Annual Comprehensive Financial Report

of the

Borough of Middlesex Board of Education

County of Middlesex

Middlesex, New Jersey

For the Fiscal Year Ended June 30, 2024

Prepared by

Borough of Middlesex, Board of Education
Finance Department

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INTRODUCTORY SECTION

Middlesex Borough School District
Business Office
300 John F. Kennedy Drive
Middlesex, NJ 08846

ROBERTA FREEMAN, ED.D.
SUPERINTENDENT OF SCHOOLS

ANNETTE GIORDANO
BUSINESS ADMINISTRATOR
BOARD SECRETARY

December 5, 2024

Honorable President and Members of the Board of Education
Borough of Middlesex School District
300 John F. Kennedy Drive
Middlesex, NJ 08846

Dear Members of the Middlesex Board of Education:

The annual comprehensive financial report of the Middlesex Borough 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 Middlesex Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the 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 five sections: introductory, financial, basic financial statements, required supplementary information, and other supplementary information. The introductory section includes this transmittal letter, the roster of officials, consultants and advisors, and the District's organizational chart. The financial section includes the independent auditor's report and the management's discussion and analysis. The basic financial statements include the district-wide financial statements, fund financial statements, and notes to the financial statements. The required supplementary information reports on budget comparisons for the general and special revenue funds. The other supplementary information consists of various financial statements, statistical information and single audit. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, 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 OMB Circular 15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Borough of Middlesex School District is an independent reporting entity within the criteria adopted by the Financial Accounting Standard Board ("FASB") as established by Governmental Accounting Standard Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Borough of Middlesex 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 Kindergarten through twelve, as well as education for children with special needs to grades pre-school through Age 21. The District completed the 2023-24 fiscal year with an average daily enrollment of 2,051students, which is an increase of 27students from the previous year's average enrollment. The following details the changes in the average student enrollment of the District over the last five years.

Fiscal Year	Average Daily Enrollment	Percent Change
2023-2024	2,051	1.33%
2022-2023	2,024	1.00%
2021-2022	2,004	-0.25%
2020-2021	2,009	-3.23%
2019-2020	2,076	0.09%

2. ECONOMIC CONDITION AND OUTLOOK: The Borough of Middlesex has not experienced any significant population increase or increase in business and industry.

3. MAJOR INITIATIVES: The Middlesex Borough Public School system is comprised of six schools: three elementary (which include PreK-3), one Intermediate school (4–5), one Middle School (6-8), and one high school (9-12). The district continued its collaboration with the New Jersey Department of Education (NJDOE) and the Council of Chief State School Officers by joining the Early Learning Networked Improvement Community (ELNIC). This partnership focused on enhancing professional learning in both mathematics and English Language Arts, with a particular emphasis on using data-driven strategies to improve student outcomes. At the middle school level, additional academic supports were put in place to address both remediation for struggling students and acceleration opportunities for those needing more advanced challenges. These efforts aimed to create a more equitable learning environment for all students. At the high school level, preparations for the implementation of block scheduling in the 2024-2025 school year included comprehensive professional development. Teachers were supported in adapting their instructional practices to effectively engage students in longer 84-minute class periods, incorporating best practices for differentiated instruction, active learning, and student-centered teaching. This restructuring is intended to foster deeper learning and enhance student engagement across subjects.

   We also finished the Von E. Mauger Middle School HVAC replacement project, fire alarm replacements at Hazelwood Elementary School and Von E. Mauger Middle School, District wide restroom renovations, and parking lot upgrades at Watchung Elementary School and Von E. Mauger Middle School. The District is working to install an emergency generator at Middlesex High School, and working on District wide HVAC, boiler and roofing projects related to the New Jersey Schools Development Authority grants.

   The district remains committed to advancing curricular initiatives through the implementation of best instructional practices and innovative programming. In its efforts to support student growth, the district emphasizes targeted learning strategies that address foundational and pre-requisite skills. These initiatives are designed to offer just-in-time learning, ensuring that instruction is personalized and responsive to student needs, rather than relying on the traditional "just-in-case" approach that often lacks relevance and flexibility. Additionally, the district continues to integrate NJDOE learning acceleration initiatives to enhance student outcomes and provide equitable learning opportunities for all students.

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

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

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

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital project fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as re-appropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2024.

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

7. DEBT ADMINISTRATION: The District has outstanding debt in the amount of $6,220,000.00 at June 30, 2024 from a budget neutral bond referendum in March 2022 for much needed building system improvements in the schools. Information related to the District's outstanding debt is recorded in the long-term debt schedules of the annual comprehensive financial report.

8. CASH MANAGEMENT: The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Government Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the act.

9. RISK MANAGEMENT: The District 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.

10. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Suplee, Clooney & Company, CPAs was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996, 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 OMB Circular 15-08. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit section of this report.

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

Respectfully submitted,

Roberta Freeman

Roberta Freeman, Ed.D.
Superintendent of Schools

A Giordano

Annette Giordano
Business Administrator/Board Secretary

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
ROSTER OF OFFICIAL
JUNE 30, 2024

Members of the Board of Education	**Term Expires**
Danielle Parenti, President	2024
Jeanette DeJesus, Vice President	2024
Amanda Bayachek	2026
Landette Jeffrey	2024
Todd Nicolay	2026
Brenda Perry	2025
Shannon Quinn	2025
Patricia Reynolds	2024
Sharon Schueler	2024

Other Officials

Roberta Freeman, Ed.D., Superintendent of Schools

Annette Giordano, Business Administrator/Board Secretary

John Kayser, Treasurer of School Monies

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CONSULTANTS AND ADVISORS
JUNE 30, 2024

Architect

Parette Somjen Architects
439 Route 46 East
Rockaway, NJ 07866

Audit Firm

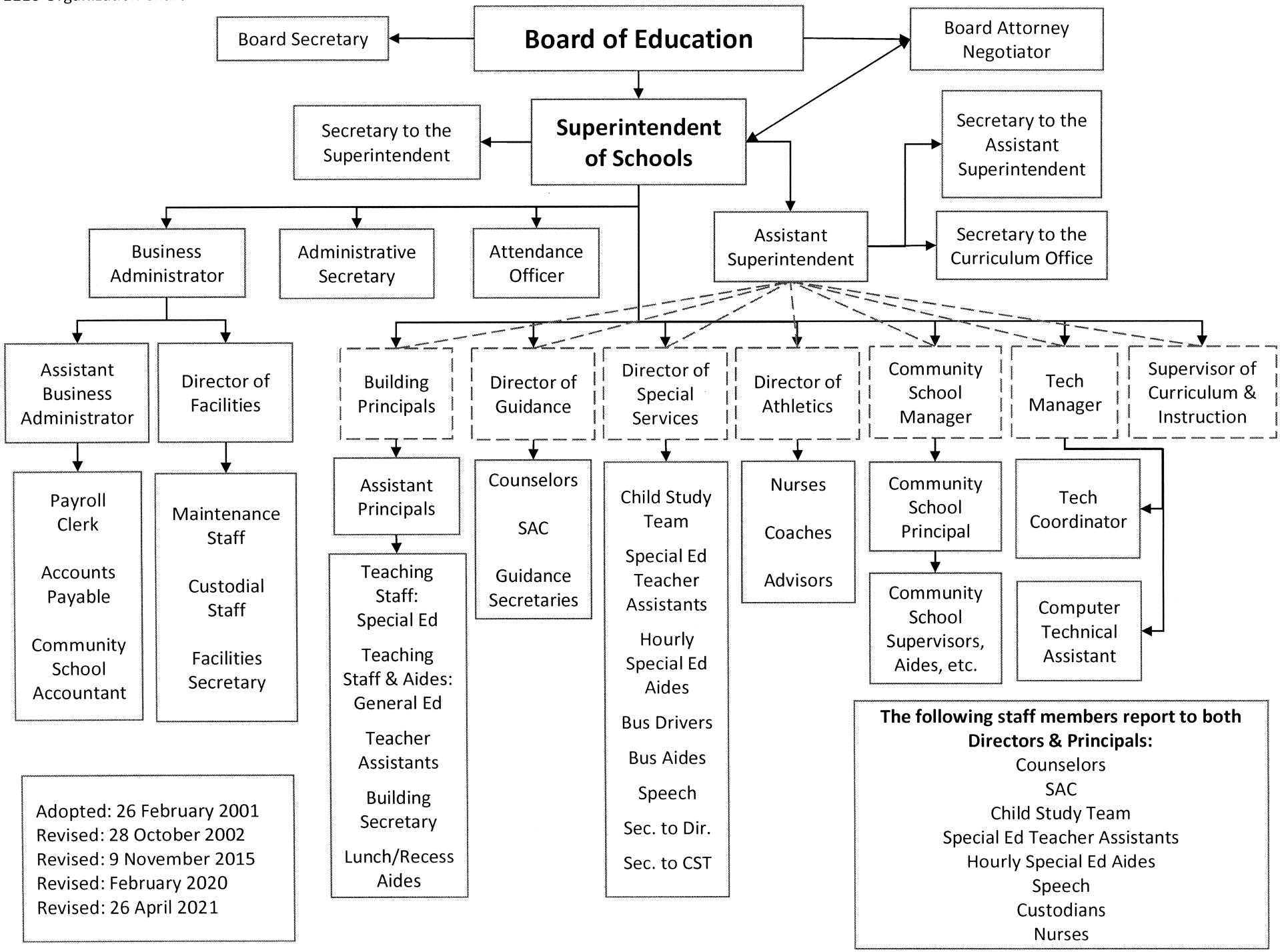
Suplee, Clooney & Company LLC
308 East Broad Street
Westfield, New Jersey 07090

Attorney

Busch Law Group
402 Main Street
Metuchen, New Jersey 08840

Official Depository

TD Bank, N.A.
1701 Route 70 East
Cherry Hill, NJ 08034


Board of Education
Board Secretary
Board Attorney Negotiator
Superintendent of Schools
Secretary to the Superintendent
Secretary to the Assistant Superintendent
Business Administrator
Administrative Secretary
Attendance Officer
Assistant Superintendent
Secretary to the Curriculum Office
Assistant Business Administrator
Director of Facilities
Building Principals
Director of Guidance
Director of Special Services
Director of Athletics
Community School Manager
Tech Manager
Supervisor of Curriculum & Instruction
Payroll Clerk
Accounts Payable
Community School Accountant
Maintenance Staff
Custodial Staff
Facilities Secretary
Assistant Principals
Counselors
SAC
Guidance Secretaries
Child Study Team
Special Ed Teacher Assistants
Hourly Special Ed Aides
Bus Drivers
Bus Aides
Speech
Sec. to Dir.
Sec. to CST
Nurses
Coaches
Advisors
Community School Principal
Tech Coordinator
Community School Supervisors, Aides, etc.
Computer Technical Assistant
Teaching Staff: Special Ed
Teaching Staff & Aides: General Ed
Teacher Assistants
Building Secretary
Lunch/Recess Aides
Adopted: 26 February 2001
Revised: 28 October 2002
Revised: 9 November 2015
Revised: February 2020
Revised: 26 April 2021
The following staff members report to both Directors & Principals:
Counselors
SAC
Child Study Team
Special Ed Teacher Assistants
Hourly Special Ed Aides
Speech
Custodians
Nurses

FINANCIAL SECTION

SUPLEE, CLOONEY & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS
308 East Broad Street, Westfield, New Jersey 07090-2122
Telephone 908-789-9300 Fax 908-789-8535
E-mail info@scnco.com

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Borough of Middlesex School District
County of Middlesex
Middlesex, New Jersey 08846

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, 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 (the "Uniform Guidance") the audit requirements of State of New Jersey OMB Circular 15-08 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." 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 and provisions 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 generally accepted auditing standards, the Uniform Guidance, the State of New Jersey OMB Circular 15-08 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information in Exhibit C-1 through C-3, the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 and the schedules related to accounting and reporting for postretirement benefits other than pensions (OPEB) in Exhibits M-1 and M-2 are presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information schedules and data such as the combining statements and individual fund financial statements, and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 5, 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 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 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 the District's internal control over financial reporting and compliance.

CERTIFIED PUBLIC ACCOUNTANTS

PUBLIC SCHOOL ACCOUNTANT NO. 948

December 5, 2024

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REQUIRED SUPPLEMENTARY INFORMATION – Part I

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
MIDDLESEX, NEW JERSEY

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

This section of the Borough of Middlesex School District's Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year ended on 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.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements-Management's Discussion and Analysis-for the State and Local Governments. Certain comparative information between the current fiscal year and the prior fiscal year is presented in the MD&A.

Financial Highlights

- At the district-wide financial statements, revenue from governmental activities accounted for $52,463,059.69 or 98.32 percent of total school district revenue. The other 1.68 percent of revenue was generated by the business type activities.

- The Board of Education used $2,780,844.00 of capital reserve in the 2023-2024 budget plus an additional $730,000.00 during the year by board resolution and transferred $2,360,999.98.00 by resolution at year end back into the capital reserve fund for a balance of $3,678,682.12 for future capital projects.

- The Board of Education transferred $1,000,000.00 by resolution at year end into the maintenance reserve for a balance of $1,832,794.44 available for future maintenance projects.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This document also contains required and supplementary Government-Wide Financial Statements

District-Wide Financial Statements

The district-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the assets, deferred inflows and outflows and liabilities of the District, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

The District maintains two funds types:

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund and debt service fund, all of which are considered to be major funds.

The District adopts an annual appropriated budget for its general fund, special revenue fund and debt service fund. Budgetary comparison statements have been provided as required supplementary information for the general fund, special revenue fund and debt service fund to demonstrate compliance with this budget.

Proprietary funds. The District maintains one proprietary fund type. Enterprise funds are used to report the same functions presented as business-type activities in the district-wide financial statements. The District uses an enterprise fund to account for the operations of its food service program and community school program.

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

Other information. The combining statements referred to earlier in connection with governmental funds and enterprise funds are presented immediately following the notes to the basic financial statements.

Financial Highlights

District-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by $30,467,015.85 at the close of fiscal year 2024. The majority of this is net investment in capital assets. The overall change in net position was $4,465,166.18.

Key financial Highlights for the 2023-2024 fiscal year include the following:

- The State withheld both of the June fiscal year state aid payments until July 2024.
- The state aid to the District increased by $2,118,637.00 for the 2023-2024 fiscal year.

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
MIDDLESEX, NEW JERSEY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024
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Financial Analysis of the District as a Whole

Recall that the Statement of Net Position provides the perspective of the District as a whole. Table 1 below reflects the District's net position as a whole. Table 2 reflects the changes in net position from operating results.

Table 1
Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage
	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023	Change
Current and Other Assets	$17,251,844.59	$18,700,157.21	$700,078.83	$597,341.77	$17,951,923.42	$19,297,498.98	-6.97%
Capital Assets	31,210,849.70	26,621,774.29	508,262.10	293,513.00	31,719,111.80	26,915,287.29	17.85%
Total Assets	48,462,694.29	45,321,931.50	1,208,340.93	890,854.77	49,671,035.22	46,212,786.27	7.48%
Deferred Outflows: Related to pensions	1,173,268.16	995,324.00			1,173,268.16	995,324.00	17.88%
Long-Term Liabilities	15,470,861.94	15,763,446.83			15,470,861.94	15,763,446.83	-1.86%
Short-Term Liabilities	3,631,660.00	3,396,525.50	101,497.43	62,353.22	3,733,157.43	3,458,878.72	7.93%
Total Liabilities	19,102,521.94	19,159,972.33	101,497.43	62,353.22	19,204,019.37	19,222,325.55	-0.10%
Deferred Inflows: Related to pensions	1,302,664.00	2,282,517.00			1,302,664.00	2,282,517.00	-42.93%
Net Position: Net Invesment in Capital Assets	21,577,733.37	16,350,118.11	508,262.10	516,640.27	22,085,995.47	16,866,758.38	30.94%
Restricted	14,526,304.14	16,379,777.38			14,526,304.14	16,379,777.38	-11.32%
Unrestricted (Deficit)	(6,873,261.10)	(7,855,129.32)	598,581.40	481,047.29	(6,274,679.70)	(7,374,082.03)	-14.91%
Total Net Position	$29,230,776.41	$24,874,766.17	$1,106,843.50	$997,687.56	$30,337,619.91	$25,872,453.73	17.26%

The largest portion of the District's net position is its net investment in capital assets. Restricted net positions include those items that are subject to external restrictions (e.g. for capital projects, capital and maintenance reserves, unemployment compensation insurance and excess fund balance in the general fund as well as student activities and scholarships in the special revenue fund.).

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
MIDDLESEX, NEW JERSEY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024
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Table 2
Changes in Net Position from Operating Results

	Governmental Activities		Business-Type Activities		Total School District	
	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023
Revenue:						
Program Revenue:						
Charges for Services	$212,976.63	$200,974.65	$1,173,506.26	$1,128,827.38	$1,386,482.89	$1,329,802.03
Operating Grants and Contributions	$8,914,509.19	$8,420,458.84	731,514.78	751,106.24	9,646,023.97	9,171,565.08
General Revenue:						
Property Taxes	27,726,569.50	27,256,070.26			27,726,569.50	27,256,070.26
Federal and State Aid	14,708,708.22	12,785,380.68			14,708,708.22	12,785,380.68
Other	900,296.15	610,538.27	7,957.10	3,036.27	908,253.25	613,574.54
Total Revenue	52,463,059.69	49,273,422.70	1,912,978.14	1,882,969.89	54,376,037.83	51,156,392.59
Expenses:						
Instruction	28,983,941.91	28,261,850.66			28,983,941.91	28,261,850.66
Student & Instructional Support Services	7,828,199.02	7,319,630.26			7,828,199.02	7,319,630.26
Administrative, Central and Technology	4,983,102.31	4,252,689.03			4,983,102.31	4,252,689.03
Maintenance & Operations	2,958,788.65	2,449,729.43			2,958,788.65	2,449,729.43
Transportation	1,861,310.86	1,660,687.62			1,861,310.86	1,660,687.62
Other	1,537,054.77	1,545,535.00	1,753,822.20	1,569,245.89	3,290,876.97	3,114,780.89
Total Expenses	48,152,397.52	45,490,122.00	1,753,822.20	1,569,245.89	49,906,219.72	47,059,367.89
Disposal of Capital Assets	(4,651.93)				(4,651.93)	
Transfer	50,000.00	50,000.00	(50,000.00)	(50,000.00)		
Increase/(Decrease) in Net Position	$4,356,010.24	$3,833,300.70	$109,155.94	$263,724.00	$4,465,166.18	$4,097,024.70

Sources of Revenue

The District's total revenue for the 2023-2024 school year was $54,376,037.83 as reflected in Table 3 below. Property taxes accounted for 50.99 percent of the total revenue with the other 49.01 percent consisting of state and federal aid, grants, charges for services, and miscellaneous sources.

