552	

STATISTICAL SECTION
(UNAUDITED)

This part of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

Contents

Exhibit

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.

J-1 thru J-5

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.

J-6 thru J-9

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.

J-10 thru J-13

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 and to help make comparisons over time and with other governments.

J-14 thru J-15

Operating Information

These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

J-16 thru J-20

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

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED

	June 30,										Restated
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Governmental Activities											
Net Investment in Capital Assets	\$ 32,927,468	\$ 34,700,172	\$ 35,545,516	\$ 37,344,518	\$ 30,052,866	\$ 35,869,963	\$ 37,614,099	\$ 40,395,818	\$ 9,498,553	\$ 12,898,223	
Restricted	823,422	712,513	959,590	582,028	1,607,492	4,407,940	8,219,295	10,598,552	6,522,933	3,786,238	
Unrestricted/(Deficit)	(17,869,065)	(18,037,753)	(19,368,770)	(19,442,571)	(12,135,938)	(17,108,188)	(15,987,849)	(14,594,779)	(10,263,235)	(11,257,463)	
Total Governmental Activities Net Position	\$ 15,881,825	\$ 17,374,932	\$ 17,136,336	\$ 18,483,975	\$ 19,524,420	\$ 23,169,715	\$ 29,845,545	\$ 36,399,591	\$ 5,758,251	\$ 5,426,998	
Business-type Activities											
Investment in Capital Assets	\$ 89,119	\$ 78,235	\$ 61,557	\$ 77,433	\$ 59,184	\$ 46,671	\$ 67,856	\$ 115,227	\$ 115,634	\$ 125,735	
Unrestricted	153,504	206,062	196,788	148,134	131,732	48,202	123,085	292,591	292,477	373,784	
Total Business-type Activities Net Position	\$ 242,623	\$ 284,297	\$ 258,345	\$ 225,567	\$ 190,916	\$ 94,873	\$ 190,941	\$ 407,818	\$ 408,111	\$ 499,519	
District-wide											
Net Investment in Capital Assets	\$ 33,016,587	\$ 34,778,407	\$ 35,607,073	\$ 37,421,951	\$ 30,112,050	\$ 35,916,634	\$ 37,681,955	\$ 40,511,045	\$ 9,614,187	\$ 13,023,958	
Restricted	823,422	712,513	959,590	582,028	1,607,492	4,407,940	8,219,295	10,598,552	6,522,933	3,786,238	
Unrestricted/(Deficit)	(17,715,561)	(17,831,691)	(19,171,982)	(19,294,437)	(12,004,206)	(17,059,986)	(15,864,764)	(14,302,188)	(9,970,758)	(10,883,679)	
Total District Net Position	\$ 16,124,448	\$ 17,659,229	\$ 17,394,681	\$ 18,709,542	\$ 19,715,336	\$ 23,264,588	\$ 30,036,486	\$ 36,807,409	\$ 6,166,362	\$ 5,926,517	

Source: Jefferson School District Financial Reports

JEFFERSON TOWNSHIP SCHOOL DISTRICT
CHANGE IN NET POSITION, LAST TEN FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 24,769,520	\$ 29,871,502	\$ 32,985,040	\$ 31,351,750	\$ 30,288,556	\$ 29,155,982	\$ 29,849,752	\$ 25,889,262	\$ 26,627,666	\$ 29,058,103
Special Education	6,987,773	8,109,773	9,090,484	8,540,678	8,379,283	8,902,984	8,802,185	8,276,268	8,160,560	8,504,287
Other Special Education	1,483,116	1,742,187	1,660,408	1,347,777	1,172,722	1,173,001	1,254,944	1,250,367	1,665,545	1,839,017
Other Instruction	1,127,240	1,382,045	1,459,397	1,357,989	1,380,364	1,345,961	866,935	1,015,498	945,825	1,277,364
Support Services:										
Tuition	3,265,227	2,633,093	2,686,644	3,366,431	3,466,834	3,591,379	2,968,115	2,444,043	2,593,614	1,794,584
Student & Instruction Related Services	11,032,073	10,027,155	10,333,513	10,314,566	12,054,255	11,046,236	8,539,808	9,958,142	10,277,855	8,380,659
General Administrative Services	1,357,670	1,259,968	1,533,903	1,524,568	1,385,345	1,345,794	1,327,333	1,406,967	1,464,663	1,373,544
School Administrative Services	2,929,060	3,813,932	4,322,382	4,201,504	4,152,097	4,275,131	3,818,280	3,338,763	3,094,769	2,891,996
Central Services	1,178,682	1,297,648	1,465,796	1,368,037	1,531,485	1,606,337	1,223,212	1,325,821	1,407,031	1,173,187
Administrative Information Technology	847,993	540,867	557,737	572,223	330,943	344,228	347,805	370,961	361,190	377,221
Plant Operations and Maintenance	6,579,930	6,050,721	7,075,728	6,709,926	7,053,846	6,717,168	5,710,129	6,721,134	6,485,075	6,688,629
Pupil Transportation	3,925,512	3,511,439	3,892,271	3,254,401	3,950,910	3,826,202	2,687,758	4,123,210	4,561,327	3,858,309
Unallocated Depreciation	379,568	469,058	469,058	469,058	470,009	470,009	470,009	470,009	470,009	541,520
Charter Schools	94,542	64,130	62,781	92,116	13,248	13,803	44,729	153,643	75,687	102,880
Interest on Long-term Debt	721,896	680,956	593,881	570,658	686,606	848,811	580,304	324,390	501,568	462,221
Capital Outlay	58,681	94,542	94,542	94,542	94,542	94,542	94,542	94,542	94,542	94,542
Total Governmental Activities Expenses	66,738,483	71,549,016	78,283,565	75,136,224	76,411,045	74,757,568	68,585,840	67,163,020	68,786,926	68,418,063