Table 3
Sources of Revenue

	FY 2024		FY 2023	
Sources of Revenue	Amount	Percentage	Amount	Percentage
Property Taxes	$27,726,569.50	50.99%	$27,256,070.26	53.28%
Operating Grants & Contributions	9,646,023.97	17.74%	9,171,565.08	17.93%
Federal & State Aid not retricted	14,708,708.22	27.05%	12,785,380.68	24.99%
Charges for Services	1,386,482.89	2.55%	1,329,802.03	2.60%
Other	908,253.25	1.67%	613,574.54	1.20%
	$54,376,037.83	100.00%	$51,156,392.59	100.00%

The increase in property taxes of $470,499.24 is a 1.73% increase allowed under current state regulations.

The increase of $474,458.89 in operating grants and contributions is mainly due to an increase in special revenue grants offset by a decrease in the actuarial pension liabilities paid by the State on behalf of the District.

The increase in federal and state aid not restricted of $1,923,327.54 is mainly due to an increase in state aid received from the state while extraordinary aid remained relatively the same.

Charges for services increased due to the increased participation in the community school programs.

The other category increased due to an increase in interest on investments and deposits.

Expenses for the Fiscal Year 2024 and 2023

The total expenditures for the 2023-2024 fiscal year for all programs and services were $49,906,219.72. Table 4 below summarizes these program costs. The District's expenses are predominantly related to instructing, providing services and transporting students, grades kindergarten through twelve, which accounts for 77.49 percent of the total District costs. Administrative and central and technology expenses account for the costs of the Office of the Superintendent of Schools, the Business Office, the Technology Office, and the Principal's Offices in all five school buildings. Maintenance and operations account for the costs of keeping the school buildings and grounds safe, clean and in good operating condition, and includes all the utility costs related to the school facilities. Other costs include interest on long-term debt, unallocated depreciation expense and the costs of the business-type activities of the proprietary funds. Depreciation expense on capital assets is included in expenses. Depreciation for the year was $1,431,004.21.

Table 4
Expenses for Fiscal Year 2024 and 2023

	FY 2024		FY 2023	
Expense Category	Amount	Percentage	Amount	Percentage
Instruction	$28,983,941.91	58.08%	$28,261,850.66	60.06%
Student and Instruction Services	7,828,199.02	15.69%	7,319,630.26	15.55%
Administrative, Central and Technology	4,983,102.31	9.98%	4,252,689.03	9.04%
Maintenance and Operations	2,958,788.65	5.93%	2,449,729.43	5.21%
Transportation	1,861,310.86	3.73%	1,660,687.62	3.53%
Other	3,290,876.97	6.59%	3,114,780.89	6.61%
	$49,906,219.72	100.00%	$47,059,367.89	100.00%

Table 5
Net Cost

Table 5 presents the net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs) of six major District activities: instruction, student & instructional services, administration and business, maintenance and operations, transportation, and other. The net cost shows the financial burden placed on the District's taxpayers and the state by each of these functions.

Table 5
Net Cost

Expense Category	FY 2024 Amount	FY 2024 Percentage	FY 2023 Amount	FY 2023 Percentage
Instruction	$23,612,833.25	60.74%	$22,148,944.35	60.59%
Student & Instruction Services	5,213,192.31	13.41%	5,624,213.89	15.38%
Administrative, Central and Technology	4,503,646.86	11.59%	3,772,610.22	10.32%
Maintenance & Operations	2,958,788.65	7.61%	2,449,729.43	6.70%
Transportation	1,528,278.86	3.93%	1,327,655.62	3.63%
Other	1,056,972.93	2.72%	1,234,847.27	3.38%
	$38,873,712.86	100.00%	$36,558,000.78	100.00%

General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey Statutes and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting. The most significant budgeted fund is the general fund. During the fiscal year there were differences between the original budget and the final amended budget as a result of transfers being applied to certain line items. These transfers were made between line items as part of the normal process as permitted by State guidelines. Readers should refer to Section C of the financial report for comparisons between actual and budgeted amounts.

Described below are explanations for variations in revenues and expenditures for certain lines where the modified budgeted amounts differ from the original budget by significant amounts.

Expenditures

The actual amounts expended for instruction and student related services increased from the prior year as the District saw in increase in salaries along with a retro payroll in 2023-2024. Transportation costs increased due to increased costs of busing contracts. Maintenance & operations increased due to increased energy costs and cleaning, repair and maintenance services. Other expenses increased slightly to increased salaries and benefit costs in the community school and food service fund.

Revenues

Excluding the change in the state pension, revenues overall saw an increase from the prior year. While federal lunch subsidies decreased, state and federal aid and grants increased as the District received slightly more special education aid and even more equalization aid. The district continued to receive ESSER II and ESSER III federal covid grants during 2023-2024. Other miscellaneous revenues mainly increased due to an increase in investments on deposit while charges for services remained relatively constant in the community school and food service programs.

Capital Assets

During the fiscal year 2023-2024 the District had limited capital acquisitions and construction projects therefore capital assets net of depreciation decreased. Table 6 reflects the comparative balances of capital assets net of depreciation. The detail of the changes in capital assets is reflected in Note 3 to the financial statements.

Table 6
Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage
	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023	Change
Land and Site Improvements	$601,821.78	$683,611.98			$601,821.78	$683,611.98	-11.96%
Building and Building Improvements	22,194,346.65	22,249,180.31			22,194,346.65	22,249,180.31	-0.25%
Construction in Progress	7,105,380.90	3,231,723.55			7,105,380.90	3,231,723.55	100.00%
Machinery and Equipment	1,309,300.37	457,258.45	$508,262.10	$516,640.27	1,817,562.47	973,898.72	86.63%
Total Assets	$31,210,849.70	$26,621,774.29	$508,262.10	$516,640.27	$31,719,111.80	$27,138,414.56	16.88%

Debt Administration

At June 30, 2024 the District had $15,980,991.61 of outstanding long-term liabilities, consisting of bonds payable, compensated absences, installment purchase agreements and net pension liability. The District will continue to pay down its debt, as the obligations are due. Table 7 reflects the comparison of outstanding liabilities for the past two fiscal years. More information of the District's long-term liabilities is presented in Note 4 to the financial statements.

Table 7
Outstanding Long-term Liabilities

	Total School Debt		Total
	FY 2024	FY 2023	Percentage Change
Installment Purchase Agreements	$3,413,116.33	$3,661,656.18	-6.79%
Compensated Absences	270,761.28	296,592.50	-8.71%
Bonds Payable	6,220,000.00	6,610,000.00	-5.90%
Net Pension Liability	6,077,114.00	5,833,738.00	4.17%
	$15,980,991.61	$16,401,986.68	-2.57%

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
MIDDLESEX, NEW JERSEY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024
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The District's Future

The District is presently in stable financial position. A major concern for the community is that even though state aid has increased, the burden of the rising cost of education remains focused on taxpayers to support their local schools. Despite these concerns, the Borough of Middlesex School District is committed to maintaining fiscal responsibility as well as achieving educational excellence for all of the students of the District.

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 Annette Giordano, School Business Administrator/Board Secretary at the Middlesex Borough Board of Education, 300 John F. Kennedy Drive, Middlesex, New Jersey 08846 or email at giordanoa@middlesex.k12.nj.us.

BASIC FINANCIAL STATEMENTS

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2024.

DISTRICT-WIDE FINANCIAL STATEMENTS

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

EXHIBIT "A-1"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and cash equivalents	$10,828,781.96	$607,209.63	$11,435,991.59
Receivables, net	1,193,372.27	32,808.54	1,226,180.81
Interfunds	(40,595.32)	40,595.32	
Inventory		19,465.34	19,465.34
Restricted assets:			
Restricted cash and cash equivalents	5,229,690.26		5,229,690.26
Capital assets:			
Capital assets not being depreciated	7,149,719.90		7,149,719.90
Other capital assets, net	24,061,129.80	508,262.10	24,569,391.90
Total assets	48,422,098.87	1,208,340.93	49,630,439.80
DEFERRED OUTFLOWS OF RESOURCES:			
Related to pensions	1,173,268.16		1,173,268.16
Total Deferred Outflows of Resources	1,173,268.16		1,173,268.16
LIABILITIES			
Accounts payable	2,739,360.28	67,538.70	2,806,898.98
Payroll deductions payable	49,778.37		49,778.37
Unemployment insurance payable	154,994.30		154,994.30
Unearned revenue	39,801.54	33,958.73	73,760.27
Accrued interest payable	97,000.52		97,000.52
Noncurrent liabilities:			
Due within one year	510,129.67		510,129.67
Due beyond one year:			
Net pension liability	6,077,114.00		6,077,114.00
Compensated absences payable	270,761.28		270,761.28
Bonds and installment purchases payable	9,122,986.66		9,122,986.66
Total liabilities	19,061,926.62	101,497.43	19,163,424.05
DEFERRED INFLOWS OF RESOURCES:			
Related to pensions	1,302,664.00		1,302,664.00
Total Deferred Inflows of Resources	1,302,664.00		1,302,664.00
NET POSITION			
Net investment in capital assets	21,577,733.37	508,262.10	22,085,995.47
Restricted for:			
Special Revenue fund	233,493.43		233,493.43
Capital projects fund	10,606,208.81		10,606,208.81
Other purposes	3,686,601.90		3,686,601.90
Unrestricted (deficit)	(6,873,261.10)	598,581.40	(6,274,679.70)
Total net position	$29,230,776.41	$1,106,843.50	$30,337,619.91

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

EXHIBIT "A-2"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
JUNE 30, 2024

FUNCTIONS/PROGRAMS	EXPENSES	INDIRECT EXPENSES ALLOCATION	PROGRAM REVENUES CHARGES FOR SERVICES	PROGRAM REVENUES OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION GOVERNMENTAL ACTIVITIES	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION BUSINESS-TYPE ACTIVITIES	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION TOTAL
Governmental Activities:							
Instruction:							
Regular	$11,910,524.65	$5,371,959.72		$3,350,531.66	($13,931,952.71)		($13,931,952.71)
Special education	6,740,923.97	2,150,924.82		1,607,378.59	(7,284,470.20)		(7,284,470.20)
Other	1,941,624.30	867,984.45		413,198.41	(2,396,410.34)		(2,396,410.34)
Support services:							
Student and instruction related services	5,864,772.54	1,963,426.48	$212,976.63	2,402,030.08	(5,213,192.31)		(5,213,192.31)
General administrative services	1,190,115.21	(20,762.42)			(1,169,352.79)		(1,169,352.79)
School administrative services	2,034,314.53	1,007,167.17		479,455.45	(2,562,026.25)		(2,562,026.25)
Central services	583,483.64	(19,537.08)			(563,946.56)		(563,946.56)
Administration information technology	210,154.25	(1,832.99)			(208,321.26)		(208,321.26)
Plant operations and maintenance	2,989,174.25	(30,385.60)			(2,958,788.65)		(2,958,788.65)
Student transportation services	1,856,673.53	4,637.33		333,032.00	(1,528,278.86)		(1,528,278.86)
Unallocated benefits	11,160,011.55	(11,160,011.55)					
Unallocated Depreciation	1,372,191.96	(133,570.33)			(1,238,621.63)		(1,238,621.63)
Interest on long term debt	298,433.14			328,883.00	30,449.86		30,449.86
Total governmental activities	48,152,397.52		212,976.63	8,914,509.19	(39,024,911.70)		(39,024,911.70)
Business-type activities:							
Community School	483,104.78		602,690.99			$119,586.21	119,586.21
Food service	1,270,717.42		570,815.27	731,514.78		31,612.63	31,612.63
Total business-type activities	1,753,822.20		1,173,506.26	731,514.78		151,198.84	151,198.84
Total primary government	$49,906,219.72		$1,386,482.89	$9,646,023.97	($39,024,911.70)	$151,198.84	($38,873,712.86)
General Revenues:							
Taxes:							
Property taxes - general					$27,441,140.00		$27,441,140.00
Property taxes - debt service					285,429.50		285,429.50
Federal and state aid not restricted					14,708,708.22		14,708,708.22
Miscellaneous income					900,296.15	7,957.10	908,253.25
Total general revenues					43,335,573.87	7,957.10	43,343,530.97
Loss on disposal of capital assets					(4,651.93)		(4,651.93)
Transfer					50,000.00	(50,000.00)	
Change in net position					4,356,010.24	109,155.94	4,465,166.18
Net Position - beginning					24,874,766.17	997,687.56	25,872,453.73
Net Position ending					$29,230,776.41	$1,106,843.50	$30,337,619.91

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

MAJOR FUND FINANCIAL STATEMENTS

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

EXHIBIT "B-1"
SHEET #1

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

ASSETS AND OTHER DEBITS:	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
Assets:				
Cash and cash equivalents	$2,176,760.33	$160,618.32	$8,491,403.31	$10,828,781.96
Accounts receivable:				
Federal		417,624.32		417,624.32
State	392,060.05		42,511.22	434,571.27
Other	341,012.91	163.77		341,176.68
Restricted cash and cash equivalents:				
Capital reserve account	3,396,895.82			3,396,895.82
Maintenance reserve account	1,832,794.44			1,832,794.44
Total assets	$8,139,523.55	$578,406.41	$8,533,914.53	$17,251,844.49
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts payable	536,274.14	306,711.44	1,324,401.54	2,167,387.12
Interfunds payable	40,595.32			40,595.32
Payroll deductions payable	49,778.37			49,778.37
Unemployment insurance payable	154,994.30			154,994.30
Unearned revenue	1,600.00	38,201.54		39,801.54
Total liabilities	783,242.13	344,912.98	1,324,401.54	2,452,556.65
Fund balances:				
Restricted for:				
Capital reserve account	3,396,695.82			3,396,695.82
Maintenance reserve	1,832,794.44			1,832,794.44
FFCRA Semi- desginated for subsequent years expenditures	12,412.00			12,412.00
Excess surplus designated for subsequent years expenditures	896,989.00			896,989.00
Excess surplus - current year	899,406.46			899,406.46
Capital projects fund			4,314,781.62	4,314,781.62
Unemployment compensation	45,000.00			45,000.00
Scholarships		58,265.35		58,265.35
Student activities		175,228.08		175,228.08
Assigned for year-end encumbrances	272,983.70			272,983.70
Committed for year-end encumbrances			2,894,731.37	2,894,731.37
Total fund balances	7,356,281.42	233,493.43	7,209,512.99	14,799,287.84
Total liabilities and fund balances	$8,139,523.55	$578,406.41	$8,533,914.53	$17,251,844.49

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

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
GOVERNMENTAL FUNDS
JUNE 30, 2024

Total Fund Balances (Brought Forward)		$14,799,287.84
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.		
Cost of Assets	$56,730,810.96	
Accumulated Depreciation	(25,519,961.26)	
		31,210,849.70
Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Net pension liability	(6,077,114.00)	
Serial bonds payable	(6,220,000.00)	
Installment Purchases / ESIP payable	(3,413,116.33)	
Compensated absences payable	(270,761.28)	
		(15,980,991.61)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.		
Pensions:		
Deferred Outflows		
Pension related		1,173,268.16
Deferred Inflows:		
Pension related		(1,302,664.00)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.		
Accounts Payable - Pension related	(571,973.16)	
Accrued Interest Payable	(97,000.52)	
		(668,973.68)
Net Position of Governmental Activities		$29,230,776.41

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

EXHIBIT "B-2"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
STATEMENT OF REVENUES, 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
REVENUES:					
Local sources:					
Local tax levy	$27,441,140.00			$285,429.50	$27,726,569.50
Tuition - Individual	62,990.98				62,990.98
Miscellaneous- unrestricted	837,305.17				837,305.17
Miscellaneous- restricted		$286,126.70			286,126.70
Total revenues-local sources	28,341,436.15	286,126.70		285,429.50	28,912,992.35
State sources	24,601,004.14	110,060.00	42,511.22	328,883.00	25,082,458.36
Federal sources	53,547.00	2,707,498.98			2,761,045.98
Total revenues	52,995,987.29	3,103,685.68	42,511.22	614,312.50	56,756,496.69
EXPENDITURES:					
Current expense:					
Instruction:					
Regular	11,034,171.65	839,910.81			11,874,082.46
Special education	4,355,859.29	583,444.68			4,939,303.97
Other instruction	1,859,349.30				1,859,349.30
Support services:					
Tuition	1,920,337.19				1,920,337.19
Student and instruction related services	4,893,033.18	958,066.36			5,851,099.54
General administrative services	1,190,115.21				1,190,115.21
School administrative services	2,034,314.53				2,034,314.53
Central services	583,483.64				583,483.64
Administration information technology	210,154.25				210,154.25
Plant operations and maintenance	3,216,073.99				3,216,073.99
Student transportation services	1,878,313.64				1,878,313.64
Employee benefits	16,382,486.77				16,382,486.77
Capital outlay	288,420.26	700,680.99	4,990,491.05		5,979,592.30
Debt service:					
Principal				390,000.00	390,000.00
Interest				224,312.50	224,312.50
Total expenditures	49,846,112.90	3,082,102.84	4,990,491.05	614,312.50	58,533,019.29
Excess (deficiency) of revenues over (under) expenditures	3,149,874.39	21,582.84	(4,947,979.83)		(1,776,522.60)
Other financing sources (uses):					
Operating transfers in	50,000.00		3,510,844.00		3,560,844.00
Operating transfers out	(3,510,844.00)				(3,510,844.00)
Total financing sources (uses):	(3,460,844.00)		3,510,844.00		50,000.00
Net change in fund balances	(310,969.61)	21,582.84	(1,437,135.83)		(1,726,522.60)
Fund balances, July 1, 2023	7,667,251.03	211,910.59	8,646,648.82		16,525,810.44
Fund balances, June 30, 2024	$7,356,281.42	$233,493.43	$7,209,512.99	$-0-	$14,799,287.84

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

EXHIBIT "B-3"

BOROUGH OF MIDDLESEX 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 B-2)		($1,726,522.60)
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 depreciation exceeded capital outlays in the period.		
Depreciation expense	($1,372,191.96)	
Capital outlays	5,979,592.30	
Capital outlays not capitalized	(13,673.00)	
		4,593,727.34
Repayment of bond principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net assets and is not reported in the statements of activities.		
Paid - Principal on bonds		390,000.00
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		
Paid - Principal on installment purchase		248,539.85
In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed.		(4,651.93)
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.		(74,120.64)
District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.		
District pension contributions	560,758.00	
Add: Pension benefit	342,449.00	
		903,207.00
In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		25,831.22
Change in net position of governmental activities		$4,356,010.24

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

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OTHER FUNDS

EXHIBIT "B-4"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
PROPRIETARY FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		
ASSETS:	FOOD SERVICE	COMMUNITY SCHOOL	TOTAL
Current assets:			
Cash and cash equivalents	$395,682.48	$211,527.15	$607,209.63
Accounts receivable:			
State	1,425.70		1,425.70
Federal	31,382.84		31,382.84
Interfunds	40,595.32		40,595.32
Inventories	19,465.34		19,465.34
Total current assets	488,551.68	211,527.15	700,078.83
Noncurrent assets			
Furniture, machinery & equipment	1,014,258.84		1,014,258.84
Less: Accumulated depreciation	(505,996.74)		(505,996.74)
Total noncurrent assets	508,262.10		508,262.10
TOTAL ASSETS	996,813.78	211,527.15	1,208,340.93
LIABILITIES:			
Current liabilities:			
Accounts payable	66,018.78	1,519.92	67,538.70
Unearned revenue	26,256.01	7,702.72	33,958.73
Total current liabilities	92,274.79	9,222.64	101,497.43
NET POSITION:			
Net investment in capital assets	508,262.10		508,262.10
Unrestricted	396,276.89	202,304.51	598,581.40
TOTAL NET POSITION	$904,538.99	$202,304.51	$1,106,843.50

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

EXHIBIT "B-5"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		
	FOOD SERVICE	COMMUNITY SCHOOL	TOTAL
OPERATING REVENUES:			
Local sources:			
Daily sales-reimbursable programs	$351,253.15		$351,253.15
Daily sales non-reimbursable programs	217,866.15		217,866.15
Daily sales- other	1,695.97		1,695.97
Program fees		$602,690.99	602,690.99
Total operating revenue	570,815.27	602,690.99	1,173,506.26
OPERATING EXPENSES:			
Salaries	374,346.18	367,020.76	741,366.94
Employee benefits and taxes	130,427.39	78,354.01	208,781.40
Other purchased services		32,863.33	32,863.33
Management fee	29,000.00		29,000.00
Supplies and materials	73,352.21	4,866.68	78,218.89
Repairs and other	64,625.79		64,625.79
Depreciation	58,812.25		58,812.25
Cost of food sales - reimbursable programs	466,087.76		466,087.76
Cost of food sales - non-reimbursable programs	74,065.84		74,065.84
Total operating expenses	1,270,717.42	483,104.78	1,753,822.20
Operating income (loss)	(699,902.15)	119,586.21	(580,315.94)
Nonoperating revenues:			
State sources:			
State school lunch program	22,748.26		22,748.26
State school breakfast program	1,736.10		1,736.10
Federal sources:			
National school lunch program	454,856.66		454,856.66
National school breakfast program	61,468.22		61,468.22
National food distribution commodities	135,267.42		135,267.42
COVID supply chain assistance	51,826.06		51,826.06
Local Food for Schools (LFS)	3,612.06		3,612.06
Interest earned		7,957.10	7,957.10
Total nonoperating revenues	731,514.78	7,957.10	739,471.88
Excess (deficiency) of revenues over (under) expenditures	31,612.63	127,543.31	159,155.94
Other financing sources (uses):			
Operating transfers out		(50,000.00)	(50,000.00)
Net income	31,612.63	77,543.31	109,155.94
Net position - July 1	872,926.36	124,761.20	997,687.56
Net position - June 30	$904,538.99	$202,304.51	$1,106,843.50

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

EXHIBIT "B-6"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
PROPRIETARY FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		
	FOOD SERVICE	COMMUNITY SCHOOL	TOTAL
Cash flows from operating activities:			
Receipts from customers	$536,637.17	$587,274.14	$1,123,911.31
Payments to employees	(348,971.65)	(367,020.76)	(715,992.41)
Payments for employee benefits	(120,002.74)	(78,354.01)	(198,356.75)
Payments to suppliers	(676,509.26)	(38,541.69)	(715,050.95)
Net cash provided (used) by operating activities	(608,846.48)	103,357.68	(505,488.80)
Cash flows from noncapital financing activities:			
State sources	23,988.74		23,988.74
Federal sources	695,431.42		695,431.42
Transfer out		(50,000.00)	(50,000.00)
Net cash provided (used) by noncapital financing activities	719,420.16	(50,000.00)	669,420.16
Cash flows from investing activities:			
Interest earned		7,957.10	7,957.10
Net cash provided (used) by noncapital financing activities		7,957.10	7,957.10
Cash flows from capital and related financing activities:			
Purchases of capital assets	(50,434.08)		(50,434.08)
Net cash provided (used) by capital and related financing activities	(50,434.08)		(50,434.08)
Net increase(decrease) in cash and cash equivalents	60,139.60	61,314.78	121,454.38
Cash and cash equivalents, July 1	335,542.88	150,212.37	485,755.25
Cash and cash equivalents, June 30	$395,682.48	$211,527.15	$607,209.63
Operating income(loss)	($699,902.15)	$119,586.21	($580,315.94)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:			
Depreciation and net amortization	58,812.25		58,812.25
Change in assets and liabilities:			
Increase (Decrease) in unearned revenue	(9,419.04)	(15,416.85)	(24,835.89)
(Increase) Decrease in inventory	8,220.45		8,220.45
(Increase) Decrease in accounts receivable	(31,349.77)		(31,349.77)
Increase (Decrease) in accounts payable	64,791.78	(811.68)	63,980.10
Net cash provided (used) by operating activities	($608,846.48)	$103,357.68	($505,488.80)

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

Borough of Middlesex School District
Notes to the Financial Statements
June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The Borough of Middlesex School District is a Type II District located in Middlesex County, New Jersey. The School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The District is governed by a nine member board elected to three-year terms 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.

The primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled *"Determining Whether Certain Organizations are Component Units" (GASB 39)* as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and that meet *all* of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government.

2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the 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.

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include three elementary schools, a middle and a high school located in the Borough of Middlesex. 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The District's basic financial statements consist of District-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

District-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of net position presents the financial condition of the governmental and business-type activity of the District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements: During the fiscal year, the District segregates transactions related to certain 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 funds as major is important for public interest and to promote consistency among district financial reporting models.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Types

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Fund

Enterprise Fund - The enterprise fund accounts for all revenues and expenses pertaining to 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. The district also considers the operations of the Community School as an enterprise fund.

Basis of Accounting – Measurement Focus

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

District-Wide and Proprietary Financial Statements: The District-Wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures. Ad Val Orem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the April school Board election to the date of the November general election thereby eliminating the vote on the annual base budget. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23. All budget amendments and transfers must be approved by School Board resolution. Budget amendments during the year ended June 30, 2024 totaled $730,000.00. The over-expenditures related to on-behalf payments in the general fund are due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

All budget 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).

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures. Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Encumbrance Accounting

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as assigned or committed 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 revenues at fiscal year end.

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

Interfunds

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available spendable resources.

Inventories and Prepaid Expenses

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Distribution Commodities, at stated value which approximates market.

Prepaid expenses which benefit future period, other than those recorded in the enterprise fund, are recorded as an expenditure in the year of purchase.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

The District has an established formal system of accounting for its capital assets. Capital Assets used for governmental purposes, which include land, buildings and improvements and furniture and equipment, are only reported in the district- wide financial statements. The District generally defines capital assets as assets with an initial cost of $2,000.00 or more and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their acquisition value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated in the district-wide statements using the straight-line method over the following estimated useful lives:

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

Compensated Absences

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (Continued)

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

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

For the District-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the fund financial statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Fund Equity

Fund balance restrictions are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designation of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unassigned fund balances represent the amount available for future budgetary operations.

Unassigned net position represents the remains of the District's equity in the cumulative earnings of the proprietary fund.

Unearned Revenue

Unearned revenue in the general and special revenue funds represents funds which have been received but not yet earned. A corresponding accounts receivable has also been established for any open encumbrances at year end which is allowable under generally accepted accounting principles.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

Net Position

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

Fund Balance

Under GASB 54, in the fund financial statements, governmental funds report the following classifications of fund balance:

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

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. The District reports the Capital Reserve, Maintenance Reserve, Unemployment Compensation, Scholarship, Student Activities and Excess Surplus as Restricted Fund Balance.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance (Continued)

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education. The District reports amounts Designated for Subsequent Year's Expenditures and Capital Fund Encumbrances as Committed Fund Balance.

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

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues – Exchange and Non-Exchange Transactions (Continued)

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

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

Proprietary Fund Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School District enterprise funds are charges to customers for sales of food service and the before and after school care program. Operating expenses for enterprise funds include the cost of sales and services, administrative expense and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of the program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent of occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

Management Estimates

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

Accounting and Financial Reporting for Pensions

In the district-wide financial statements 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 District's proportionate share of the New Jersey Public Employees Retirement System ("PERS") and the Teachers' Pension and Annuity Fund ("TPAF") and the additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they were reported by PERS and TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements the year end net pension liability is not required to be reflected. Pension related revenues and expenditures are reflected based on amounts that are normally expected to be liquidated with available financial resources for required pension contributions. Expenditures for PERS are recognized based upon billings made by the State of New Jersey due April 1st of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The governmental fund financial statements reflect both a revenue and expense for this pension contribution.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies in this category, deferred amounts related to pensions.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one item that qualifies in this category, deferred amounts related to pensions.

Leases

Lease receivables are measured at the present value of the lease payments expected to be received during the lease term. The District may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized in a systematic and rational manner over the lease term.

Lease liabilities represent obligations to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Payments for short-term leases with a term of 12 months or less are expensed as incurred and these leases are not included as leas liabilities or right –to-use assets on the statements of net position.

Right to Use Assets

Right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized in a systematic and rational manner over the life of the related lease.

Subscription-Based Information Technology Arrangements (SBITAs)

GASB Statement No. 96 defines a SBITA; establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding liability; provides capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosure regarding SBITAs.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Board considers petty cash, change funds, cash in banks, deposits in the government money market account, and short-term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a Banking Institution that is a member of the Federal Reserve System, and has capital funds of not less than $25,000,000.00. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

The Borough of Middlesex School District had the following cash and cash equivalents at June 30, 2024.

	Cash in Bank	Additions	Reductions	Reconciled Balance
Governmental Funds	$16,924,578.49	$371,186.69	$1,237,292.96	$16,058,472.22
Proprietary Fund	743,711.40	652.27	137,154.04	607,209.63
	$17,668,289.89	$371,838.96	$1,374,447.00	$16,665,681.85

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one item that qualifies in this category, deferred amounts related to pensions.

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Lease receivables are measured at the present value of the lease payments expected to be received during the lease term. The District may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized in a systematic and rational manner over the lease term.

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Right to Use Assets

Right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized in a systematic and rational manner over the life of the related lease.

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GASB Statement No. 96 defines a SBITA; establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding liability; provides capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosure regarding SBITAs.

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

Investments (Continued)

6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.

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

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;
   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. 17:19-41); and;
   e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2024, the District has no investments outstanding. Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices of the Investment Council of the N.J. Cash Management Fund, the District is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: CHANGE IN CAPITAL ASSETS

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

	Beginning Balance	Additions/ Transfers	Retirements	Ending Balance
Governmental activities:				
Capital assets that are not depreciated:				
Land	$44,339.00			$44,339.00
Construction in progress	3,231,723.55	$3,873,657.35		7,105,380.90
Total capital assets that are not depreciated	3,276,062.55	3,873,657.35		7,149,719.90
Capital assets being depreciated:				
Site improvements	2,617,434.37			2,617,434.37
Building and building improvements	42,277,072.80	1,082,805.33		43,359,878.13
Machinery and equipment	2,664,100.43	1,009,456.62	($69,778.49)	3,603,778.56
Total capital assets being depreciated	47,558,607.60	2,092,261.95	(69,778.49)	49,581,091.06
Total gross assets	50,834,670.15	5,965,919.30	(69,778.49)	56,730,810.96
Less: accumulated depreciation for:				
Site improvements	(1,978,161.39)	(81,790.20)		(2,059,951.59)
Building and building improvements	(20,027,892.49)	(1,137,638.99)		(21,165,531.48)
Machinery and equipment	(2,206,841.98)	(152,762.77)	65,126.56	(2,294,478.19)
	(24,212,895.86)	(1,372,191.96)	65,126.56	(25,519,961.26)
Governmental activities capital assets, net	$26,621,774.29	$4,593,727.34	($4,651.93)	$31,210,849.70
Business type activities:				
Machinery and equipment	963,824.76	50,434.08		1,014,258.84
Less: accumulated depreciation	(447,184.49)	(58,812.25)		(505,996.74)
Business type activities capital assets, net	$516,640.27	($8,378.17)	$-0-	$508,262.10

Depreciation Expense was charged to governmental expenses as follows:

Instruction:	
Regular	($52,714.81)
Support Services:	
Plant operations and maintenance	(16,860.36)
Student transportation	(18,788.67)
Direct Expense of various functions	(1,220,962.08)
	($1,309,325.92)

NOTE 4: LONG-TERM DEBT

Bonds are issued by the District pursuant to the provisions of Title 18A, Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness.

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Basically, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

At June 30, 2024, the District had no bonds or notes authorized but not issued.

The following is a summary of changes in liabilities that affect other long-term obligations for the year ended June 30, 2024.

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Amounts du Within one year
Bonds Payable	$6,610,000.00		$390,000.00	$6,220,000.00	$270,000.(
Compensated Absences	296,592.50		25,831.22	270,761.28	
Installment Purchase Contracts/ESIP Payables	3,661,656.18		248,539.85	3,413,116.33	240,129.6
Net Pension Liability	5,833,738.00	$243,376.00		6,077,114.00	
	$16,401,986.68	$243,376.00	$664,371.07	$15,980,991.61	$510,129.6

NOTE 4: LONG-TERM DEBT (CONTINUED)

Bonds Payable

The annual requirements to amortize all debt outstanding as of June 30, 2024, with interest payments on issued debt, are as follows:

Year Ending June 30	Principal	Interest	Total
2025	$270,000.00	$211,637.50	$481,637.50
2026	280,000.00	202,862.50	482,862.50
2027	290,000.00	193,762.50	483,762.50
2028	300,000.00	184,337.50	484,337.50
2029	310,000.00	174,587.50	484,587.50
2030	315,000.00	164,512.50	479,512.50
2031	325,000.00	154,275.00	479,275.00
2032	335,000.00	143,712.50	478,712.50
2033	345,000.00	132,825.00	477,825.00
2034	360,000.00	120,750.00	480,750.00
2035	370,000.00	108,150.00	478,150.00
2036	380,000.00	95,200.00	475,200.00
2037	390,000.00	81,900.00	471,900.00
2038	390,000.00	68,250.00	458,250.00
2039	390,000.00	54,600.00	444,600.00
2040	390,000.00	40,950.00	430,950.00
2041	390,000.00	27,300.00	417,300.00
2042	390,000.00	13,650.00	403,650.00
	$6,220,000.00	$2,173,262.50	$8,393,262.50

NOTE 4: LONG-TERM DEBT (CONTINUED)

Under New Jersey Statutes the District may incur debt in an amount not to exceed 4% of the averaged equalized valuation basis of real property. For the calendar year ended December 31, 2023, the District borrowing capacity under N.J.S. 18A:24-19 would be as follows:

Year	Equalized Valuation of Real Property
2023	$2,324,028,172.00
2022	2,077,941,507.00
2021	1,902,821,062.00
	$6,304,790,741.00
Average equalized valuation of property	$2,101,596,913.67
School borrowing margin (4% of $2,101,596,913.67)	84,063,876.55
Net bonded school debt as of December 31, 2023	6,610,000.00
School borrowing power available	$77,453,876.55

NOTE 5: INSTALLMENT PURCHASE AGREEMENT

The District has entered into an agreement for an Energy Savings Improvement Program through an Installment Purchase Agreement at a fixed interest rate of 2.597%. The following is the annual payment schedule summarizing amounts due each year for principal and interest.