JEFFERSON TOWNSHIP SCHOOL DISTRICT
CHANGE IN NET POSITION, LAST TEN FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-type Activities:										
Food Service	\$ 1,136,352	\$ 1,179,383	\$ 1,251,597	\$ 1,225,160	\$ 1,203,822	\$ 956,774	\$ 722,763	\$ 1,480,760	\$ 1,312,940	\$ 1,263,579
Total Business-type Activities Expense	1,136,352	1,179,383	1,251,597	1,225,160	1,203,822	956,774	722,763	1,480,760	1,312,940	1,263,579
Total District Expenses	67,874,835	72,728,399	79,535,162	76,361,384	77,614,867	75,714,342	69,308,603	68,643,780	70,099,866	69,681,642
Program Revenues										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)	730,368	194,621	184,805	275,451	254,013	450,073	404,126	474,538	422,122	365,842
Student & Instruction Related Services							154,254	436,614	548,502	649,115
Operating Grants and Contributions	27,151,109	30,582,566	35,401,476	32,132,368	32,575,083	31,041,693	27,752,131	24,913,052	23,434,725	16,198,086
Total Governmental Activities Program Revenues	27,881,477	30,777,187	35,586,281	32,407,819	32,829,096	31,491,766	28,310,511	25,824,204	24,405,349	17,213,043
Business-type Activities:										
Charges for Services:										
Food Service	845,742	895,294	876,047	850,596	849,257	602,033	36,114	167,817	818,626	888,381
Operating Grants and Contributions	300,217	319,548	348,720	339,779	316,881	257,709	782,604	1,529,477	562,498	452,720
Capital Grants and Contributions		5,794								
Total Business-type Activities Program Revenues	1,145,959	1,220,636	1,224,767	1,190,375	1,166,138	859,742	818,718	1,697,294	1,381,124	1,341,101
Total District Program Revenues	29,027,436	31,997,823	36,811,048	33,598,194	33,995,234	32,351,508	29,129,229	27,521,498	25,786,473	18,554,144
Net (Expense)/Revenue										
Governmental Activities	(38,857,006)	(40,771,829)	(42,697,284)	(42,728,405)	(43,581,949)	(43,265,802)	(40,275,329)	(41,338,816)	(44,381,577)	(51,205,020)
Business-type Activities	9,607	41,253	(26,830)	(34,785)	(37,684)	(97,032)	95,955	216,534	68,184	77,522
Total District-wide Net Expense	(38,847,399)	(40,730,576)	(42,724,114)	(42,763,190)	(43,619,633)	(43,362,834)	(40,179,374)	(41,122,282)	(44,313,393)	(51,127,498)

JEFFERSON TOWNSHIP SCHOOL DISTRICT
CHANGE IN NET POSITION, LAST TEN FISCAL YEARS
UNAUDITED

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 38,389,377	\$ 39,409,587	\$ 40,197,779	\$ 41,487,430	\$ 42,317,179	\$ 43,163,523	\$ 44,287,305	\$ 45,173,051	\$ 46,076,512	\$ 47,658,042
Taxes Levied for Debt Service	1,955,274	1,855,967	1,967,331	1,862,707	1,872,257	2,379,325	2,216,116	2,186,676	2,247,441	2,192,937
Unrestricted Grants and Contributions	134,405	761,653	166,221	535,074	84,234	314,305	296,701	272,080	281,904	260,059
Investment Earnings	556	679	2,337	5,676	96,558	147,419	30,128	13,941	62,015	463,637
Miscellaneous Income	332,214	237,050	125,020	185,157	252,166	90,360	120,909	247,114	570,459	299,092
Total Governmental Activities	40,811,826	42,264,936	42,458,688	44,076,044	44,622,394	46,094,932	46,951,159	47,892,862	49,238,331	50,873,767
Business-type Activities:										
Miscellaneous/Investment Earnings	422	421	878	2,007	3,033	989	113	343	8,466	13,886
Total Business-type Activities	422	421	878	2,007	3,033	989	113	343	8,466	13,886
Total District-wide	40,812,248	42,265,357	42,459,566	44,078,051	44,625,427	46,095,921	46,951,272	47,893,205	49,246,797	50,887,653
Change in Net Position:										
Governmental Activities	1,954,820	1,493,107	(238,596)	1,347,639	1,040,445	2,829,130	6,675,830	6,554,046	4,856,754	(331,253)
Business-type Activities	10,029	41,674	(25,952)	(32,778)	(34,651)	(96,043)	96,068	216,877	76,650	91,408
Total District	\$ 1,964,849	\$ 1,534,781	\$ (264,548)	\$ 1,314,861	\$ 1,005,794	\$ 2,733,087	\$ 6,771,898	\$ 6,770,923	\$ 4,933,404	\$ (239,845)

Source: Jefferson School District Financial Reports

JEFFERSON TOWNSHIP SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED

	June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	\$ 720,834	\$ 712,511	\$ 959,588	\$ 582,026	\$ 1,497,827	\$ 3,996,043	\$ 7,896,139	\$ 8,605,386	\$ 5,709,324	\$ 3,073,739
Assigned	480,886	858,301	1,312,842	1,760,366	1,268,694	1,001,807	639,847	1,990,287	4,130,849	3,208,605
Unassigned							1,317,187	1,382,973	1,402,442	622,168
Total General Fund	<u>\$ 1,201,720</u>	<u>\$ 1,570,812</u>	<u>\$ 2,272,430</u>	<u>\$ 2,342,392</u>	<u>\$ 2,766,521</u>	<u>\$ 4,997,850</u>	<u>\$ 9,853,173</u>	<u>\$ 11,978,646</u>	<u>\$ 11,242,615</u>	<u>\$ 6,904,512</u>
All Other Governmental Funds										
Restricted	\$ 102,588	\$ 2	\$ 2	\$ 2	\$ 8,096,784	\$ 3,588,743	\$ 2,648,996	\$ 1,993,166	\$ 813,609	\$ 712,499
Unassigned/(Deficit)	<u>(597,972)</u>								<u>(103,448)</u>	<u>(277,537)</u>
Total All Other Governmental Funds	<u>\$ (495,384)</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 8,096,784</u>	<u>\$ 3,588,743</u>	<u>\$ 2,648,996</u>	<u>\$ 1,993,166</u>	<u>\$ 710,161</u>	<u>\$ 434,962</u>

Source: Jefferson School District Financial Reports

JEFFERSON TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax Levy	\$ 40,344,651	\$ 41,265,554	\$ 42,165,110	\$ 43,350,137	\$ 44,189,436	\$ 45,542,848	\$ 46,503,421	\$ 47,359,727	\$ 48,323,953	\$ 49,850,979
Tuition Charges	246,096	193,942	184,805	275,451	254,013	450,073	404,126	474,538	422,122	365,842
Interest Earnings	6,607	679	2,337	5,676	6,055	147,419	30,128	13,941	62,015	463,637
Miscellaneous	80,067	237,729	125,020	185,157	342,669	90,360	307,728	683,728	1,118,961	948,207
State Sources	21,352,737	22,891,095	22,924,636	23,866,609	24,366,430	24,134,495	24,060,436	23,773,299	22,445,172	21,580,050
Federal Sources	964,701	946,913	895,848	1,027,079	1,109,667	1,010,897	1,443,008	2,877,566	1,954,825	2,015,767
Total Revenue	61,350,329	62,994,859	66,297,756	68,710,109	70,268,270	71,376,092	72,748,837	75,182,799	74,327,048	75,224,482
Expenditures										
Instruction										
Regular Instruction	15,807,583	16,526,811	16,425,830	17,214,473	17,172,144	16,374,273	16,181,749	17,955,220	18,085,983	20,300,724
Special Education Instruction	4,316,703	4,096,891	4,156,059	4,733,768	4,787,726	5,050,810	5,255,890	5,685,704	5,565,227	5,998,383
Other Special Instruction	914,967	920,618	771,875	680,200	627,824	630,245	644,038	733,234	1,033,062	1,163,241
Other Instruction	776,960	795,666	798,770	783,621	853,597	822,096	561,433	708,403	708,245	836,538
Support Services:										
Tuition	3,265,227	3,379,206	3,386,791	3,366,431	3,466,834	3,591,379	2,795,626	2,444,043	2,593,614	1,794,584
Student & Instruction Related Services	6,643,029	7,046,642	6,811,119	7,354,597	7,638,253	6,981,369	6,366,194	6,583,864	6,732,445	6,828,307
General Administration	846,799	857,398	1,074,111	1,065,091	903,671	816,543	939,463	923,858	955,695	1,023,094
School Administrative Services	2,214,246	2,281,092	2,319,121	2,452,092	2,433,178	2,497,249	2,269,351	2,241,988	2,015,447	2,045,640
Central Services	756,521	833,656	866,409	897,052	924,667	950,747	890,284	965,645	1,014,173	1,050,670
Administrative Information Technology	524,680	540,867	557,737	572,223	330,943	344,228	347,805	370,961	361,190	377,221
Plant Operations and Maintenance	4,980,629	5,077,553	5,793,731	5,751,061	5,457,898	4,966,225	4,842,917	5,445,965	5,568,745	6,214,597
Pupil Transportation	3,143,386	3,417,578	3,619,644	3,533,082	3,888,962	3,733,526	2,841,627	3,747,676	4,005,141	4,032,010
Employee Benefits	15,258,160	16,412,686	16,696,396	17,436,088	19,154,705	20,098,414	21,117,189	21,896,801	22,236,865	23,106,889
Charter Schools	58,681	64,130	62,781	92,116	13,248	13,803	44,729	153,643	75,687	102,880
Capital Outlay	2,226,107	1,192,058	1,112,543	2,179,100	2,156,453	4,964,356	1,405,922	2,372,988	3,924,034	2,551,007
Debt Service:										
Principal	1,210,000	1,250,000	1,310,000	1,225,000	1,285,000	1,670,000	1,725,000	1,965,000	2,030,000	2,025,000
Interest and Other Charges	790,156	751,806	700,331	637,707	587,256	963,706	824,044	518,163	440,531	386,999
Total Expenditures	63,624,926	63,733,834	66,463,248	69,973,701	71,682,359	74,468,969	69,053,261	74,713,156	77,346,084	79,837,784
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(2,274,597)	(738,975)	(165,492)	(1,263,592)	(1,414,089)	(3,092,877)	3,695,576	469,643	(3,019,036)	(4,613,302)

JEFFERSON TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED

	2015	2016	2017	2018	2019	2020	2021	2022	2022	2023
Other Financing Sources (Uses)										
School Bonds Issued					\$ 9,935,000		\$ 9,050,000			
School Bonds Defeased							(8,415,000)			
School Bond Deferred Interest							(494,510)			
School Bond Issuance Costs							(140,490)			
Transfers In	\$ 1,275,539	\$ 10,563			109,662	\$ 76,536	6,592	\$ 6,157	\$ 264,285	\$ 545,244
Transfers Out	(1,275,539)	(10,563)			(109,662)	(76,536)	(6,592)	(6,157)	(264,285)	(545,244)
Capital Leases (non-budgeted)		773,224	\$ 867,110	\$ 1,333,554			220,000	1,000,000	1,000,000	
Total Other Financing Sources (Uses)	-0-	773,224	867,110	1,333,554	9,935,000	-0-	220,000	1,000,000	1,000,000	-0-
Net Change in Fund Balances	\$ (2,274,597)	\$ 34,249	\$ 701,618	\$ 69,962	\$ 8,520,911	\$ (3,092,877)	\$ 3,915,576	\$ 1,469,643	\$ (2,019,036)	\$ (4,613,302)
Debt Service as a Percentage of										
Noncapital Expenditures	3.37%	3.31%	3.17%	2.83%	2.77%	3.94%	3.92%	3.55%	3.48%	3.22%

Source: Jefferson School District Financial Reports

JEFFERSON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

<u>Fiscal Year Ending June 30,</u>	<u>Tuition</u>	<u>Interest on Investments</u>	<u>Other Miscellaneous</u>	<u>Total</u>
2015	\$ 246,096	\$ 6,607	\$ 80,067	\$ 332,770
2016	194,621	679	237,050	432,350
2017	191,942	2,337	125,020	319,299
2018	275,451	5,676	185,157	466,284
2019	254,013	6,055	233,007	493,075
2020	450,073	70,883	90,360	611,316
2021	404,126	22,412	122,033	548,571
2022	474,538	7,784	247,114	729,436
2023	422,122	378,813	230,283	1,031,218
2024	365,842	443,463	299,092	1,108,397

Source: Jefferson Township School District records

JEFFERSON TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	School Tax Rate ^b	County Equalized Value
2014	\$ 54,056,900	\$ 2,207,950,900	\$ 7,373,000	\$ 178,885,300	\$ 5,196,100	\$ 21,724,300	\$ 2,475,186,500	\$ 4,707,731	\$ 2,479,894,231	\$ 1.607	\$ 2,566,355,757
2015	55,693,500	2,233,384,000	7,014,000	184,890,200	5,196,100	22,217,400	2,508,395,200	100	2,508,395,300	1.627	2,614,818,405
2016	54,449,200	2,285,534,600	6,787,100	186,018,900	5,205,200	22,443,700	2,560,438,700	100	2,560,743,500	1.633	2,623,759,511
2017	52,018,300	2,279,787,000	6,749,200	186,255,700	5,196,200	22,736,800	2,552,743,200	100	2,553,047,900	1.633	2,683,895,422
2018	52,760,500	2,363,980,700	7,419,300	194,130,800	5,250,100	23,995,500	2,647,536,900	100	2,647,537,000	1.654	2,675,339,196
2019	53,375,600	2,454,727,000	7,612,000	200,594,600	5,340,900	25,006,300	2,746,656,400	100	2,746,656,500	1.628	2,740,252,289
2020	55,989,800	2,526,909,600	7,561,900	201,967,400	5,470,800	25,466,800	2,823,366,300	100	2,823,366,400	1.641	2,771,996,732
2021	56,398,700	2,536,552,300	6,855,000	204,096,600	5,541,900	25,821,600	2,835,266,100	100	2,835,266,200	1.659	2,800,655,493
2022	53,239,100	2,548,818,000	7,640,900	203,157,300	5,541,900	25,862,200	2,844,523,500	100	2,844,523,600	1.699	2,911,116,772
2023	47,377,500	2,574,116,500	7,405,600	206,841,880	5,808,900	25,862,200	2,867,412,580	100	2,867,412,680	1.739	3,120,417,982

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 ordered by the County Board of Taxation

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

b Tax rates are per \$100 of assessed valuation.