Year Ending June 30	Principal	Interest	Total
2025	$240,129.67	$87,079.59	$327,209.26
2026	250,269.63	80,777.59	331,047.22
2027	260,840.43	74,209.45	335,049.88
2028	275,454.99	67,340.55	342,795.54
2029	290,624.82	60,088.48	350,713.30
2030	306,368.27	52,438.75	358,807.02
2031	322,704.28	44,376.30	367,080.58
2032	339,652.37	35,885.63	375,538.00
2033	357,232.65	26,950.73	384,183.38
2034	375,465.86	17,555.01	393,020.87
2035	394,373.36	7,681.41	402,054.77
	$3,413,116.33	$554,383.49	$3,967,499.82

NOTE 6: PENSION PLANS

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

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

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

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

Significant Legislation

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

NOTE 6: PENSION PLANS (CONTINUED)

Pension Plan Design Changes

Effective June 28, 2011, P.L. 2011, c. 78, new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

Funding Changes

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2018 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

COLA Suspension

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 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.

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. As of April 1, 2018 employee contribution rates were increased to 7.50%.

NOTE 6: PENSION PLANS (CONTINUED)

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of TPAF (*i.e.* the State of New Jersey makes the employer contribution on behalf of public school districts.

PERS Contribution Requirements

Year June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2024	$560,758.00	100.00%	$560,758.00
2023	487,472.00	100.00%	487,472.00
2022	530,875.00	100.00%	530,875.00

During the fiscal years ended June 30, 2024, 2023 and 2022, the State of New Jersey contributed $6,501,668.00, $6,305,709.00 and $6,224,765.00, respectively to the TPAF pension system on behalf of the District.

Also, during the fiscal year ended June 30, 2024, 2023 and 2022, the State of New Jersey contributed $2,221.00, $2,113.00 and $1,999.00 respectively to the TPAF long term disability insurance fund on behalf of the District.

Also in accordance with N.J.S.A. 18A:66-66, during the years ended June 30, 2024, 2023 and 2022, the State of New Jersey reimbursed the District $1,381,917.14, $1,333,088.13 and $1,311,734.61, respectively for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Other local amounts reported by the State as the District's proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the State's actuarially calculated pension expense as follows:

Year Ended June 30,	Amount
2024	($402,383.00)
2025	(260,620.00)
2026	168,726.00
2027	(126,321.00)
2028	(80,771.00)
	($701,369.00)

Actuarial Assumptions

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	
Through 2026	2.75-6.55% Based on Years of Service
Investment Rate of Return	7.00%

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68

Public Employees Retirement System (PERS)

At June 30, 2024, the State reported a net pension liability of $6,077,114.00 for the District 's proportionate share of the total net pension liability. 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. 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 employers, actuarially determined. At June 30, 2023, the District's proportion was 0.0419563459 percent, which was an increase of 0.0033002447 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized a pension benefit of $342,448.00 in the government-wide financial statements. This pension benefit was based on the pension plan's June 30, 2023 measurement date.

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

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$58,105.00	$24,841.00
Changes of assumptions	13,350.00	368,299.00
Net difference between projected and actual earnings on pension plan investments	27,986.00	
Changes in proportion and differences between District contributions and proportionate share of contributions	501,854.00	909,524.00
District contributions subsequent to the measurement date	571,973.16	
	$1,173,268.16	$1,302,664.00

The $571,973.16 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2024, the plan measurement date is June 30, 2023) will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68 (CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions (continued)

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

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

Long-Term Rate of Return

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

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68 (CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return (continued)

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

Discount Rate

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

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68 (CONTINUED)

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

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

	June 30, 2023		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the pension liability	$7,911,110.00	$6,077,114.00	$4,516,141.(

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 http://www.state.nj.us/treasury/pensions

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68 (CONTINUED)

Teachers Pensions and Annuity Fund (TPAF)

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

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2024 was as follows:

Net Pension Liability:	
Districts proportionate share	$-0-
State's proportionate share associated with the District	77,639,186.00
	$77,639,186.00

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 June 30, 2022 which was rolled forward to June 30, 2023. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2023, the proportion of the TPAF net pension liability associated with the District was .1521362421% which was an increase of .0030306697 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized on-behalf pension expense and revenue of $1,907,369.00 in the government-wide financial statements for contributions provided by the State. This pension expense and revenue was based on the pension plans June 30, 2023 measurement date.

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68 (CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

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%

Mortality Rate

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

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

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries.

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68 (CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return (Continued)

The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2023 are summarized in the following table:

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

Discount Rate

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

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68 (CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

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

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Teachers Public and Annuity Fund (TPAF). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 http://www.state.nj.us/treasury/pensions.

NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS – GASB 75

Plan Description and Benefits Provided

The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan, which 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 Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS – GASB 75

Plan Description and Benefits Provided

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with 0N.J.S.A 52:14-17.32f. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L, 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Employees Covered by Benefit Terms

The State Health Benefit Local Education Retired Employees Plan Membership covered by the benefit terms consisted of the following:

Active Plan Members	217,212
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	152,383
Inactive Plan Members or Beneficiaries Not Yet Receiving Benefits	- 0 -
Total Plan Members	369,595

NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Total Non-Employer OPEB Liability

The portion of the total Non-Employer OPEB Liability that was associated with the District at June 30, 2024 was as follows:

Total OPEB Liability:	
District's Proportionate Share	$-0-
State's Proportionate Share associated with the District	77,753,527
	$77,753,527

The total Non-Employer 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.

The total Non-Employer OPEB liability was determined separately based on actual data of the District.

For the year ended June 30, 2024, the District recognized on-behalf post-employment expense and revenue of $2,070,378.00 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2023 measurement date.

At June 30, 2024, the District's proportion was .1484932196 percent, which was a decrease of .0005258344 from its proportion measured as of June 30, 2023.

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS, TPAF/ABP and PFRS participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Consequently, the District did not recognize any portion of the collective Non-Employer OPEB liability on the Statement of Net Position.

NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs

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

	June 30, 2023		
	TPAF/ABP	PERS	PFRS
Inflation – 2.5%			
Salary Increases	2.75-4.25%*	2.75-6.55%*	3.25-16.25%*

*- Based on Years of Service

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

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

NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

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 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

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

NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Changes in the Total Non-Employer OPEB Liability

Shown below are details regarding The Total OPEB non-employer Liability associated with the District for the measurement period from June 30, 2021 to June 30, 2023.

Balance at 6/30/22		$75,472,880
Changes for the year:		
Service cost	$3,082,363	
Interest	2,738,384	
Differences between expected and actual experience	(1,632,379)	
Changes in assumptions or other inputs	156,719	
Membership Contributions	70,175	
Benefit payments - Net	(2,134,615)	
Net changes		2,280,647
Balance at 6/30/23		$77,753,527

NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

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

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

	June 30, 2023		
	1.00% Decrease (2.65%)	At Discount Rate (3.65%)	1.00% Increase (4.65%)
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	$91,152,662	$77,753,527	$66,995,577

Sensitivity of the Total Non-Employer OPEB Liability to Changes in Healthcare Trends

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

	June 30, 2023		
	1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	$64,547,415	$77,753,527	$95,033,759

NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

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

At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's Non-Employer OPEB Liability associated with the District from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$11,344,463	$20,479,504
Changes of assumptions	11,056,650	21,457,194
Changes in proportion	2,266,418	1,917,356
	$24,667,531	$43,854,054

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total Non-Employer OPEB Liability associated with the District will be recognized in OPEB expense as follows:

Measurement Period Ended June 30,	Amount
2024	($3,807,681)
2025	(3,807,681)
2026	(3,300,276)
2027	(1,917,064)
2028	(336,878)
Total Thereafter	(6,016,945)
	($19,186,523)

NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero. There is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources in the financial statements.

State Health Benefit Local Education Retired Employee Plan Information

The New Jersey Division of Pension and Benefits issues publicly available reports on the OPEB plan. Those reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295 or on their website at http://www.state.nj.us/treasury/pensions/financial-reports.shtml.

NOTE 9: LITIGATION

The Board attorney's letter advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the Board of Education and which might materially affect the Board's financial position.

NOTE 10: CONTINGENCIES

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2023-2024 fiscal year were subject to the Uniform Guidance and New Jersey OMB Circular 15-08 which mandates that grant revenues and expenditures be audited in conjunction with the District's annual audit if expenditures for federal or state programs exceed $750,000. Findings and questioned costs, if any, relative to federal and state financial assistance programs are discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. The District's management does not believe any such audit would result in material amounts of disallowed costs.

NOTE 11: RISK MANAGEMENT

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

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

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. Charges are applied to the Unemployment Compensation Claims Payable first, and any remaining charges are applied to the Unemployment Compensation budget appropriation.

The following table is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the combined ending balance of the District's Unemployment Compensation Claims Payable and Unemployment Restricted Fund Balance for the current and previous two years:

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2023-2024		$79,751.70	$92,189.52	$199,994.30
2022-2023		81,453.37	102,559.71	212,432.12
2021-2022	$15,000.00	100,927.60	71,356.60	233,538.46

NOTE 12: INTERFUND RECEIVABLES AND PAYABLES

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were made. The following interfund balances remained on the balance sheet at June 30, 2024.

Fund	Interfund Receivable	Interfund Payable
General Fund		$40,595.32
Special Revenue Fund	$40,595.32	
	$40,595.32	$40,595.32

NOTE 13: FUND BALANCE APPROPRIATED

General Fund – Of the $7,356,281.42 General Fund fund balance at June 30, 2024, $272,983.70 has been assigned for year-end encumbrances; $3,678,682.12 has been restricted in the Capital Reserve Account but only $3,396,695.82 is reflected as assigned on the balance sheet since the unassigned balance would be negative; $1,832,794.44 has been restricted in the Maintenance Reserve; $12,412.00 has been restricted for FFCRA semi designated for subsequent years expenditures; $45,000.00 has been restricted for unemployment compensation; $1,796,395.46 has been restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7, of which $896,989.00 has been appropriated and included as anticipated revenue in the 2024-2025 budget.

NOTE 14: CALCULATION OF EXCESS SURPLUS-BUDGETARY BASIS

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 fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. Based on this calculation, the Middlesex School District has no excess fund balance resulting from the year ended June 30, 2024.

General Fund Expenditures Fiscal Year Ended June 30, 2024	$49,846,112.90
Add:	
Transfer from Capital Reserve to Capital Projects Fund	3,510,844.00
	53,356,956.90
Less:	
On-behalf TPAF Pension and Social Security Reimbursement	9,655,322.14
Adjusted General Fund Expenditures	43,701,634.76
Excess Surplus Percentage	2.00%
2% of Adjusted 2023-24 General Fund Expenditures	874,032.70
Add: Allowable Adjustments	323,660.00
Maximum Unassigned Fund Balance	1,197,692.70
Actual Unassigned Fund Balance	2,097,099.16
Excess Surplus	$899,406.46

NOTE 15: CAPITAL RESERVE ACCOUNT- BUDGETARY BASIS

A capital reserve account was established by the Borough of Middlesex Board of Education by the inclusion of $1,000.00 in the 2000-2001 school year 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 as per N.J.S.A. 18A:7G-31(c), 18A:7G-13 and N.J.A.C. 6A23A-14.1 by appropriating funds in the annual general fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. N.J.S.A. 18A:7F-41(a), 18A:7F-41(b) and N.J.A.C. 6A:23A-14.3 permit a district board of education to transfer by board resolution (prior to June 30) any unanticipated revenue or unexpended line-item appropriation amounts to the capital reserve for withdrawal in subsequent school years. Pursuant to N.J.A.C. 6:23A-5.1(d) 7, the balance in the account cannot at any time exceed the local costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the year ending June 30, 2024 is as follows:

Beginning balance, July 1, 2023	$4,828,526.14
Add: Transfer per Resolution	2,360,999.98
	$7,189,526.12
Less: Budgeted Withdrawal	3,510,844.00
Ending balance, June 30, 2024	$3,678,682.12

NOTE 16: DEFERRED COMPENSATION

The District offers its employees a choice of the deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans 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. Since the District does not have any property or rights to the plan assets and no fiduciary relationship exists between the District and the deferred compensation plan, the plan assets are not included in the District's financial statements as of June 30, 2024.

NOTE 17: MAINTENANCE RESERVE

A maintenance reserve was established through a board resolution by the Borough of Middlesex School District in the amount of $150,000.00 in the 2007-2008 school year for the accumulation of funds for the required maintenance of a facility in accordance with N.J.S.A. 18A:7G-9 as amended by P.L. 2004, c. 73 (S1701). N.J.S.A. 18A:7G-31(c), 18A:7G-13 and N.J.A.C. 6A:23A-14.2 permits districts, by board resolution, to transfer undesignated general fund balance to the maintenance reserve account if approved in the district's original budget certified for taxes or if the district received voter approval by a separate proposal at budget time or by special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. N.J.S.A. 18A:7F-41(a), 18A:7F-41(b) and N.J.A.C. 6A:23A-14.3 permit a district board of education to transfer by board resolution (prior to June 30) any unanticipated revenue or unexpended line-item appropriation amounts to the maintenance reserve for withdrawal in subsequent school years.

The activity of the maintenance reserve for the year ending June 30, 2024 is as follows:

Balance, July 1, 2023	$832,794.44
Add: Board resolution	1,000,000.00
Balance, June 30, 2024	$1,832,794.44

NOTE 18: TAX ABATEMENTS

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

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

NOTE: 19: COMPENSATED ABSENCES

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the district - wide statement of net position. As of June 30, 2024, a liability existed for compensated absences for governmental fund-types in the district-wide Statement of Net Position of $270,761.28.

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 proprietary funds.

For additional descriptive information see Note 1, Summary of Significant Accounting Policies.

NOTE 20: INVENTORY

Inventory in the Food Service Fund at June 30, 2024 consist of the following:

Food and Supplies	$19,465.34

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

NOTE 21: SUBSEQUENT EVENTS

The Board of Education has evaluated subsequent events occurring after the financial statement date through December 5, 2024 which is the date the financial statements were available to be issued. Based upon this evaluation, the District has determined that no subsequent events needed to be disclosed.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

EXHIBIT "C-1"
SHEET #1

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	ORGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
REVENUES:					
Local sources:					
Local tax levy	$27,441,140.00		$27,441,140.00	$27,441,140.00	
Tuition from individuals	52,800.00		52,800.00	62,990.98	$10,190.98
Tuition from Other LEAs Within State				202,619.30	202,619.30
Unrestricted miscellaneous revenues	164,000.00		164,000.00	634,685.87	470,685.87
Total local sources	27,657,940.00		27,657,940.00	28,341,436.15	683,496.15
State sources:					
Categorical transportation aid	333,032.00		333,032.00	333,032.00	
Extraordinary aid				284,075.00	284,075.00
Categorical special education aid	1,717,325.00		1,717,325.00	1,717,325.00	
Equalization aid	12,422,755.00		12,422,755.00	12,422,755.00	
Categorical security aid	359,344.00		359,344.00	359,344.00	
Non-public school transportation				39,585.00	39,585.00
On-behalf TPAF pension - post retirement medical (non budgete				1,769,516.00	1,769,516.00
On-behalf TPAF pension contribution (non-budgeted)				6,428,356.00	6,428,356.00
On-behalf TPAF non-contributory insurance (non-budgeted)				73,312.00	73,312.00
On-behalf TPAF long term disability insurance (non-budgeted)				2,221.00	2,221.00
Reimbursed TPAF social security cont. (non-budgeted)				1,381,917.14	1,381,917.14
Total state sources	14,832,456.00		14,832,456.00	24,811,438.14	9,978,982.14
Federal sources:					
FEMA Hurricane IDA				4,164.06	4,164.06
Medicaid reimbursement (Semi)	65,048.00		65,048.00	49,382.94	(15,665.06)
Total federal sources	65,048.00		65,048.00	53,547.00	(11,501.00)
Total revenues	$42,555,444.00		$42,555,444.00	$53,206,421.29	$10,650,977.29
EXPENDITURES:					
CURRENT EXPENSE:					
Instruction - regular programs:					
Preschool	$54,853.00		$54,853.00	$54,853.00	
Kindergarten	552,071.00	(55,353.00)	496,718.00	495,143.00	1,575.00
Grades 1-5	3,530,842.00	(32,562.20)	3,498,279.80	3,333,897.86	164,381.94
Grades 6-8	2,420,586.00	22,500.00	2,443,086.00	2,425,745.81	17,340.19
Grades 9-12	3,836,615.00	(4,550.20)	3,832,064.80	3,832,055.98	8.82
Regular programs - home instruction:					
Salaries of teachers	13,100.00	(1,450.00)	11,650.00	4,140.68	7,509.32
Purchased professional educational services	11,000.00	8,999.00	19,999.00	18,177.66	1,821.34

EXHIBIT "C-1"
SHEET #2

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	ORGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Regular programs - undistributed instruction:					
Other salaries for instruction	$20,570.00	($4,500.00)	$16,070.00	$645.67	$15,424.33
Purchased professional - educational services	133,830.00	39,900.00	173,730.00	170,070.10	3,659.90
Other purchased services (400 - 500 series)	172,825.00	(9,583.00)	163,242.00	138,992.06	24,249.94
General supplies	642,681.69	(36,123.49)	606,558.20	554,205.47	52,352.73
Textbooks	23,475.72	(15,340.00)	8,135.72	5,543.16	2,592.56
Other objects		708.00	708.00	701.20	6.80
Total regular programs	11,412,449.41	(87,354.89)	11,325,094.52	11,034,171.65	290,922.87
Instruction - Special Education:					
Learning and/or language disabilities:					
Salaries of Teachers	476,599.00	(76,133.20)	400,465.80	335,043.78	65,422.02
Other salaries for instruction	207,544.00	17,604.00	225,148.00	127,961.76	97,186.24
Purchased Professional-Educational Services	7,500.00		7,500.00	3,298.86	4,201.14
General Supplies	16,648.00	(3,201.00)	13,447.00	6,444.02	7,002.98
Other Objects	1,290.00		1,290.00	77.85	1,212.15
Total learning and/or language disabilities	709,581.00	(61,730.20)	647,850.80	472,826.27	175,024.53
Multiple disabilities:					
Salaries for teachers	473,906.00	9,864.00	483,770.00	427,229.06	56,540.94
Other salaries for instruction	405,862.00	31,502.00	437,364.00	368,977.39	68,386.61
Purchased professional educational services	11,500.00		11,500.00	1,404.48	10,095.52
General supplies	37,449.00	(2,013.00)	35,436.00	29,556.68	5,879.32
Other objects	2,570.00		2,570.00	470.23	2,099.77
Total Multiple Disabilities	931,287.00	39,353.00	970,640.00	827,637.84	143,002.16
Resource room / resource center:					
Salaries of teachers	2,280,879.00	(84,689.20)	2,196,189.80	2,073,187.43	123,002.37
Other salaries for instruction	340,224.00	(70,761.00)	269,463.00	202,204.90	67,258.10
Purchased professional educational services	7,000.00	113,150.00	120,150.00	119,686.82	463.18
General supplies	18,570.95	(4,975.00)	13,595.95	12,327.23	1,268.72
Total resource room / resource center	2,646,673.95	(47,275.20)	2,599,398.75	2,407,406.38	191,992.37
Autism:					
Salaries of teachers	64,933.00	1,000.00	65,933.00	65,308.00	625.00
Other salaries for instruction	91,691.00	(1,000.00)	90,691.00	89,097.10	1,593.90
Purchased professional educational services	2,000.00		2,000.00	1,225.77	774.23
General supplies	4,834.00		4,834.00	4,687.82	146.18
Other Objects	500.00		500.00		500.00
Total autism	163,958.00		163,958.00	160,318.69	3,639.31

EXHIBIT "C-1"
SHEET #3

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	ORGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Preschool disabilities - full - time:					
Salaries of teachers	$221,209.00	($0.20)	$221,208.80	$207,209.04	$13,999.76
Other salaries for instruction	254,244.00	(100.00)	254,144.00	216,935.22	37,208.78
Purchased professional educational services	3,000.00	100.00	3,100.00	3,095.32	4.68
Supplies and materials	19,731.00	(3,500.00)	16,231.00	12,535.66	3,695.34
Other Objects	250.00		250.00		250.00
Total preschool disabilities - full - time	498,434.00	(3,500.20)	494,933.80	439,775.24	55,158.56
Home instruction:					
Salaries of teachers	41,500.00		41,500.00	24,996.82	16,503.18
Purchased professional educational services	31,000.00	(2,800.00)	28,200.00	22,898.05	5,301.95
Total home instruction	72,500.00	(2,800.00)	69,700.00	47,894.87	21,805.13
Total special education	5,022,433.95	(75,952.60)	4,946,481.35	4,355,859.29	590,622.06
Basic skills / remedial:					
Salaries of teachers	542,336.00	15,614.60	557,950.60	555,347.07	2,603.53
Purchased professional educational services	3,000.00	500.00	3,500.00	1,648.92	1,851.08
General supplies	3,740.00	(733.00)	3,007.00	2,332.45	674.55
Total basic skills / remedial	549,076.00	15,381.60	564,457.60	559,328.44	5,129.16
Bilingual education instruction:					
Salaries of teachers	639,129.00	(13,342.00)	625,787.00	588,076.00	37,711.00
Purchased professional educational services	3,000.00		3,000.00	487.73	2,512.27
Other purchased services (400-500 series)	375.00		375.00		375.00
General supplies	9,715.00	(300.00)	9,415.00	5,250.19	4,164.81
Other objects	1,083.00	0.30	1,083.30		1,083.30
Total bilingual education instruction	653,302.00	(13,641.70)	639,660.30	593,813.92	45,846.38
School sponsored co-curricular activities:					
Salaries	245,789.00		245,789.00	151,121.17	94,667.83
Supplies and materials	2,250.00	116.00	2,366.00	609.66	1,756.34
Other objects	2,525.00		2,525.00	2,328.00	197.00
Total school sponsored co-curricular activities	250,564.00	116.00	250,680.00	154,058.83	96,621.17
School sponsored athletics:					
Salaries	404,428.00	(21,341.60)	383,086.40	375,365.49	7,720.91
Purchased services (300-500 series)	120,791.45	(4,426.50)	116,364.95	115,055.44	1,309.51
Supplies and materials	29,744.00	2,687.85	32,431.85	29,783.53	2,648.32
Other objects	24,550.00	7,238.65	31,788.65	31,593.65	195.00
Total school sponsored athletics	579,513.45	(15,841.60)	563,671.85	551,798.11	11,873.74
Community Services Programs/Operation:					
Other Objects		400.00	400.00	350.00	50.00
Total Community Services Programs/Operation		400.00	400.00	350.00	50.00
Total other instructional programs	2,032,455.45	(13,585.70)	2,018,869.75	1,859,349.30	159,520.45
Total - instruction	$18,467,338.81	($176,893.19)	$18,290,445.62	$17,249,380.24	$1,041,065.38

EXHIBIT "C-1"
SHEET #4

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	ORGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Undistributed expenditures:					
Instruction:					
Tuition to other LEA's within the state - regular	$32,000.00	$5,698.00	$37,698.00	$36,442.19	$1,255.81
Tuition to other LEA's within the state - special	1,693,209.00	(104,504.20)	1,588,704.80	1,343,940.54	244,764.26
Tuition to County Vocational School District - Sp Ed	8,000.00		8,000.00	6,000.00	2,000.00
Tuition to private schools for the handicapped w/in state	980,729.00	(161,044.00)	819,685.00	451,679.46	368,005.54
Total undistributed expenditures - instruction	2,713,938.00	(259,850.20)	2,454,087.80	1,838,062.19	616,025.61
Attendance and social work services:					
Salaries	34,956.00	12,912.00	47,868.00	44,831.44	3,036.56
Other purchased services (400-500 series)	1,770.00		1,770.00	357.48	1,412.52
Supplies and materials	300.00		300.00		300.00
Total attendance and social work services	37,026.00	12,912.00	49,938.00	45,188.92	4,749.08
Health services:					
Salaries	498,063.00	2,543.00	500,606.00	487,612.67	12,993.33
Purchased professional and technical services	33,970.00	(3,473.00)	30,497.00	21,577.20	8,919.80
Other purchased services	500.00		500.00	262.50	237.50
Supplies and materials	15,291.00	(24.00)	15,267.00	10,486.00	4,781.00
Other Objects		954.00	954.00	902.00	52.00
Total health services	547,824.00		547,824.00	520,840.37	26,983.63
Other support services - speech, ot, pt & related services:					
Salaries	474,291.00	(11,760.00)	462,531.00	453,265.00	9,266.00
Purchased professional educational services	328,264.00	34,760.00	363,024.00	317,673.25	45,350.75
Supplies and materials	10,863.00		10,863.00	8,710.15	2,152.85
Total other support services - speech, ot, pt & related services	813,418.00	23,000.00	836,418.00	779,648.40	56,769.60
Other support services - students - extra services					
Salaries	50,520.00	2,010.00	52,530.00	14,402.00	38,128.00
Purchased professional educational services	468,040.00	176,504.00	644,544.00	461,949.20	182,594.80
Total other support services - students - extra services	518,560.00	178,514.00	697,074.00	476,351.20	220,722.80

EXHIBIT "C-1"
SHEET #5

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	ORGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Guidance:					
Salaries of other professional staff	$767,984.00	$10,671.98	$778,655.98	$778,653.97	$2.01
Salaries of secretarial and clerical assistants	113,734.00	0.08	113,734.08	113,734.08	
Purchased professional educational services	3,700.00	(294.00)	3,406.00		3,406.00
Other purchased professional and technical services	72,059.00	(1,675.50)	70,383.50	69,073.87	1,309.63
Other purchased services	7,200.00		7,200.00	6,450.72	749.28
Supplies and materials	3,334.00	(935.00)	2,399.00	1,941.13	457.87
Other objects	2,250.00		2,250.00	935.00	1,315.00
Total guidance	970,261.00	7,767.56	978,028.56	970,788.77	7,239.79
Child study teams:					
Salaries of other professional staff	912,061.00	(3,729.70)	908,331.30	901,642.00	6,689.30
Salaries of secretarial and clerical assistants	119,234.00	(0.08)	119,233.92	118,933.92	300.00
Salaries of aba in home therapy	5,500.00	1,117.00	6,617.00	5,024.48	1,592.52
Purchased professional educational services	179,851.00	49,883.00	229,734.00	116,071.00	113,663.00
Other purchased professional and technical services	16,837.00		16,837.00	16,836.25	0.75
Other purchased services (400-500 series)	9,919.00		9,919.00	8,731.54	1,187.46
Supplies and materials	15,830.00	(600.00)	15,230.00	10,600.75	4,629.25
Other objects	2,813.00	(0.30)	2,812.70	2,200.00	612.70
Total child study teams	1,262,045.00	46,669.92	1,308,714.92	1,180,039.94	128,674.98
Improvement of instruction services:					
Salaries of supervisors of instruction	240,000.00	(1,920.00)	238,080.00	198,783.64	39,296.36
Salaries of other professional staff	156,186.00	0.98	156,186.98	133,223.57	22,963.41
Salaries of secretarial and clerical assistance	60,986.00	(0.18)	60,985.82	59,741.01	1,244.81
Other purchased services (400-500 series)	5,320.00	1,919.00	7,239.00	3,317.66	3,921.34
Supplies and materials	4,500.00	4.20	4,504.20	366.17	4,138.03
Other objects	3,315.00	0.50	3,315.50	1,970.00	1,345.50
Total improvement of instruction services	470,307.00	4.50	470,311.50	397,402.05	72,909.45
Educational media services / school library:					
Salaries	293,819.00	426.91	294,245.91	286,867.25	7,378.66
Salaries of technological coordinators	179,662.00		179,662.00	179,656.08	5.92
Purchased professional and technical services	15,025.00	346.00	15,371.00	8,331.10	7,039.90
Supplies and materials	19,629.00	(5,630.60)	13,998.40	13,623.50	374.90
Total educational media services / school library	508,135.00	(4,857.69)	503,277.31	488,477.93	14,799.38

EXHIBIT "C-1"
SHEET #6

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	ORGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Instructional staff training services:					
Salaries of other professional staff	$5,000.00		$5,000.00	$1,052.58	$3,947.42
Other purchased professional educational services	32,400.00		32,400.00	21,684.20	10,715.80
other purchased services (400- 500 series)	34,423.00	(8,113.00)	26,310.00	8,309.71	18,000.29
Supplies and materials	6,849.00		6,849.00	3,249.11	3,599.89
Total instructional staff training services	78,672.00	(8,113.00)	70,559.00	34,295.60	36,263.40
Support services general administration:					
Salaries	574,380.00	8,728.00	583,108.00	581,009.47	2,098.53
Unused Vacation Payment to Terminated/Retired Staff		8,544.00	8,544.00	8,543.76	0.24
Legal services	158,675.00	(19,035.00)	139,640.00	115,807.05	23,832.95
Audit fees	31,000.00	1,275.00	32,275.00	32,275.00	
Architectural/engineering services	11,176.86	16,250.00	27,426.86	18,637.47	8,789.39
Other purchased professional services	1,200.00	6,300.00	7,500.00	7,475.00	25.00
Other purchased technical services	7,104.00		7,104.00	6,961.92	142.08
Communications / telephone	103,056.00	(7,439.00)	95,617.00	95,611.89	5.11
Board travel expense	12,000.00	(4,000.00)	8,000.00	6,803.42	1,196.58
Miscellaneous expenditures	214,036.00	(14,000.00)	200,036.00	194,360.34	5,675.66
General supplies	8,220.00	11,045.80	19,265.80	17,655.37	1,610.43
BOE in- house training/ meeting supplies	3,000.00	2,000.00	5,000.00	4,277.80	722.20
Judgements against the district		15,000.00	15,000.00	15,000.00	
Miscellaneous expenditures	11,839.00	57,196.00	69,035.00	68,782.72	252.28
BOE membership dues and fees	17,000.00		17,000.00	16,914.00	86.00
Total support services general administration	1,152,686.86	81,864.80	1,234,551.66	1,190,115.21	44,436.45
Support services school administration:					
Salaries of principals / assistant principals	1,147,341.00	(16,725.00)	1,130,616.00	1,127,370.00	3,246.00
Salaries of other professionals	424,754.00	16,725.00	441,479.00	441,475.17	3.83
Salaries of secretarial and clerical assistants	401,226.00	(1,500.12)	399,725.88	367,373.00	32,352.88
Unused Vacation Payment to Terminated/Retired Staff		1,500.00	1,500.00	1,464.30	35.70
Purchased professional and technical services	17,800.00		17,800.00	17,316.34	483.66
Other purchased services (400-500 series)	34,495.00	(4,300.00)	30,195.00	14,619.62	15,575.38
Supplies and materials	24,606.00	2,917.32	27,523.32	22,891.83	4,631.49
Other objects	38,840.00	5,610.00	44,450.00	41,804.27	2,645.73
Total support services school administration	2,089,062.00	4,227.20	2,093,289.20	2,034,314.53	58,974.67

EXHIBIT "C-1"
SHEET #7

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	ORGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Central service:					
Salaries	$478,358.00	$35,478.00	$513,836.00	$513,835.78	$0.22
Unused vacation payment to terminated/retired staff		40,950.00	40,950.00	40,923.29	26.71
Purchased professional services	7,760.00	(2,900.00)	4,860.00	4,821.60	38.40
Miscellaneous purchased services (400-500 series)	20,158.00	(5,100.00)	15,058.00	13,958.52	1,099.48
Supplies and materials	10,979.00	(4,000.00)	6,979.00	6,844.45	134.55
Miscellaneous expenditures	3,225.00		3,225.00	3,100.00	125.00
Total central service	520,480.00	64,428.00	584,908.00	583,483.64	1,424.36
Administrative information technology:					
Salaries	62,113.00	(9,100.00)	53,013.00	52,048.04	964.96
Purchased technical services	133,170.00	(32,736.00)	100,434.00	81,177.45	19,256.55
Other purchased services	47,700.00	25,000.00	72,700.00	66,393.10	6,306.90
Supplies and materials	17,567.74	(5,000.00)	12,567.74	10,440.66	2,127.08
Other objects	590.00		590.00	95.00	495.00
Total administrative information technology	261,140.74	(21,836.00)	239,304.74	210,154.25	29,150.49
Required maintenance for school facilities:					
Salaries	191,911.00	(0.26)	191,910.74	172,991.37	18,919.37
Cleaning, repair and maintenance services	420,626.36	75,121.42	495,747.78	228,393.74	267,354.04
General supplies	63,040.00		63,040.00	7,193.88	55,846.12
Total required maintenance for school facilities	675,577.36	75,121.16	750,698.52	408,578.99	342,119.53

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	ORGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Custodial services:					
Salaries	$1,092,968.00	$54,167.20	$1,147,135.20	$1,110,745.02	$36,390.18
Salaries of non-instructional aides	179,325.00	(10,000.00)	169,325.00	159,375.78	9,949.22
Unused Vacation Payment to Terminated/Retired Staff		14,343.00	14,343.00	13,912.71	430.29
Purchased professional and technical services	79,800.00	(6,000.00)	73,800.00	72,340.01	1,459.99
Cleaning, repair and maintenance services	23,085.00	6,000.00	29,085.00	28,127.99	957.01
Lease purchase payments- energy savings improvement prograr	319,958.00		319,958.00	319,957.81	0.19
Other purchased property services	69,000.00	8,000.00	77,000.00	76,476.73	523.27
Insurance	222,292.00	(26,929.00)	195,363.00	192,660.76	2,702.24
Miscellaneous purchased services	4,800.00		4,800.00	998.75	3,801.25
General supplies	189,918.92		189,918.92	150,421.66	39,497.26
Energy (natural gas)	204,350.00	2,300.00	206,650.00	183,943.97	22,706.03
Energy (heat and electricity)	421,600.00	(5,800.00)	415,800.00	343,731.01	72,068.99
Energy (gasoline)	2,500.00	2,500.00	5,000.00	3,332.35	1,667.65
Other objects	525.00	1,000.00	1,525.00	1,280.00	245.00
Total custodial services	2,810,121.92	39,581.20	2,849,703.12	2,657,304.55	192,398.57
Care and upkeep of grounds:					
Salaries	53,414.00	(0.56)	53,413.44	53,413.44	
Cleaning, repair and maintenance	108,000.00	5,000.00	113,000.00	56,507.05	56,492.95
General supplies	14,130.00	9,000.00	23,130.00	22,654.35	475.65
Total care and upkeep of grounds	175,544.00	13,999.44	189,543.44	132,574.84	56,968.60
Security:					
Cleaning, repair, and maintenance services	85,000.00	(39,000.00)	46,000.00	14,746.87	31,253.13
General supplies	5,490.00		5,490.00	2,868.74	2,621.26
Total security	90,490.00	(39,000.00)	51,490.00	17,615.61	33,874.39
Total operations and maintenance of plant services	3,751,733.28	89,701.80	3,841,435.08	3,216,073.99	625,361.09