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

Year Ended December 31,	Jefferson School District			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Direct Rate					
	General					
	Basic Rate ^a	Obligation Debt ^b	Total Direct	Jefferson Township	Morris County	
2014	\$ 1.529	\$ 0.078	\$ 1.607	\$ 0.773	\$ 0.264	\$ 2.644
2015	1.554	0.073	1.627	0.785	0.262	2.674
2016	1.557	0.076	1.633	0.794	0.262	2.689
2017	1.563	0.070	1.633	0.808	0.273	2.714
2018	1.584	0.070	1.654	0.788	0.263	2.705
2019	1.543	0.085	1.628	0.776	0.261	2.665
2020	1.563	0.078	1.641	0.765	0.255	2.661
2021	1.583	0.077	1.659	0.741	0.257	2.657
2022	1.620	0.079	1.699	0.809	0.263	2.771
2023	1.662	0.076	1.739	0.793	0.271	2.803

Source: Municipal Tax Collector and School Business Administrator

Note:

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

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

b Rates for debt service are based on each year's requirements.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2024			2015		
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
	Ridge Plaza LLC	\$ 18,800,000	0.65%	Ridge Plaza LLC	\$ 20,321,400	0.78%
	City of Newark	16,890,000	0.58%	City of Newark	18,475,700	0.71%
	Seneca Gardens LLC	7,542,700	0.26%	Sebastian/Parsippany, LP	7,317,300	0.28%
	Gelormino Associates	7,513,700	0.26%	Gelormino Associates	7,184,800	0.27%
	Leifken Brothers Marinas LLC	6,867,200	0.24%	Seneca Gardens LLC	6,714,900	0.26%
	Fifteen South Plaza	6,279,300	0.22%	Fifteen South Plaza	5,692,400	0.22%
	757 Route 15 Realty	4,880,400	0.17%	Leifken Brothers Marinas LLC	4,729,000	0.18%
	Lizeth's Lakeside Plaza LLC	3,744,500	0.13%	RLM Development Corp	3,880,900	0.15%
	Seretis Properties LLC	3,732,800	0.13%	Good Kids Holdings LLC	3,500,000	0.13%
	Good Kids Holdings LLC	3,669,800	0.13%	Seretis Properties LLC	3,488,900	0.13%
Total		79,920,400	2.76%	Total	81,305,300	3.11%

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$ 40,344,651	\$ 40,344,651	100.00%	-0-
2016	41,265,554	41,265,554	100.00%	-0-
2017	42,165,110	42,165,110	100.00%	-0-
2018	43,350,137	43,350,137	100.00%	-0-
2019	44,189,436	44,189,436	100.00%	-0-
2020	45,542,848	45,542,848	100.00%	-0-
2021	46,503,421	46,503,421	100.00%	-0-
2022	47,359,727	47,359,727	100.00%	-0-
2023	48,323,953	48,323,953	100.00%	-0-
2024	49,850,979	49,850,979	100.00%	-0-

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

- a. School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

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

Fiscal Year Ended June 30,	Governmental Activities			Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Financed Purchases	Total District		
2015	\$ 19,215,000	\$ 1,635,457	\$ 20,850,457	1.11%	981.43
2016	17,965,000	1,796,467	19,761,467	1.02%	933.02
2017	16,655,000	1,848,841	18,503,841	0.94%	877.04
2018	15,430,000	2,367,969	17,797,969	0.87%	849.79
2019	24,080,000	1,617,960	25,697,960	1.25%	1,241.27
2020	22,410,000	887,105	23,297,105	1.11%	1,130.32
2021	21,320,000	502,911	21,822,911	0.99%	1,064.79
2022	19,355,000	1,109,582	20,464,582	0.89%	997.45
2023	17,325,000	1,803,249	19,128,249	0.83%	931.54
2024	15,300,000	1,251,508	16,551,508	0.72%	806.05

Source: Jefferson School District Financial Reports

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.

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

General Bonded Debt Outstanding					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2015	\$ 19,215,000		\$ 19,215,000	0.77%	\$ 904.45
2016	17,965,000		17,965,000	0.72%	848.21
2017	16,655,000		16,655,000	0.65%	789.41
2018	15,430,000		15,430,000	0.60%	736.73
2019	24,080,000		24,080,000	0.91%	1,163.12
2020	22,410,000		22,410,000	0.82%	1,087.28
2021	21,320,000		21,320,000	0.76%	1,040.25
2022	19,355,000		19,355,000	0.68%	943.36
2023	17,325,000		17,325,000	0.61%	843.72
2024	15,300,000		15,300,000	0.53%	745.11

Source: Jefferson School District Financial Reports

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

a See Exhibit J-6 for property tax data.

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

JEFFERSON TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2023
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Jefferson Township	\$ 19,737,172	100.00%	\$ 19,737,172
Morris County General Obligation Debt	326,425,422	3.25%	<u>10,619,545</u>
Subtotal, overlapping debt			30,356,717
Jefferson Township School District Direct Debt			<u>15,300,000</u>
Total direct and overlapping debt			<u>\$ 45,656,717</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Morris County Board of Taxation; debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Jefferson Township. This process recognizes that, when considering the District's ability to issue and repay long-term, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping unit.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable equalized property values. Applicable percentages were estimated by determining the portion of another governmental unit's equalized property value that is within the district's boundaries and dividing it by each unit's total equalized property value.

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

Legal Debt Margin Calculation for Fiscal Year 2024

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 105,620,837	\$ 104,392,629	\$ 105,298,880	\$ 106,015,195	\$ 107,241,833	\$ 108,444,819	\$ 110,095,886	\$ 112,662,891	\$ 117,050,758	\$ 124,058,809
Total net debt applicable to limit	19,215,000	17,965,000	16,655,000	15,430,000	24,080,000	22,410,000	21,320,000	19,355,000	17,325,000	15,300,000
Legal debt margin	\$ 86,405,837	\$ 86,427,629	\$ 88,643,880	\$ 90,585,195	\$ 83,161,833	\$ 86,034,819	\$ 88,775,886	\$ 93,307,891	\$ 99,725,758	\$ 108,758,809
Total net debt applicable to the limit as a percentage of debt limit	18.19%	17.21%	15.82%	14.55%	22.45%	20.66%	19.36%	17.18%	14.80%	12.33%

Average equalized valuation of taxable property	
Equalized valuation basis	
2023	\$ 3,312,187,203
2022	3,092,881,918
2021	2,899,341,548
	<u>\$ 9,304,410,669</u>
Average equalized valuation of taxable property	
Debt limit (4% of average equalization value)	
Net bonded school debt	\$ 124,058,809
Legal debt margin	<u>15,300,000</u>
	<u>\$ 108,758,809</u>

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 districts

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

Year	Township Population ^a	Township Personal Income ^b	Morris County Per Capita Personal Income ^c	Unemployment Rate ^d
2015	\$ 21,245	\$ 1,875,891,010	\$ 88,298	5.90%
2016	21,180	1,932,717,360	91,252	5.40%
2017	21,098	1,973,591,312	93,544	4.50%
2018	20,944	2,036,678,336	97,244	4.10%
2019	20,703	2,052,495,420	99,140	3.60%
2020	20,611	2,107,000,697	102,227	9.50%
2021	20,495	2,208,684,665	107,767	6.20%
2022	20,517	2,289,635,649	111,597	3.80%
2023	20,534	2,291,532,798 ***	111,597 *	4.30%
2024	20,534 **	2,291,532,798 ***	111,597 *	N/A

* - Latest Morris County per capita personal income available (2022) was used for calculation purposes.