EXHIBIT "C-1"
SHEET #9

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	ORGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Student transportation services:					
Salaries of non-instructional aides	$29,280.00	($9,500.00)	$19,780.00	$17,153.69	$2,626.31
Salaries for pupil transportation (between home and school) - regular	46,056.00	380.40	46,436.40	45,759.82	676.58
Salaries for pupil transportation (between home and school) - special	125,186.00	1,299.60	126,485.60	119,909.65	6,575.95
Salaries (other than home & school)	33,346.00	13,750.00	47,096.00	47,073.91	22.09
Management Fee- ESC & CTSA transportation program	55,000.00	10,950.00	65,950.00	65,924.62	25.38
Cleaning, repair and maintenance services	20,000.00	6,000.00	26,000.00	24,827.65	1,172.35
Lease payments	22,172.00	0.12	22,172.12	22,172.12	
Contracted services - aid in lieu payments-non public schools	102,200.00		102,200.00	98,726.98	3,473.02
Contracted services - aid in lieu payments-charter schools	4,088.00		4,088.00		4,088.00
Contracted services - aid in lieu payments-choice schools	1,022.00		1,022.00		1,022.00
Contracted services (other than between home & schools) - vend	71,900.00	(28,670.00)	43,230.00	8,650.00	34,580.00
Contracted services (between home & school)-joint agreements	29,500.00	1,976.00	31,476.00	31,476.00	
Contract services (special education students) - vendors	70,400.00	(36,500.00)	33,900.00	33,898.96	1.04
Contracted services (regular students)-ESCs & CTSAs	422,234.00	(52,726.00)	369,508.00	369,489.27	18.73
Contracted services -(special education students) - ESCs & CTSA	840,751.00	100,470.00	941,221.00	941,213.26	7.74
Miscellaneous purchased services - transportation	21,845.00	11,941.00	33,786.00	33,785.05	0.95
Transportation supplies	20,000.00		20,000.00	17,155.66	2,844.34
Other objects	2,850.00		2,850.00	1,097.00	1,753.00
Total Student Transportation Services	1,917,830.00	19,371.12	1,937,201.12	1,878,313.64	58,887.48
Unallocated benefits - employee benefits:					
Social security contributions	445,000.00	24,000.00	469,000.00	468,090.05	909.95
Other retirement contributions - PERS	596,500.00		596,500.00	584,775.58	11,724.42
Workmen's compensation	243,782.00	6,988.00	250,770.00	250,769.85	0.15
Health benefits	5,682,314.00	(355,082.82)	5,327,231.18	4,923,384.69	403,846.49
Tuition reimbursements	34,000.00		34,000.00	33,999.98	0.02
Other employee benefits	400,520.00	(12,228.00)	388,292.00	382,274.48	6,017.52
Unused sick payments	75,000.00	9,027.00	84,027.00	83,870.00	157.00
Total unallocated benefits - employee benefits	7,477,116.00	(327,295.82)	7,149,820.18	6,727,164.63	422,655.55

EXHIBIT "C-1"
SHEET #10

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	ORGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
On-Behalf TPAF Contributions (Non-Budgeted):					
On-behalf TPAF pension - post retirement medical (non budgetec				$1,769,516.00	($1,769,516.00)
On-behalf TPAF pension contribution (non-budgeted)				6,428,356.00	(6,428,356.00)
On-behalf TPAF non-contributory insurance (non-budgeted)				73,312.00	(73,312.00)
On-behalf TPAF long term disability insurance (non-budgeted)				2,221.00	(2,221.00)
Reimbursed TPAF social security cont. (non-budgeted)				1,381,917.14	(1,381,917.14)
Total TPAF Pension/Social Security				9,655,322.14	(9,655,322.14)
Total Undistributed Expenditures	$25,090,234.88	($93,491.81)	$24,996,743.07	$32,226,037.40	($7,229,294.33)
TOTAL EXPENDITURES - CURRENT EXPENSE	$43,557,573.69	($270,385.00)	$43,287,188.69	$49,475,417.64	($6,188,228.95)
CAPITAL OUTLAY:					
Equipment:					
Grades 1-5	2,800.00	(2,800.00)			
Grades 6-8	2,000.00		2,000.00		2,000.00
Undistributed expenditures - support services - related & extra.	9,432.00		9,432.00		9,432.00
Undistributed- administrative information technology	39,574.90	199,935.00	239,509.90	239,509.14	0.76
Undistributed-Custodial Services		33,950.00	33,950.00		33,950.00
Undistributed expenditures - care and upkeep of grounds		25,000.00	25,000.00	20,950.00	4,050.00
Undistributed-Security		14,300.00	14,300.00	14,288.12	11.88
Total equipment	53,806.90	270,385.00	324,191.90	274,747.26	49,444.64
Facilities acquisition and construction services:					
Assessment for debt service on SDA funding	13,673.00		13,673.00	13,673.00	
Total facilities acquisition and construction services	13,673.00		13,673.00	13,673.00	
TOTAL CAPITAL OUTLAY	$67,479.90	$270,385.00	$337,864.90	$288,420.26	$49,444.64
Transfer of funds to charter schools	120,947.00		120,947.00	82,275.00	38,672.00
TOTAL EXPENDITURES	$43,746,000.59		$43,746,000.59	$49,846,112.90	($6,100,112.31)

EXHIBIT "C-1"
SHEET #11

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	ORGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Excess (deficiency) of revenues over (under) expenditures	($1,190,556.59)		($1,190,556.59)	$3,360,308.39	$4,550,864.98
Other financing sources (uses)					
Capital reserve - transfer to capital projects	(2,780,844.00)	(730,000.00)	(3,510,844.00)	(3,510,844.00)	
Transfers from other funds	50,000.00		50,000.00	50,000.00	
Total other financing sources	(2,730,844.00)	(730,000.00)	(3,460,844.00)	(3,460,844.00)	
Excess of revenues and other financing sources over expenditures and other expenditures and other financing sources	(3,921,400.59)	(730,000.00)	(4,651,400.59)	(100,535.61)	4,550,864.98
Fund balances, July 1	8,936,496.03		8,936,496.03	8,936,496.03	
Fund balances, June 30	$5,015,095.44	($730,000.00)	$4,285,095.44	$8,835,960.42	$4,550,864.98

Recapitulation:	
Assigned - year-end encumbrances	$272,983.70
Restricted - excess surplus - current year	899,406.46
Restricted - excess surplus - designated for subsequent year's expenditures	896,989.00
Restricted - capital reserve	3,678,682.12
Restricted - maintenance reserve	1,832,794.44
Restricted - unemployment	45,000.00
Unassigned fund balance	1,197,692.70
Assigned fund balance FFCRA/SEMI unreserved desig. sub. year	12,412.00
	$8,835,960.42
Reconciliation to governmental funds statements (GAAP):	
Prior Year aid payment not recognized on GAAP basis	(1,479,679.00)
Fund balance per governmental funds (GAAP)	$7,356,281.42

EXHIBIT "C-2"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR FISCAL YEARS ENDED JUNE 30, 2024

	ORIGINAL BUDGET	BUDGET TRANSFERS/ AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES:					
State sources		$48,415.00	$48,415.00	$43,880.00	($4,535.00)
Federal sources	$953,962.00	1,803,543.86	2,757,505.86	2,401,594.43	($355,911.43)
Other sources	155,000.00	84,853.22	239,853.22	256,159.60	16,306.38
Total revenues	1,108,962.00	1,936,812.08	3,045,774.08	2,701,634.03	(344,140.05)
EXPENDITURES:					
Instruction:					
Salaries of teachers	156,881.00	204,293.65	361,174.65	282,509.77	78,664.88
Other salaries for instruction	10,000.00	9,570.00	19,570.00	19,570.00	
Purchased professional services		15,507.00	15,507.00	5,700.00	9,807.00
Tuition	458,827.00	122,931.00	581,758.00	581,708.00	50.00
General supplies	143,047.00	239,705.48	382,752.48	331,412.12	51,340.36
Other objects	155,000.00	51,701.17	206,701.17	205,780.86	920.31
Total instruction	923,755.00	643,708.30	1,567,463.30	1,426,680.75	140,782.55
Support services:					
Other salaries	9,848.00	14,653.00	24,501.00	17,889.50	6,611.50
Personal services - employee benefits	72,197.00	52,750.75	124,947.75	104,524.15	20,423.60
Purchased professional services	103,162.00	514,969.99	618,131.99	480,268.99	137,863.00
Purchased property services		55,767.00	55,767.00	51,232.00	4,535.00
Other purchased services		8,975.00	8,975.00	4,837.76	4,137.24
Supplies and materials		211,690.26	211,690.26	160,320.26	51,370.00
Total support services	185,207.00	858,806.00	1,044,013.00	819,072.66	224,940.34
Facilities acquisition & construction services:					
Non-Instructional equipment		434,297.78	434,297.78	434,297.78	
Total facilities & construction services		434,297.78	434,297.78	434,297.78	
Total expenditures	$1,108,962.00	$1,936,812.08	$3,045,774.08	$2,680,051.19	$365,722.89
Excess(deficiency) of revenues over(under) expenditures				21,582.84	
Fund balance, July 1				211,910.59	
Fund balance, June 30				$233,493.43	
Restricted					
Scholarships				$58,265.35	
Student activities				175,228.08	
Total Fund Balance				$233,493.43	

EXHIBIT "C-3"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
BUDGET TO GAAP RECONCILIATION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/inflows of resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	$53,206,421.29	$2,701,634.03
Difference - budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and related revenue is recognized.		402,051.65
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,269,245.00	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(1,479,679.00)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	$52,995,987.29	$3,103,685.68
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules	$49,846,112.90	$2,680,051.19
Difference - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial purposes		402,051.65
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	$49,846,112.90	$3,082,102.84

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)

EXHIBIT "L-1"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

Measurement Date Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered-Employee Payroll	District's Proportion of the Net Pension Liability (Asset) as a percentage of it's Covered-Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2014	0.0423187899%	$7,923,235.00	$2,931,981.00	270.23%	52.08%
2015	0.0436473326%	9,797,952.00	2,990,203.00	327.67%	47.92%
2016	0.0459625805%	13,612,798.00	3,365,790.00	404.45%	40.14%
2017	0.0499103404%	11,618,329.00	3,257,629.00	356.65%	48.10%
2018	0.0464832300%	9,152,316.00	3,234,725.00	282.94%	53.60%
2019	0.0476223308%	8,580,822.00	3,189,924.00	269.00%	56.27%
2020	0.0447820463%	7,302,781.00	3,188,200.00	229.06%	58.32%
2021	0.0453306844%	5,370,099.00	2,833,272.00	189.54%	70.33%
2022	0.0386561012%	5,833,738.00	3,141,823.00	185.68%	62.91%
2023	0.0419563459%	6,077,114.00	3,140,892.00	193.48%	65.23%

EXHIBIT "L-2"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

Fiscal Year Ending June 30,	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	$375,250.00	$375,250.00	-0-	$3,365,790.00	11.15%
2016	408,325.00	408,325.00	-0-	3,257,629.00	12.53%
2017	462,366.00	462,366.00	-0-	3,234,725.00	14.29%
2018	462,358.00	462,358.00	-0-	3,189,924.00	14.49%
2019	463,227.00	463,227.00	-0-	3,188,200.00	14.53%
2020	489,894.00	489,894.00	-0-	3,188,200.00	15.37%
2021	530,875.00	530,875.00	-0-	2,833,272.00	18.74%
2022	487,472.00	487,472.00	-0-	3,141,823.00	15.52%
2023	560,758.00	560,758.00	-0-	3,140,892.00	17.85%
2024	571,973.16	571,973.16	-0-	3,313,733.00	17.26%

EXHIBIT "L-3"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS PENSION AND ANNUITY FUND
LAST TEN YEARS

Measurement Date Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	District's Covered-Employee Payroll	District's Proportion of the Net Pension Liability (Asset) as a percentage of it's Covered-Employee Payroll	State's Proportionate Share of the Total Net Pension Liability associated with the District as a percentage of the District's Covered-Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2014	0.1411730251%	$75,452,387.00	$13,941,775.00	-0-	541.20%	33.64%
2015	0.1491282681%	94,255,434.00	14,895,731.00	-0-	632.77%	28.71%
2016	0.1514489405%	119,139,379.00	15,084,614.00	-0-	789.81%	22.33%
2017	0.1407332414%	100,510,555.00	15,565,685.00	-0-	645.72%	25.41%
2018	0.1505365660%	95,524,531.00	15,391,624.00	-0-	620.63%	26.49%
2019	0.1488616812%	91,357,819.00	15,545,783.00	-0-	587.67%	26.95%
2020	0.1451266412%	95,564,147.00	16,334,539.00	-0-	585.04%	24.60%
2021	0.1470762686%	70,707,194.00	17,059,801.00	-0-	414.47%	35.52%
2022	0.1491055724%	76,930,149.00	17,385,063.00	-0-	442.51%	32.29%
2023	0.1521362421%	77,639,186.00	18,225,508.00	-0-	425.99%	34.68%

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in assumptions

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending June 30,	Discount Rate	Long-Term Expected Rate of Return	Actuarial Experience Study Period
2023	7.00%	7.00%	07/01/18-06/30/21
2022	7.00%	7.00%	07/01/18-06/30/21
2021	7.00%	7.00%	07/01/14-06/30/18
2020	7.00%	7.00%	07/01/14-06/30/18
2019	6.28%	7.00%	07/01/14-06/30/18
2018	5.66%	7.00%	07/01/11-06/30/14
2017	5.00%	7.00%	07/01/11-06/30/14
2016	3.98%	7.65%	07/01/11-06/30/14
2015	4.90%	7.90%	07/01/08-06/30/11
2014	5.39%	7.90%	07/01/08-06/30/11

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

The Division of Pensions and Benefits adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions. Previously, after termination of employment, but prior to retirement or death, interest was credited on member accumulated deductions at the valuation interest rate for the entire period. July 1, 2018, interest is only credited at the valuation interest rate for the first two years of inactivity prior to retirement or death.

Change in assumptions

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending June 30,	Discount Rate	Long-Term Expected Rate of Return	Actuarial Experience Study Period
2023	7.00%	7.00%	07/01/18-06/30/21
2022	7.00%	7.00%	07/01/18-06/30/21
2021	7.00%	7.00%	07/01/15-06/30/18
2020	5.40%	7.00%	07/01/15-06/30/18
2019	5.60%	7.00%	07/01/15-06/30/18
2018	4.86%	7.00%	07/01/12-06/30/15
2017	4.25%	7.00%	07/01/12-06/30/15
2016	3.22%	7.65%	07/01/12-06/30/15
2015	4.13%	7.90%	07/01/09-06/30/12
2014	4.68%	7.90%	07/01/09-06/30/12

REQUIRED SUPPLEMENTARY INFORMATION - PART IV

SCHEDULE RELATED TO ACCOUNTING AND REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (GASB 75)

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE TOTAL
OPEB LIABILITY AND RELATED RATIOS
LAST TEN YEARS

	Measurement Date Ended June 30,						
	2023	2022	2021	2020	2019	2018	2017
Total Non-Employer OPEB Liability - State's Proportionate Share of Total OPEB Liability Associated with the School District							
Balance at 6/30	$75,472,880.00	$88,865,759.00	$102,696,537.00	$61,993,072.00	$67,246,040.00	$78,672,130.00	$84,696,411.00
Changes for the year:							
Service cost	3,082,363.00	3,919,674.00	4,696,111.00	2,598,955.00	2,454,354.00	2,836,010.00	3,421,588.00
Interest	2,738,384.00	2,000,115.00	2,305,271.00	2,230,643.00	2,662,013.00	2,887,190.00	2,486,528.00
Changes of benefit terms			(94,587.00)				
Differences between expected and actual experience	(1,632,379.00)	2,851,225.00	(19,068,272.00)	18,848,411.00	(9,447,065.00)	(7,696,481.00)	
Changes in assumptions or other inputs	156,719.00	(20,246,277.00)	87,673.00	18,759,128.00	924,322.00	(7,716,820.00)	(10,177,282.00)
Membership Contributions	70,175.00	63,557.00	58,934.00	54,190.00	56,410.00	62,146.00	(1,822,213.00)
Benefit payments - Net	(2,134,615.00)	(1,981,173.00)	(1,815,908.00)	(1,787,862.00)	(1,903,002.00)	(1,798,135.00)	67,098.00
Net changes	2,280,647.00	(13,392,879.00)	(13,830,778.00)	40,703,465.00	(5,252,968.00)	(11,426,090.00)	(6,024,281.00)
Balance at 6/30	77,753,527.00	75,472,880.00	88,865,759.00	102,696,537.00	61,993,072.00	67,246,040.00	78,672,130.00
Covered Employee Payroll	21,366,400.00	20,526,886.00	19,893,073.00	19,522,739.00	18,735,707.00	18,626,350.00	18,823,314.00
District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll	-0-	-0-	-0-	-0-	-0-	-0-	-0-
State's Proportionate Share of the Total Non-Employer OPEB Liability associated with the District as a percentage of the District's Covered Employee Payroll	363.91%	367.68%	446.72%	526.04%	330.88%	361.03%	417.95%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

EXHIBIT "M-2"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART IV
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net OPEB liability in their respective accounting periods:

Measurement Date Ending June 30,	Discount Rate
2023	3.65%
2022	3.54%
2021	2.16%
2020	2.21%
2019	3.50%
2018	3.87%

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

EXHIBIT "E-1"
SHEET #1

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	TITLE I	TITLE I SIA	TITLE II PART A	TITLE III	TITLE IV	IDEA PART B BASIC	IDEA PART B PRESCHOOL	ARP IDEA PART B PRESCHOOL	PERKINS MIDDLE GRADE AWARENESS
REVENUES:									
State sources									
Federal sources	$299,960.72	$26,321.02	$48,688.00	$50,279.00	$12,162.00	$566,580.00	$15,128.00	$1,736.68	$68,505.02
Other sources									
Total revenues	299,960.72	26,321.02	48,688.00	50,279.00	12,162.00	566,580.00	15,128.00	1,736.68	68,505.02
EXPENDITURES:									
Instruction:									
Salaries of teachers	195,970.63	20,142.05		8,427.02					16,649.81
Other salaries for instruction				19,570.00					
Purchased professional services					5,700.00				
Tuition						566,580.00	15,128.00		
General supplies		4,638.11			4,950.00			1,736.68	50,581.50
Other objects									
Total instruction	195,970.63	24,780.16		27,997.02	10,650.00	566,580.00	15,128.00	1,736.68	67,231.31
Support services:									
Other salaries				10,189.50					
Personal services - employee benefits	91,240.09	1,540.86		7,083.72					1,273.71
Purchased professional services	12,750.00		48,688.00		1,512.00				
Purchased property services									
Other purchased services				4,837.76					
Supplies and materials				171.00					
Total support services	103,990.09	1,540.86	48,688.00	22,281.98	1,512.00				1,273.71
Facilities acquisition & construction services:									
Non-instructional equipment									
Total facilities acquisitions & construction services									
Total expenditures	$299,960.72	$26,321.02	$48,688.00	$50,279.00	$12,162.00	$566,580.00	$15,128.00	$1,736.68	$68,505.02
Excess (deficiency) of revenues over (under) expenditures	$-0-	$-0-	$-0-	$-0-	$-0-	$-0-	$-0-	$-0-	$-0-
Fund Balance, July 1 (as restated)									
Fund Balance, June 30	$-0-	$-0-	$-0-	$-0-	$-0-	$-0-	$-0-	$-0-	$-0-

(Continued on next page)

EXHIBIT "E-1"
SHEET #2

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	HIGH IMPACT TUTORING	ESSER II ACCELERATED LEARNING	ARP ESSER III	ARP ESSER III ACCELERATED LEARNING	SDA EMERGENT NEEDS	SCHOLARSHIP ACCOUNTS	STUDENT ACTIVITIES	LOCAL PROGRAMS	TOTAL
REVENUES:									
State sources					$43,880.00				$43,880.00
Federal sources	$47,644.21	$22,833.57	$1,205,554.05	$36,202.16					2,401,594.43
Other sources						$14,387.07	$212,976.63	$28,795.90	256,159.60
Total revenues	47,644.21	22,833.57	1,205,554.05	36,202.16	43,880.00	14,387.07	212,976.63	28,795.90	2,701,634.03
EXPENDITURES:									
Instruction:									
Salaries of teachers	36,558.44							4,761.82	282,509.77
Other salaries for instruction									19,570.00
Purchased professional services									5,700.00
Tuition									581,708.00
General supplies		22,833.57	214,334.18	15,936.00				16,402.08	331,412.12
Other objects						22,871.20	182,909.66		205,780.86
Total instruction	36,558.44	22,833.57	214,334.18	15,936.00		22,871.20	182,909.66	21,163.90	1,426,680.75
Support services:									
Other salaries	7,700.00								17,889.50
Personal services - employee benefits	3,385.77								104,524.15
Purchased professional services			397,052.83	20,266.16					480,268.99
Purchased property services					43,880.00			7,352.00	51,232.00
Other purchased services									4,837.76
Supplies and materials			159,869.26					280.00	160,320.26
Total support services	11,085.77		556,922.09	20,266.16	43,880.00			7,632.00	819,072.66
Facilities acquisition & construction services:									
Non-instructional equipment			434,297.78						434,297.78
Total facilities acquisitions & construction services			434,297.78						434,297.78
Total expenditures	$47,644.21	$22,833.57	$1,205,554.05	$36,202.16	$43,880.00	$22,871.20	$182,909.66	$28,795.90	$2,680,051.19
Excess (deficiency) of reveneues over (under) expenditure	$-0-	$-0-	$-0-	$-0-	$-0-	($8,484.13)	$30,066.97	$-0-	$21,582.84
Fund Balance, July 1						66,749.48	145,161.11		211,910.59
Fund Balance, June 30	$-0-	$-0-	$-0-	$-0-	$-0-	$58,265.35	$175,228.08	$-0-	$233,493.43

CAPITAL PROJECTS FUND DETAIL STATEMENTS

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.

EXHIBIT "F-1"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

ISSUE / PROJECT TITLE	ORIGINAL DATE	APPROPRIATION	CANCELED / ADJUSTMENTS	EXPENDITURES TO DATE PRIOR YEARS	EXPENDITURES TO DATE CURRENT YEAR	(MEMO ONLY) UNEXPENDED BALANCE JUNE 30, 2024
High School Sewer Replacement Project	08/05/21	$342,800.00	($15,951.05)	$235,320.26	$68,392.22	$23,136.47
High School Water Heater	03/09/22	323,100.00		267,011.19	56,013.67	75.14
High School Roof Project	08/05/21	745,000.00		518,843.86	124,707.61	101,448.53
Hazelwood Building System Improvements	03/08/22	641,700.00	(46,000.00)	159,698.66	290,659.67	145,341.67
Watchung Building System Improvements	03/08/22	524,600.00		47,868.13	247,413.40	229,318.47
Von E. Mauger Building System Improvements	03/08/22	4,159,000.00	(209,000.00)	629,418.97	1,754,225.10	1,566,355.93
High School Building System Improvements	03/08/22	1,480,700.00	255,000.00	489,898.09	549,964.94	695,836.97
Boiler & Unit Ventilation Project 22-23	07/25/22	2,553,935.00		707,411.20	1,118,413.47	728,110.33
District-Wide Bathrooms 22-23	08/15/22	1,685,000.00	15,951.05	23,715.82	680,956.78	996,278.45
Watchung Boiler (SDA) 23-24	02/21/24	671,494.00			13,464.73	658,029.27
Parker HVAC (SDA) 23-24	02/21/24	745,944.00			18,814.14	727,129.86
High School HVAC (SDA) 23-24	02/21/24	1,551,530.00			38,692.59	1,512,837.41
Hazelwood HVAC (SDA) 23-24	02/21/24	123,963.00			577.80	123,385.20
Von E. Mauger Roof (SDA) 23-24	02/21/24	743,253.00			28,194.93	715,058.07
Parker Fire System 23-24	07/01/24	272,550.00				272,550.00
Watchung Fire System 23-24	07/01/24	272,550.00				272,550.00
		$16,837,119.00		$3,079,186.18	$4,990,491.05	$8,767,441.77

EXHIBIT "F-2"

BOROUGH OF MIDDLESEX 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

REVENUES AND OTHER FINANCING SOURCES:	
SDA Grant	$1,600,440.00
Transfer from budgeted capital reserve	2,780,844.00
Transfer from capital reserve	730,000.00
Total revenues and other financing sources	5,111,284.00
EXPENDITURES AND OTHER FINANCING USES:	
Purchased professional and technical services	414,161.84
Construction services	4,576,329.21
Total expenditures and other financing uses	4,990,491.05
Excess (deficiency) of revenues over (under) expenditures	120,792.95
Fund balance - July 1	8,646,648.82
Fund balance - June 30	$8,767,441.77
Reconciliation to GAAP Basis:	
Fund Balance June 30 - Budgetary Basis (Exhibit F-2)	$8,767,441.77
Less: Unrealized grant revenue	(1,557,928.78)
Fund Balance June 30 - GAAP Basis (Exhibit B-2)	$7,209,512.99

EXHIBIT "F-2A"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - HIGH SCHOOL SEWER REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay/ capital reserve	$342,800.00		$342,800.00	$342,800.00
Transfer from/to other projects		($15,951.05)	(15,951.05)	(15,951.05)
Total revenues and other financing sources	342,800.00	(15,951.05)	326,848.95	326,848.95
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	8,555.26		8,555.26	30,800.00
Construction services	226,765.00	68,392.22	295,157.22	296,048.95
Total expenditures and other financing uses	235,320.26	68,392.22	303,712.48	326,848.95
Excess (deficiency) of revenues over (under) expenditures	$107,479.74	($84,343.27)	$23,136.47	
ADDITIONAL PROJECT INFORMATION:				
Project number	23-3140-050-21			
Grant date	N/A			
Original authorized cost	$342,800.00			
Additional authorized cost	(15,951.05)			
Revised authorized cost	$326,848.95			
Percentage increase over original authorized cost	N/A			
Percentage completion	100.00%			
Original target completion date	1/31/2022			
Revised target completion date	10/17/2023			

EXHIBIT "F-2B"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - HIGH SCHOOL WATER HEATER
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay/ capital reserve	$323,100.00		$323,100.00	$323,100.00
Transfer from/to other projects	0.48		0.48	0.48
Total revenues and other financing sources	323,100.48		323,100.48	323,100.48
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	9,860.34	$2,905.00	12,765.34	12,840.48
Construction services	257,151.33	53,108.67	310,260.00	310,260.00
Total expenditures and other financing uses	267,011.67	56,013.67	323,025.34	323,100.48
Excess (deficiency) of revenues over (under) expenditures	$56,088.81	($56,013.67)	$75.14	
ADDITIONAL PROJECT INFORMATION:				
Project number	N/A			
Grant date	N/A			
Original authorized cost	$323,100.00			
Additional authorized cost	0.48			
Revised authorized cost	$323,100.48			
Percentage increase over original authorized cost	0.00%			
Percentage completion	100.00%			
Original target completion date	08/25/22			
Revised target completion date	12/31/23			

EXHIBIT "F-2C"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - HIGH SCHOOL ROOF PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay/ capital reserve	$745,000.00		$745,000.00	$745,000.00
Total revenues and other financing sources	745,000.00		745,000.00	745,000.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	7,773.55	$24.49	7,798.04	52,000.00
Construction services	511,070.31	124,683.12	635,753.43	693,000.00
Total expenditures and other financing uses	518,843.86	124,707.61	643,551.47	745,000.00
Excess (deficiency) of revenues over (under) expenditures	$226,156.14	($124,707.61)	$101,448.53	
ADDITIONAL PROJECT INFORMATION:				
Project number	N/A			
Grant date	N/A			
Original authorized cost	$745,000.00			
Additional authorized cost				
Revised authorized cost	$745,000.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	100.00%			
Original target completion date	08/25/22			
Revised target completion date	11/30/23			

EXHIBIT "F-2D"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - HAZELWOOD BUILDING SYSTEM IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Bond proceeds	$641,700.00		$641,700.00	$641,700.00
Transfer from/to other projects		($46,000.00)	(46,000.00)	(46,000.00)
Total revenues and other financing sources	641,700.00	(46,000.00)	595,700.00	595,700.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	58,100.43	5,294.02	63,394.45	148,000.00
Construction services	101,598.23	285,365.65	386,963.88	447,700.00
Total expenditures and other financing uses	159,698.66	290,659.67	450,358.33	595,700.00
Excess (deficiency) of revenues over (under) expenditures	$482,001.34	($336,659.67)	$145,341.67	
ADDITIONAL PROJECT INFORMATION:				
Project number	3140-065-22-1000			
Grant date	N/A			
Original authorized cost	$641,700.00			
Additional authorized cost	(46,000.00)			
Revised authorized cost	$595,700.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	99.00%			
Original target completion date	09/01/24			
Revised target completion date	03/31/25			

EXHIBIT "F-2E"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - WATCHUNG BUILDING SYSTEM IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Bond proceeds	$524,600.00		$524,600.00	$524,600.00
Total revenues and other financing sources	524,600.00		524,600.00	524,600.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	47,868.13	$15,664.23	63,532.36	120,900.00
Construction services		231,749.17	231,749.17	403,700.00
Total expenditures and other financing uses	47,868.13	247,413.40	295,281.53	524,600.00
Excess (deficiency) of revenues over (under) expenditures	$476,731.87	($247,413.40)	$229,318.47	
ADDITIONAL PROJECT INFORMATION:				
Project number	3140-090-22-1000			
Grant date	N/A			
Original authorized cost	$524,600.00			
Additional authorized cost				
Revised authorized cost	$524,600.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	90.00%			
Original target completion date	09/01/24			
Revised target completion date	06/30/25			

EXHIBIT "F-2F"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - VON E.MAUGER BUILDING SYSTEM IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Bond proceeds	$4,159,000.00		$4,159,000.00	$4,159,000.00
Transfer from/to other projects		($209,000.00)	(209,000.00)	(209,000.00)
Total revenues and other financing sources	4,159,000.00	(209,000.00)	3,950,000.00	3,950,000.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	370,212.10	77,683.92	447,896.02	948,000.00
Construction services	259,206.87	1,676,541.18	1,935,748.05	3,002,000.00
Total expenditures and other financing uses	629,418.97	1,754,225.10	2,383,644.07	3,950,000.00
Excess (deficiency) of revenues over (under) expenditures	$3,529,581.03	($1,963,225.10)	$1,566,355.93	
ADDITIONAL PROJECT INFORMATION:				
Project number	3140-085-22-1000			
Grant date	N/A			
Original authorized cost	$4,159,000.00			
Additional authorized cost	(209,000.00)			
Revised authorized cost	$3,950,000.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	70.00%			
Original target completion date	09/01/24			
Revised target completion date	06/30/25			

EXHIBIT "F-2G"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - HIGH SCHOOL BUILDING SYSTEM IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Bond proceeds	$1,480,700.00		$1,480,700.00	$1,480,700.00
Transfer from/to other projects		$255,000.00	255,000.00	255,000.00
Total revenues and other financing sources	1,480,700.00	255,000.00	1,735,700.00	1,735,700.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	137,138.24	43,818.89	180,957.13	325,000.00
Construction services	352,759.85	506,146.05	858,905.90	1,410,700.00
Total expenditures and other financing uses	489,898.09	549,964.94	1,039,863.03	1,735,700.00
Excess (deficiency) of revenues over (under) expenditures	$990,801.91	($294,964.94)	$695,836.97	
ADDITIONAL PROJECT INFORMATION:				
Project number	3140-050-22-1000			
Grant date	N/A			
Original authorized cost	$1,480,700.00			
Additional authorized cost	255,000.00			
Revised authorized cost	$1,735,700.00			
Percentage increase over original authorized cost	17.22%			
Percentage completion	80.00%			
Original target completion date	09/01/24			
Revised target completion date	06/30/25			

EXHIBIT "F-2H"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - BOILER AND UNIT VENTILATION PROJECT 22-23
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay/ capital reserve	$2,193,935.00	$360,000.00	$2,553,935.00	$2,553,935.00
Total revenues and other financing sources	2,193,935.00	360,000.00	2,553,935.00	2,553,935.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	167,298.90	63,633.55	230,932.45	251,743.00
Construction services	540,112.30	1,054,779.92	1,594,892.22	2,302,192.00
Total expenditures and other financing uses	707,411.20	1,118,413.47	1,825,824.67	2,553,935.00
Excess (deficiency) of revenues over (under) expenditures	$1,486,523.80	($758,413.47)	$728,110.33	
ADDITIONAL PROJECT INFORMATION:				
Project number	N/A			
Grant date	N/A			
Original authorized cost	$2,193,935.00			
Additional authorized cost	360,000.00			
Revised authorized cost	$2,553,935.00			
Percentage increase over original authorized cost	16.41%			
Percentage completion	90.00%			
Original target completion date	10/31/2024			
Revised target completion date	3/31/2025			

EXHIBIT "F-2I"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - DISTRICT WIDE BATHROOMS 22-23
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay/ capital reserve	$1,315,000.00	$370,000.00	$1,685,000.00	$1,685,000.00
Transfer from/to other projects		15,951.05	15,951.05	15,951.25
Total revenues and other financing sources	1,315,000.00	385,951.05	1,700,951.05	1,700,951.25
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	23,715.82	105,393.55	129,109.37	170,398.05
Construction services		575,563.23	575,563.23	1,530,553.00
Total expenditures and other financing uses	23,715.82	680,956.78	704,672.60	1,700,951.05
Excess (deficiency) of revenues over (under) expenditures	$1,291,284.18	($295,005.73)	$996,278.45	
ADDITIONAL PROJECT INFORMATION:				
Project number	N/A			
Grant date	N/A			
Original authorized cost	$1,315,000.00			
Additional authorized cost	385,951.05			
Revised authorized cost	$1,700,951.05			
Percentage increase over original authorized cost	29.35%			
Percentage completion	90.00%			
Original target completion date	10/31/2024			
Revised target completion date	3/31/2025			

EXHIBIT "F-2J"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - WATCHUNG SCHOOL BOILERS 23-24
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay/ capital reserve		$418,454.00	$418,454.00	$418,454.00
SDA Grant		253,040.00	253,040.00	253,040.00
Total revenues and other financing sources		671,494.00	671,494.00	671,494.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services		13,464.73	13,464.73	154,960.00
Construction services				516,534.00
Total expenditures and other financing uses		13,464.73	13,464.73	671,494.00
Excess (deficiency) of revenues over (under) expenditures	$-0-	$658,029.27	$658,029.27	
ADDITIONAL PROJECT INFORMATION:				
Project number	3140-090-23-R502			
Grant date	7/18/24			
Original authorized cost	$671,494.00			
Additional authorized cost				
Revised authorized cost	$671,494.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	1.00%			
Original target completion date	12/31/2025			
Revised target completion date	N/A			

EXHIBIT "F-2K"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - PARKER SCHOOL HVAC 23-24
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay/ capital reserve		$426,384.00	$426,384.00	$426,384.00
SDA Grant		319,560.00	319,560.00	319,560.00
Total revenues and other financing sources		745,944.00	745,944.00	745,944.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services		18,814.14	18,814.14	172,141.00
Construction services				573,803.00
Total expenditures and other financing uses		18,814.14	18,814.14	745,944.00
Excess (deficiency) of revenues over (under) expenditures	$-0-	$727,129.86	$727,129.86	
ADDITIONAL PROJECT INFORMATION:				
Project number	3140-070-23-R501			
Grant date	7/18/24			
Original authorized cost	$745,944.00			
Additional authorized cost				
Revised authorized cost	$745,944.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	1.00%			
Original target completion date	12/31/2025			
Revised target completion date	N/A			