** - Latest population data available (2023) was used for calculation purposes.

*** - Latest per capital personal income available (2022) and latest population data available (2023) was used for calculation purposes.

N/A - Information Unavailable

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

JEFFERSON TOWNSHIP SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS - COUNTY OF MORRIS
 CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2024		2015			
	Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment
	Atlantic Health System	10,552	4.53%	U.S. Army Aramament	6,090	2.37%
	Novartis	6,500	2.79%	Novartis	4,844	1.88%
	Picatinny Arsenal	6,000	2.58%	Atlantic Health System	4,749	1.85%
	Barclays	3,374	1.45%	ADP	2,665	1.04%
	Bayer	2,713	1.16%	Bayer Healthcare, LLC	1,756	0.68%
	ADP	2,400	1.03%	County of Morris	1,667	0.65%
	Accenture	2,344	1.01%	Wyndham Worldwide	1,621	0.63%
	PricewaterhouseCoopers	2,095	0.90%	Saint Clare's Health System	1,546	0.60%
	Cigna	1,686	0.72%	BASF Corporation	1,500	0.58%
	Deloitte & Touche	1,646	0.71%	Accenture	1,244	0.48%
	Total	39,310	16.87%	Total	27,682	10.76%
	Total County Labor Force	232,958			267,632	

Source: Morris County Treasurer's Office.

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

<u>Function/Program</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>	<u>2024</u>
Instruction										
Regular	214.0	208.4	197.0	198.6	202.6	183.7	178.5	167.4	185.0	186.8
Special education	64.5	71.3	97.9	60.5	61.0	61.2	58.7	60.6	58.5	59.9
Other special education	67.0	83.6	50.7	66.2	72.8	72.1	72.8	73.6	75.0	79.4
Support Services:										
Student & instruction related services	31.5	39.0	47.8	66.9	74.8	67.1	64.3	64.5	64.0	60.4
School administrative services	23.5	24.5	24.9	24.4	25.0	24.5	21.0	21.2	24.5	24.2
General and business administrative services	20.2	20.2	20.2	22.2	16.6	17.5	17.0	17.0	16.5	17.5
Plant operations and maintenance	37.6	42.4	44.1	45.7	46.0	44.9	46.9	41.9	46.5	48.8
Pupil transportation	39.6	20.4	20.5	21.9	27.3	22.0	21.3	34.1	35.4	42.1
Other support services	44.0			1.0	1.0			0.5	17.6	21.4
Total	<u>541.9</u>	<u>509.6</u>	<u>503.1</u>	<u>507.3</u>	<u>527.1</u>	<u>493.0</u>	<u>480.4</u>	<u>480.8</u>	<u>523.0</u>	<u>540.4</u>

Source: District Personnel Records

JEFFERSON TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
 LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Pupil/Teacher Ratio									
	Enrollment	Operating Expenditures ^a	Cost Per Pupil ^d	Percentage Change	Teaching Staff	Elementary	Middle School	High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)
2015	3,245	\$ 59,507,571	\$ 18,338	3.90%	279	1:15	1:10	1:10	3,208.8	3,062.5
2016	3,158	62,250,794	19,712	7.49%	267	1:13	1:11	1:11	3,073.7	2,940.8
2017	3,126	63,340,374	20,262	2.79%	277	1:13	1:11	1:11	3,007.0	2,876.0
2018	2,987	67,140,915	22,478	10.93%	271	1:12	1:11	1:10	2,992.1	2,858.0
2019	2,928	67,653,640	23,106	2.79%	263	1:12	1:11	1:10	2,826.7	2,694.4
2020	2,624	66,870,907	25,484	10.29%	245	1:12	1:10	1:10	2,568.0	2,539.2
2021	2,655	65,098,295	24,519	-3.79%	237	1:12	1:11	1:10	2,537.7	2,458.5
2022	2,851	66,540,621	23,339	-4.81%	241	1:11	1:10	1:12	2,501.6	2,363.5
2023	2,529	70,951,519	28,055	20.21%	243.5	1:12	1:12	1:12	2,503.7	2,353.5
2024	2,688	74,874,778	27,855	-0.71%	246.7	1:12	1:11	1:10	2,674.6	2,521.4

Sources: Jefferson Township School 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).
 d Cost per pupil is the sum of operating expenditures divided by enrollment. This cost per pupil may be different from the State's cost per pupil calculations.

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>District Building</u>										
Ellen T. Briggs School (1955)										
Square Feet	33,828	33,828	33,828	33,828	33,828	33,828	33,828	33,828	33,828	33,828
Capacity (students)	270.62	270.62	270.62	270.62	270.62	270.62	270.62	270.62	270.62	270.62
Enrollment	313	288	288	288	282	221	224	190	210	213
Cozy Lake School (1962)										
Square Feet	35,776	35,776	35,776	35,776	35,776	35,776	35,776	35,776	35,776	35,776
Capacity (students)	286.21	286.21	286.21	286.21	286.21	286.21	286.21	286.21	386.21	386.21
Enrollment	234	206	206	206	173	165	163	217	232	213
Milton School (1950)										
Square Feet	22,052	22,052	22,052	22,052	22,052	22,052	22,052	22,052	22,052	22,052
Capacity (students)	176.42	176.42	176.42	176.42	176.42	176.42	176.42	176.42	176.42	176.42
Enrollment	157	159	159	159	166	136	135	-	-	-
Stanlick School (1962)										
Square Feet	65,304	65,304	65,304	65,304	65,304	65,304	65,304	65,304	65,304	65,304
Capacity (students)	453.60	453.60	453.60	453.60	453.60	453.60	453.60	453.60	453.60	453.60
Enrollment	368	345	345	345	281	270	272	326	308	398
White Rock School (1969)										
Square Feet	65,684	65,684	65,684	65,684	65,684	65,684	65,684	65,684	65,684	65,684
Capacity (students)	424.80	424.80	424.80	424.80	424.80	424.80	424.80	424.80	424.80	424.80
Enrollment	382	388	388	388	326	270	269	365	387	474
Middle School (1969)										
Square Feet	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Capacity (students)	653.40	653.40	653.40	653.40	653.40	653.40	653.40	653.40	653.40	653.40
Enrollment	788	765	765	765	729	631	630	562	576	568
High School (1962)										
Square Feet	235,851	235,851	235,851	235,851	235,851	235,851	235,851	235,851	235,851	235,851
Capacity (students)	1,264.80	1,264.80	1,264.80	1,264.80	1,264.80	1,264.80	1,561.93	1,561.93	1,264.80	1,264.80
Enrollment	1,003	1,007	1,007	1,007	973	951	962	921	866	822
Other										
Administration Building										
Square Feet	12,144	12,144	12,144	12,144	12,144	12,144	12,144	12,144	12,144	12,144
Transportation										
Square Feet	400	400	400	400	400	400	400	400	400	400
Maintenance Offices										
Square Feet	2,500	2,500	2,500	2,500	2,500	3,200	3,200	3,200	3,200	3,200
Number of Schools at June 30, 2024										
Elementary = 5										
Middle School = 1										
High School = 1										

Note - The Drummond School was decommissioned as a school in 2011. The school was renovated as Board of Education offices.

Source: Jefferson Township School District Facilities Office

Note: Year of original construction is shown in parentheses.
 Enrollment is based on the annual October district count.

JEFFERSON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

School Facilities	Projects #	Fiscal Year Ended June 30,									
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Jefferson Township High School	N/A	\$ 507,645	\$ 827,769	\$ 1,012,177	\$ 799,085	\$ 520,435	\$ 540,872	\$569,976	\$577,292	\$635,948	\$642,065
Arthur Stanliek School	N/A	83,023	172,213	210,578	181,176	186,294	172,086	177,137	189,198	208,422	210,426
Cozy Lake School	N/A	138,171	99,518	121,688	329,647	170,882	126,002	74,029	67,509	74,368	75,084
Ellen T. Briggs School	N/A	96,389	85,059	104,008	83,363	58,008	66,268	72,794	102,366	112,767	113,851
Jefferson Township Middle School	N/A	185,379	205,606	251,410	151,398	234,351	131,058	144,555	149,838	165,063	166,650
Milton School	N/A	31,154	158,932	194,338	51,495	69,156	46,988	65,776	70,521	77,686	78,434
White Rock School	N/A	225,127	175,864	215,043	151,294	118,316	135,303	142,111	140,458	154,729	156,217
		\$ 1,266,888	\$ 1,724,961	\$ 2,109,242	\$ 1,747,458	\$ 1,357,442	\$ 1,218,577	\$ 1,246,378	\$ 1,297,182	\$ 1,428,983	\$ 1,442,727

Source: Jefferson Township School District records

JEFFERSON TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
UNAUDITED

		<u>Coverage</u>	<u>Deductible</u>
School Alliance Insurance Fund:			
Property - Blanket Building and Contents Including			
Boiler and Building Personal Property		\$ 500,000,000	\$ 2,500
Inland Marine - Auto Physical Damage			1,000
School Alliance Insurance Fund:			
General Liability			
Each Occurrence		5,000,000	
General Aggregate		Agreed upon membership	
Prod/Completed Operating			
Personal Injury			
Fire Damage		2,500,000	
Medical Expense Limit (Excluding students)		10,000	
Automobile Coverage		5,000,000	occurrence
Combined Single Limit			
Hired/Non Owned			
Enviromental Impairment Liability			
Excludes mold/fungi/fungus/legionnala	Fund Aggregate	1,000,000/25,000,000	10,000
Crime Coverage	Inside/Outside	50,000	1,000
Blanked Dishonesty Bond		500,000	
Boiler and Machinery		1,000,000,000	2,500
Excess Liability (AL/GL)		5,000,000	
School Board Legal		5,000,000	15,000
Worker's Compensation - NJPIP		Statutory	
Employer's Liability		5,000,000	
Supplemental Indemnity		Statutory	
Bond for School Business Administrator	Selective Insurance	300,000	
Bond for Treasurer of School Monies	Selective Insurance	300,000	
Student Accident		6,000,000	All students & activities

Source: Jefferson Township School District Records.

SINGLE AUDIT SECTION



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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*

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Jefferson Township School District
Lake Hopatcong, New Jersey

We have audited, in accordance with the 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 prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Jefferson Township School District, in the County of Morris (the "District") as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 1, 2024.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 the 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 were not identified.

The Honorable President and Members
of the Board of Education
Jefferson Township School District
Page 2

Report on Compliance and Other Matters

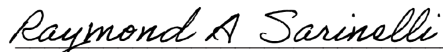
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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*.

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

October 1, 2024
Mount Arlington, New Jersey

NISIVOCCIA LLP



Raymond Sarinelli
Licensed Public School Accountant #2549
Certified Public Accountant



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Report on Compliance For Each Major Federal and State Program;
 Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 Jefferson Township School District
 Lake Hopatcong, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Jefferson Township School District's (the District's) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2024. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

The Honorable President and Members
of the Board of Education
Jefferson Township School District
Page 2

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08, we

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

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

Report on Internal Control Over Compliance

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

The Honorable President and Members
of the Board of Education
Jefferson Township School District
Page 3

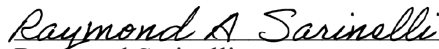
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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 or New Jersey's OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

October 1, 2024
Mount Arlington, New Jersey

NISIVOCCIA LLP


Raymond Sarinelli
Licensed Public School Accountant #2549
Certified Public Accountant

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

Federal Grantor/Pass Through Grantor/Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance Unearned Revenue/ (Accounts Receivable) 6/30/2023	Cash Received	Budgetary Expenditures	Balance Unearned Revenue/ (Accounts Receivable) 6/30/2024	Amount Paid to Subrecipients
U.S. Department of Agriculture Passed-through State Department of Agriculture: Child Nutrition Cluster:									
Federal Food Distribution Program	10.555	N/A	7/1/23-6/30/24	\$ 93,492	\$ 1,098	\$ 93,492	\$ (92,184)	\$ 1,308	
Federal Food Distribution Program	10.555	N/A	7/1/22-6/30/23	88,264	1,098	93,492	(93,282)	1,308	
Total Food Distribution Program									
School Breakfast Program	10.553	N/A	7/1/23-6/30/24	36,768		28,928	(36,768)	(7,840)	
School Breakfast Program	10.553	N/A	7/1/22-6/30/23	30,901	(7,106)	7,106			
National School Lunch Program	10.555	N/A	7/1/23-6/30/24	229,367		183,852	(229,367)	(45,515)	
National School Lunch Program	10.555	N/A	7/1/22-6/30/23	252,007	(54,356)	54,356			
COVID-19 Supply Chain Assistance Funding	10.185	N/A	7/1/23-6/30/24	61,957		61,957	(61,957)		
Local Food for School Cooperative Program	10.555	N/A	7/1/23-6/30/24	11,798	(60,364)	9,490	(9,490)	(52,047)	
Total Child Nutrition Cluster						439,181	(430,864)	(52,047)	
Total U.S. Department of Agriculture					(60,364)	439,181	(430,864)	(52,047)	
Passed-through State Department of Education: General Fund:									
U.S. Department of Health and Human Services: Medicaid Cluster:									
Medicaid Reimbursement	93.778	N/A	7/1/23-6/30/24	47,154		47,154	(47,154)		
Total General Fund						47,154	(47,154)		
Special Revenue Fund:									
U.S. Department of Education: Passed-through State Department of Education: Elementary and Secondary Education Act Consolidated Grant:									
Title I	84.010	ESEA552023	7/1/23-9/30/24	228,973		204,586	(228,973)	(24,387)	
Title I	84.010	ESEA552022	7/1/22-9/30/23	114,152	(5,549)	5,549			
Total Title I					(5,549)	210,135	(228,973)	(24,387)	
Title IIA	84.367	ESEA552023	7/1/23-9/30/24	45,029		38,622	(45,029)	(6,407)	
Title IIA	84.367	ESEA552022	7/1/22-9/30/23	50,348	(2,517)	2,517			
Total Title IIA					(2,517)	41,139	(45,029)	(6,407)	
Title III	84.365	ESEA552023	7/1/23-9/30/24	17,092		8,315	(11,533)	(3,218)	
Total Title III						8,315	(11,533)	(3,218)	
Title IV	84.424	ESEA552023	7/1/23-9/30/24	10,000		6,007	(10,000)	(3,993)	
Title IV	84.424	ESEA552022	7/1/22-9/30/23	11,092	(3,009)	3,009			
Total Title IV					(3,009)	9,016	(10,000)	(3,993)	
Special Education Cluster:									
I.D.E.A. Part B, Basic	84.027	FT-5520-23	7/1/23-9/30/24	674,566		670,706	(674,566)	(3,860)	
I.D.E.A. Part B, Basic	84.027	FT-5520-19	7/1/22-9/30/23	642,356	(22,542)	22,542			
I.D.E.A. Part B, Preschool	84.173	FT-5520-23	7/1/23-9/30/24	33,178		29,489	(33,178)	(3,689)	
I.D.E.A. Part B, Preschool	84.173	FT-5520-22	7/1/22-9/30/23	33,365	(3,251)	3,251			
Total Special Education Cluster					(25,793)	725,988	(707,744)	(7,549)	

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

Federal Grantor/Pass Through Grantor/Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance Unearned Revenue/(Accounts Receivable) 6/30/2023	Cash Received	Budgetary Expenditures	Balance Unearned Revenue/(Accounts Receivable) 6/30/2024	Amount Paid to Subrecipients
Education Stabilization Fund									
COVID-19 CRBSA Learning Acceleration	84.425D	N/A	3/13/20-9/30/23	\$ 53,191	\$ (6,125)	\$ 8,991	\$ (2,866)		
COVID-19 CRBSA Mental Health	84.425D	N/A	3/13/20-9/30/23	45,000		11,144	(11,144)		
COVID-19 ESSER III - ARP	84.425U	N/A	3/13/20-9/30/24	1,862,785	(373,899)	28,358	(31,543)	\$ (377,084)	
COVID-19 Accelerated Learning - ARP	84.425U	N/A	3/13/20-9/30/24	210,613	(6,560)	84,602	(83,492)	(5,450)	
COVID-19 Beyond the School Day - ARP	84.425U	N/A	3/13/20-9/30/24	40,000		2,958	(7,789)	(4,831)	
COVID-19 Mental Health - ARP	84.425U	N/A	3/13/20-9/30/24	45,000		9,923	(9,923)		
COVID-19 Homeless Children and Youth - ARP	84.425U	N/A	3/13/20-9/30/24	40,000		17,933	(17,933)		
COVID-19 New Jersey High Impact Tutoring Collective - ARP	84.425V	N/A	10/11/23-8/31/24	154,000		75,985	(92,954)	(16,969)	
Total Education Stabilization Fund					(386,584)	239,894	(257,644)	(404,334)	
U.S. Department of Treasury Passed-through State Department of Education:									
COVID-19 Additional or Compensatory Special Education and Related Services	21.027	N/A	7/1/23-6/30/24	352,407		176,204	(352,407)	(176,203)	
COVID-19 Additional or Compensatory Special Education and Related Services	21.027	N/A	7/1/22-6/30/23	36,697	(24,463)	24,463		5,442	
COVID-19 Additional or Compensatory Special Education and Related Services	21.027	N/A	7/1/21-6/30/22	203,621	(19,021)	200,667	(352,407)	(170,761)	
Total U.S. Department of Treasury					(442,473)	1,435,154	(1,613,330)	(620,649)	
Total Special Revenue Fund					\$ (502,837)	\$ 1,921,489	\$ (2,091,348)	\$ (672,696)	\$ -0-
Total Federal Awards									

N/A: Not Available/Applicable

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Budgetary Balance (Accounts Receivable) 6/30/2023	Cash Received	Budgetary Expenditures	Balance 6/30/2024		Memo
							GAAP (Accounts Receivable)	Budgetary Unearned Revenue	
General Fund									
NJ Department of Education:									
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	\$ 2,028,551	\$ 2,028,551	\$ 1,832,395	\$ (2,028,551)	\$ (196,156)	\$ 2,028,551	
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	636,026		574,524	(636,026)	(61,502)	636,026	
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	2,137,733		1,931,020	(2,137,733)	(206,713)	2,137,733	
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	303,337		274,005	(303,337)	(29,332)	303,337	
Non-Public Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	89,180			(89,180)	(89,180)	89,180	
Stabilization Aid	24-495-034-5120-078	7/1/23-6/30/24	118,320		118,320	(118,320)		118,320	
Extraordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	315,763			(315,763)	(315,763)	315,763	
Reimbursed TPAF Social Security Contributions	24-495-034-5095-003	7/1/23-6/30/24	1,855,347		1,763,708	(1,855,347)	(91,640)	1,855,347	
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	3,554,702	\$ (427,653)	427,653			3,554,702	
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	636,026	(76,518)	76,518			636,026	
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	2,137,733	(257,183)	257,183			2,137,733	
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	303,337	(36,493)	36,493			303,337	
Non-Public Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	63,024	(63,024)	63,024			63,024	
Stabilization Aid	23-495-034-5120-078	7/1/22-6/30/24	1,254,846	1,007,260		(1,007,260)		1,254,846	
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	442,960	(442,960)	442,960			442,960	
Reimbursed TPAF Social Security Contributions	23-495-034-5095-003	7/1/22-6/30/23	1,748,890	(172,707)	172,707			1,748,890	
On-Behalf TPAF Post Retirement Contribution	24-495-034-5094-001	7/1/23-6/30/24	2,351,665		2,351,665	(2,351,665)		2,351,665	
On-Behalf TPAF Pension Contribution	24-495-034-5094-002	7/1/23-6/30/24	8,543,207		8,543,207	(8,543,207)		8,543,207	
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	97,431		97,431	(97,431)		97,431	
On-Behalf TPAF Long-Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	3,043		3,043	(3,043)		3,043	
Total General Fund State Aid				(469,278)	19,058,704	(19,486,863)	(496,583)	28,621,121	
Debt Service Aid Type II	24-100-034-5120-124	7/1/23-6/30/24	212,905		212,905	(212,905)		212,905	
Total Debt Service Aid					212,905	(212,905)		212,905	
Special Revenue Fund:									
SDA Emergent and Capital Maintenance Needs Grant	N/A	7/1/23-6/30/24	63,913		63,913	(63,913)		63,913	
Preschool Education Expansion Aid Grant	24-495-034-5120-086	7/1/23-6/30/24	2,775,370	(103,448)	2,497,833	(2,753,566)	\$ 21,804	(277,537)	2,753,566
Preschool Education Expansion Aid Grant	23-495-034-5120-086	7/1/22-6/30/23	1,034,483	(103,448)	103,448	(2,817,479)	21,804	(277,537)	1,034,483
Total Special Revenue Fund				(572,726)	2,665,194	(22,517,247)	(496,583)	3,851,962	
Total NJ Department of Education					21,936,803		21,804	32,685,988	

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Budgetary Balance (Accounts Receivable) 6/30/2023	Cash Received	Budgetary Expenditures	Balance 6/30/2024			Memo
							GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Budgetary Receivable	
New Jersey Department of Agriculture: Food Service Fund:										
School Lunch Program - State	24-100-010-3350-023	7/1/23-6/30/24	\$ 19,921	\$ (2,744)	\$ 15,918	\$ (19,921)	\$ (4,003)		\$ (4,003)	\$ 19,921
School Lunch Program - State	23-100-010-3350-023	7/1/22-6/30/23	12,814		2,744					12,814
School Breakfast Program - State	24-100-010-3350-021	7/1/23-6/30/24	1,935		1,530	(1,935)	(405)		(405)	1,935
School Breakfast Program - State	23-100-010-3350-021	7/1/22-6/30/23	528	(127)	127					528
Total NJ Department of Agriculture				(2,871)	20,319	(21,857)	(4,408)		(4,408)	35,199
Total State Awards Subject to Single Audit Determination				\$ (575,597)	\$ 21,957,122	\$ (22,539,104)	\$ (500,991)	\$ 21,804	\$ (1,272,231)	\$ 32,721,187
Less: State Awards Not Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	(2,351,665)			\$ 2,351,665				
On-Behalf TPAF Pension Contributions	24-495-034-5094-002	7/1/23-6/30/24	(8,543,207)			8,543,207				
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	(97,431)			97,431				
On-Behalf TPAF Long-Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	(3,043)			3,043				
Subtotal - On-Behalf TPAF Pension System Contributions						10,995,346				
Total State Awards Subject to Single Audit Major Program Determination						\$ (11,543,758)				
N/A - Not Available										

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Jefferson Township School District Board of Education under programs of the federal and state governments for the fiscal year ended June 30, 2024. The information in these schedules is presented in accordance with the 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 New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented on the accrual basis of accounting. These bases of accounting are described in Note 1 to the District's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last two state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last two state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. The special revenue fund also does not recognize the June state aid payments in the current year. Grant revenue in the capital projects fund is recognized on the budgetary basis in the year of award while on a GAAP basis revenue is recognized based on grant expenditures and when reimbursement requests are submitted.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$304,144 for the General Fund and \$121,202 for the Special Revenue Fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general, and special revenue funds. Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as presented on the following page:

JEFFERSON TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 47,154	\$ 7,788,401	\$ 7,835,555
Special Revenue Fund	1,968,613	2,583,398	4,552,011
Debt Service Fund		212,905	212,905
Enterprise Fund - Food Service	430,864	21,857	452,721
Total Awards	<u>\$ 2,446,631</u>	<u>\$ 10,606,561</u>	<u>\$ 13,053,192</u>

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

Revenue and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2024.

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

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP.

Unmodified

Internal control over financial reporting:

1.) Material weakness identified?	_____	Yes	_____ X _____	No
2.) Significant deficiencies identified?	_____	Yes	_____ X _____	None reported

Noncompliance material to basic financial statements noted?	_____	Yes	_____ X _____	No
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Federal Awards

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

Unmodified

Internal control over major programs:

1.) Material weakness identified?	_____	Yes	_____ X _____	No
2.) Significant deficiencies identified?	_____	Yes	_____ X _____	None reported

Noncompliance material to basic financial statements noted?	_____	Yes	_____ X _____	No
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Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____	Yes	_____ X _____	No
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Identification of major programs:

Program Name or Cluster	Assistance Listing No.	Grant Period		Award Amount	Budgetary Expenditures
		Start	End		
Special Education Cluster:					
I.D.E.A. Basic	84.027	7/1/23	8/31/24	\$ 674,566	\$ 674,566
I.D.E.A. Preschool	84.173	7/1/23	8/31/24	33,178	33,178
COVID-19 Additional or Compensatory Special Education and Related Services	21.027	7/1/23	6/30/24	352,407	352,407

Dollar threshold used to distinguish between Type A and B programs		\$	750,000
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Auditee qualified as low-risk auditee?	_____	Yes	_____ X _____	No
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JEFFERSON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

State Awards

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

Internal control over major programs:

1.) Material weakness identified? Yes X No
2.) Significant deficiencies identified? Yes X None reported

Noncompliance material to basic financial statements noted? Yes X No

Any audit findings disclosed that are required to be reported in accordance with New Jersey's OMB Circular 15-08?
 Yes X No

Identification of major programs:

Program Name or Cluster	State Grant No.	Grant Period		Award Amount	Budgetary Expenditures
		Start	End		
State Aid Public:					
Equalization Aid	24-495-034-5120-078	7/1/23	6/30/24	\$ 2,028,551	\$ 2,028,551
Special Education Aid	24-495-034-5120-089	7/1/23	6/30/24	2,137,733	2,137,733
Security Aid	24-495-034-5120-084	7/1/23	6/30/24	303,337	303,337
Stabilization Aid	24-495-034-5120-078	7/1/23	6/30/24	118,320	118,320
Stabilization Aid	23-495-034-5120-078	7/1/22	6/30/24	1,254,846	1,007,260

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

Auditee qualified as low-risk auditee? Yes X No

JEFFERSON TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Status of Prior Year Findings:

The District had no prior year audit findings.