EXHIBIT "F-2L"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - HIGH SCHOOL HVAC 23-24
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay/ capital reserve		$891,610.00	$891,610.00	$891,610.00
SDA Grant		659,920.00	659,920.00	659,920.00
Total revenues and other financing sources		1,551,530.00	1,551,530.00	1,551,530.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services		38,692.59	38,692.59	358,045.00
Construction services				1,193,485.00
Total expenditures and other financing uses		38,692.59	38,692.59	1,551,530.00
Excess (deficiency) of revenues over (under) expenditures	$-0-	$1,512,837.41	$1,512,837.41	
ADDITIONAL PROJECT INFORMATION:				
Project number	3140-050-23-R502			
Grant date	7/18/24			
Original authorized cost	$1,551,530.00			
Additional authorized cost				
Revised authorized cost	$1,551,530.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	1.00%			
Original target completion date	12/31/2025			
Revised target completion date	N/A			

EXHIBIT "F-2M"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - HAZELWOOD SCHOOL HVAC 23-24
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay/ capital reserve		$92,803.00	$92,803.00	$92,803.00
SDA Grant		31,160.00	31,160.00	31,160.00
Total revenues and other financing sources		123,963.00	123,963.00	123,963.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services		577.80	577.80	28,607.00
Construction services				95,356.00
Total expenditures and other financing uses		577.80	577.80	123,963.00
Excess (deficiency) of revenues over (under) expenditures	$-0-	$123,385.20	$123,385.20	
ADDITIONAL PROJECT INFORMATION:				
Project number	3140-065-23-R502			
Grant date	7/18/24			
Original authorized cost	$123,963.00			
Additional authorized cost				
Revised authorized cost	$123,963.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	1.00%			
Original target completion date	12/31/2025			
Revised target completion date	N/A			

EXHIBIT "F-2N"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - VON E. MAUGER SCHOOL GYM ROOFS 23-24
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay/ capital reserve		$406,493.00	$406,493.00	$406,493.00
SDA Grant		336,760.00	336,760.00	336,760.00
Total revenues and other financing sources		743,253.00	743,253.00	743,253.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services		28,194.93	28,194.93	171,520.00
Construction services				571,733.00
Total expenditures and other financing uses		28,194.93	28,194.93	743,253.00
Excess (deficiency) of revenues over (under) expenditures	$-0-	$715,058.07	$715,058.07	
ADDITIONAL PROJECT INFORMATION:				
Project number	3140-085-23-R501			
Grant date	7/18/24			
Original authorized cost	$743,253.00			
Additional authorized cost				
Revised authorized cost	$743,253.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	1.00%			
Original target completion date	12/31/2025			
Revised target completion date	N/A			

EXHIBIT "F-2O"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - PARKER SCHOOL FIRE SYSTEM 23-24
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay/ capital reserve		$272,550.00	$272,550.00	$272,550.00
Total revenues and other financing sources		272,550.00	272,550.00	272,550.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services				62,896.00
Construction services				209,654.00
Total expenditures and other financing uses				272,550.00
Excess (deficiency) of revenues over (under) expenditures	$-0-	$272,550.00	$272,550.00	
ADDITIONAL PROJECT INFORMATION:				
Project number	N/A			
Grant date	N/A			
Original authorized cost	$272,550.00			
Additional authorized cost				
Revised authorized cost	$272,550.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	1.00%			
Original target completion date	12/31/2025			
Revised target completion date	N/A			

EXHIBIT "F-2P"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - WATCHUNG SCHOOL FIRE SYSTEM 23-24
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay/ capital reserve		$272,550.00	$272,550.00	$272,550.00
Total revenues and other financing sources		272,550.00	272,550.00	272,550.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services				62,896.00
Construction services				209,654.00
Total expenditures and other financing uses				272,550.00
Excess (deficiency) of revenues over (under) expenditures	$-0-	$272,550.00	$272,550.00	
ADDITIONAL PROJECT INFORMATION:				
Project number	N/A			
Grant date	N/A			
Original authorized cost	$272,550.00			
Additional authorized cost				
Revised authorized cost	$272,550.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	1.00%			
Original target completion date	12/31/2025			
Revised target completion date	N/A			

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PROPRIETARY FUND DETAIL STATEMENTS

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

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

Community School Fund: This fund provides for the operation of a community school program.

EXHIBIT "G-1"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
PROPRIETARY FUND
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		
ASSETS:	FOOD SERVICE FUND	COMMUNITY SCHOOL FUND	TOTAL
Current assets:			
Cash and cash equivalents	$395,682.48	$211,527.15	$607,209.63
Accounts receivable:			
State	1,425.70		1,425.70
Federal	31,382.84		31,382.84
Interfunds	40,595.32		40,595.32
Inventories	19,465.34		19,465.34
Total current assets	488,551.68	211,527.15	700,078.83
Noncurrent assets			
Furniture, machinery & equipment	1,014,258.84		1,014,258.84
Less: Accumulated depreciation	(505,996.74)		(505,996.74)
Total noncurrent assets	508,262.10		508,262.10
TOTAL ASSETS	996,813.78	211,527.15	1,208,340.93
LIABILITIES:			
Current liabilities:			
Accounts payable	66,018.78	1,519.92	67,538.70
Unearned Revenue	26,256.01	7,702.72	33,958.73
Total current liabilities	92,274.79	9,222.64	101,497.43
NET POSITION:			
Net investment in capital assets	508,262.10		508,262.10
Unrestricted	396,276.89	202,304.51	598,581.40
TOTAL NET POSITION	$904,538.99	$202,304.51	$1,106,843.50

EXHIBIT "G-2"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
PROPRIETARY FUND
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		
	FOOD SERVICE	COMMUNITY SCHOOL	TOTAL
OPERATING REVENUES:			
Local sources:			
Daily sales-reimbursable programs	$351,253.15		$351,253.15
Daily sales non-reimbursable programs	217,866.15		217,866.15
Daily sales- other	1,695.97		1,695.97
Program fees		$602,690.99	602,690.99
Total operating revenue	570,815.27	602,690.99	1,173,506.26
OPERATING EXPENSES:			
Salaries	374,346.18	367,020.76	741,366.94
Employee benefits and taxes	130,427.39	78,354.01	208,781.40
Other purchased services		32,863.33	32,863.33
Management fee	29,000.00		29,000.00
Supplies and materials	73,352.21	4,866.68	78,218.89
Miscellaneous	64,625.79		64,625.79
Depreciation	58,812.25		58,812.25
Cost of food sales - reimbursable programs	466,087.76		466,087.76
Cost of food sales - non-reimbursable programs	74,065.84		74,065.84
Total operating expenses	1,270,717.42	483,104.78	1,753,822.20
Operating income (loss)	(699,902.15)	119,586.21	(580,315.94)
Nonoperating revenues:			
State sources:			
State school lunch program	22,748.26		22,748.26
State school breakfast program	1,736.10		1,736.10
Federal sources:			
National school lunch program	454,856.66		454,856.66
National school breakfast program	61,468.22		61,468.22
National food distribution commodities	135,267.42		135,267.42
COVID supply chain assistance	51,826.06		51,826.06
Local Food for Schools (LFS)	3,612.06		3,612.06
Interest Earned		7,957.10	7,957.10
Total nonoperating revenues	731,514.78	7,957.10	739,471.88
Excess (deficiency) of revenues over (under) expenditures	31,612.63	127,543.31	159,155.94
Other financing sources (uses):			
Operating transfers out		(50,000.00)	(50,000.00)
Net income	31,612.63	77,543.31	109,155.94
Net position - July 1	872,926.36	124,761.20	997,687.56
Net position - June 30	$904,538.99	$202,304.51	$1,106,843.50

EXHIBIT "G-3"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
PROPRIETARY FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		
	FOOD SERVICE	COMMUNITY SCHOOL	TOTAL
Cash flows from operating activities:			
Receipts from customers	$536,637.17	$587,274.14	$1,123,911.31
Payments to employees	(348,971.65)	(367,020.76)	(715,992.41)
Payments for employee benefits	(120,002.74)	(78,354.01)	(198,356.75)
Payments to suppliers	(676,509.26)	(38,541.69)	(715,050.95)
Net cash provided (used) by operating activities	(608,846.48)	103,357.68	(505,488.80)
Cash flows from noncapital financing activities:			
State sources	23,988.74		23,988.74
Federal sources	695,431.42		695,431.42
Transfers out		(50,000.00)	(50,000.00)
Net cash provided (used) by noncapital financing activities	719,420.16	(50,000.00)	669,420.16
Cash flows from investing activities:			
Interest earned		7,957.10	7,957.10
Net cash provided (used) by noncapital financing activities		7,957.10	7,957.10
Cash flows from capital and related financing activities:			
Purchases of capital assets	(50,434.08)		(50,434.08)
Net cash provided (used) by capital and related financing activities	(50,434.08)		(50,434.08)
Net increase(decrease) in cash and cash equivalents	60,139.60	61,314.78	121,454.38
Cash and cash equivalents, July 1	335,542.88	150,212.37	485,755.25
Cash and cash equivalents, June 30	$395,682.48	$211,527.15	$607,209.63
Operating income(loss)	($699,902.15)	$119,586.21	($580,315.94)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:			
Depreciation and net amortization	58,812.25		58,812.25
Change in assets and liabilities:			
Increase (Decrease) in unearned revenue	(9,419.04)	(15,416.85)	(24,835.89)
(Increase) Decrease in prepaid expense			
(Increase) Decrease in accounts receivable	(31,349.77)		(31,349.77)
Increase (Decrease) in accounts payable	64,791.78	(811.68)	63,980.10
Net cash provided (used) by operating activities	($608,846.48)	$103,357.68	($505,488.80)

LONG-TERM DEBT SCHEDULES

The Long-Term schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under Serial Bonds and Installment Purchases.

EXHIBIT "I-1"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2024

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	ANNUAL MATURITIES AMOUNT	INTEREST RATE	BALANCE JUNE 30, 2023	DECREASES	BALANCE JUNE 30, 2024
School Bonds	4/19/22	6,806,000.00	1/15/25	270,000.00	3.25%	$6,610,000.00	$390,000.00	$6,220,000.00
			1/15/26	280,000.00	3.25%			
			1/15/27	290,000.00	3.25%			
			1/15/28	300,000.00	3.25%			
			1/15/29	310,000.00	3.25%			
			1/15/30	315,000.00	3.25%			
			1/15/31	325,000.00	3.25%			
			1/15/32	335,000.00	3.25%			
			1/15/33	345,000.00	3.50%			
			1/15/34	360,000.00	3.50%			
			1/15/35	370,000.00	3.50%			
			1/15/36	380,000.00	3.50%			
			1/15/37-42	390,000.00	3.50%			
						$6,610,000.00	$390,000.00	$6,220,000.00

EXHIBIT "I-2"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
LONG-TERM DEBT ACCOUNT
SCHEDULE OF OBLIGATIONS UNDER INSTALLMENT PURCHASE AGREEMENT
JUNE 30, 2024

DESCRIPTION	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2023	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2024
School Bus	2.970%	$101,870.00	$21,640.11	$21,640.11	
Energy Savings Improvement Program	2.597%	5,800,000.00	3,640,016.07	226,899.74	3,413,116.33
			$3,661,656.18	$248,539.85	$3,413,116.33

EXHIBIT "I-3"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
DEBT SERVICE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES:				
Local sources:				
Local tax levy	$285,430.00	$285,430.00	$285,429.50	($0.50)
State Aid	328,883.00	328,883.00	328,883.00	
Total revenues	614,313.00	614,313.00	614,312.50	(0.50)
EXPENDITURES:				
Regular debt service:				
Interest	224,313.00	224,313.00	224,312.50	0.50
Redemption of principal	390,000.00	390,000.00	390,000.00	
Total regular debt service-expenditures	614,313.00	614,313.00	614,312.50	0.50
Excess (deficiency) of revenues over (under) expenditures				
Fund balance, July 1				
Fund balance, June 30	$-0-	$-0-	$-0-	$-0-

STATISTICAL SECTION
(UNAUDITED)

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
STATISTICAL SECTION

Contents | Page

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 to J-4

Revenue Capacity:

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax. J-5 to 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 to 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. J-14

Operating Information:

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs. J-16 to J-20

Sources

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

EXHIBIT "J-1"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
NET POSITION BY COMPONENT
UNAUDITED

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities										
Net investment in capital assets	$21,577,733.37	$16,350,118.11	$14,698,580.91	$20,663,726.61	$20,546,566.25	$19,514,970.20	$20,026,192.35	$19,348,522.31	$17,388,200.78	$9,003,150.31
Restricted	14,526,304.14	16,379,777.38	14,980,555.93	7,594,726.87	5,255,916.38	4,030,961.79	3,627,129.45	3,781,764.84	4,818,999.43	11,803,913.11
Unrestricted (Deficit)	(6,873,261.10)	(7,855,129.32)	(8,637,671.37)	(9,658,552.93)	(10,558,492.33)	(10,362,053.30)	(10,745,659.44)	(10,213,505.50)	(9,051,922.72)	(8,799,276.54)
Total governmental activities net position	$29,230,776.41	$24,874,766.17	$21,041,465.47	$18,599,900.55	$15,243,990.30	$13,183,878.69	$12,907,662.36	$12,916,781.65	$13,155,277.49	$12,007,786.88
Business-type activities										
Net investment in capital assets	508,262.10	516,640.27	293,513.00	$267,327.45	$286,407.29	$308,453.33	$324,699.12	$346,331.63	$360,746.34	$385,556.34
Unrestricted	598,581.40	481,047.29	440,450.56	310,089.38	407,438.10	470,788.77	380,429.29	330,939.72	330,318.80	260,204.89
Total business-type activities net position	$1,106,843.50	$997,687.56	$733,963.56	$577,416.83	$693,845.39	$779,242.10	$705,128.41	$677,271.35	$691,065.14	$645,761.23
District-wide										
Net investment in capital assets	$22,085,995.47	$16,866,758.38	$14,992,093.91	$20,931,054.06	$20,832,973.54	$19,823,423.53	$20,350,891.47	$19,694,853.94	$17,748,947.12	$9,388,706.65
Restricted	14,526,304.14	16,379,777.38	14,980,555.93	7,594,726.87	5,255,916.38	4,030,961.79	3,627,129.45	3,781,764.84	4,818,999.43	11,803,913.11
Unrestricted (Deficit)	(6,274,679.70)	(7,374,082.03)	(8,197,220.81)	(9,348,463.55)	(10,151,054.23)	(9,891,264.53)	(10,365,230.15)	(9,882,565.78)	(8,721,603.92)	(8,539,071.65)
Total district net position	$30,337,619.91	$25,872,453.73	$21,775,429.03	$19,177,317.38	$15,937,835.69	$13,963,120.79	$13,612,790.77	$13,594,053.00	$13,846,342.63	$12,653,548.11

Source: ACFR Schedule A-1

EXHIBIT "J-2"
SHEET #1

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CHANGES IN NET POSITION
UNAUDITED

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
EXPENSES										
Governmental activities										
Instruction:										
Regular	$17,282,484.37	$17,483,821.93	$18,598,715.31	$15,684,521.90	$17,492,329.38	$18,790,205.46	$20,049,695.76	$17,525,342.37	$16,311,131.74	$15,016,376.10
Special education	8,891,848.79	7,982,003.94	7,996,681.85	15,596,283.02	7,264,751.17	7,443,636.44	7,607,987.18	7,345,086.14	6,747,664.03	6,029,898.94
Other instruction	2,809,608.75	2,796,024.79	2,571,166.64	1,922,302.77	2,271,038.62	2,998,939.42	2,799,233.64	3,272,758.03	2,763,426.23	2,452,439.85
Support services:										
Student and instruction related services	7,828,199.02	7,319,630.26	7,489,825.35	6,313,352.73	6,687,435.82	7,033,187.63	6,985,193.97	6,728,266.97	6,252,295.31	5,931,517.34
General administrative services	1,169,352.79	857,424.62	1,012,078.44	1,077,045.05	1,075,383.61	1,157,412.72	1,192,265.35	1,236,777.44	786,504.60	661,114.60
School administrative services	3,041,481.70	2,805,497.30	3,073,898.83	2,736,699.48	3,240,934.70	2,642,275.16	2,664,711.02	2,548,677.02	2,261,847.68	2,079,706.60
Central services	563,946.56	398,605.78	352,033.59	494,475.53	675,346.78	665,067.36	669,213.18	736,639.16	611,483.59	522,586.27
Administration information technology	208,321.26	191,161.33	209,636.65	144,039.46	133,836.25	456,909.33	462,098.01	508,472.68	437,234.92	393,617.55
Plant operations and maintenance	2,958,788.65	2,449,729.43	2,515,627.04	2,621,326.94	3,458,576.99	3,911,197.36	3,925,595.51	4,330,737.46	3,633,717.31	3,054,381.90
Student transportation services	1,861,310.86	1,660,687.62	1,266,891.47	757,655.02	986,175.18	1,091,738.56	1,035,642.51	992,733.44	1,001,362.60	934,058.29
Interest on long-term debt	298,433.14	147,845.24	45,801.42	31,333.33	49,408.34	64,243.75	82,033.33	97,350.00	111,987.50	192,123.86
Unallocated depreciation	1,238,621.63	1,397,689.76	1,220,193.02	1,197,164.42	1,158,413.32	1,150,491.23	769,850.22	773,665.56	761,587.13	698,576.39
Total governmental activities expenses	48,152,397.52	45,490,122.00	46,352,549.61	48,576,199.65	44,493,630.16	47,405,304.42	48,243,519.68	46,096,506.27	41,680,242.64	37,966,397.69
Business-type activities:										
Community school	483,104.78	413,943.79	404,619.00	164,306.03	461,291.92	444,496.67	439,557.97	434,990.89	419,047.85	363,775.99
Food service	1,270,717.42	1,155,302.10	1,055,160.12	380,348.54	705,611.86	915,368.47	867,930.75	857,149.46	761,820.90	761,265.14
Total business-type activities expense	1,753,822.20	1,569,245.89	1,459,779.12	544,654.57	1,166,903.78	1,359,865.14	1,307,488.72	1,292,140.35	1,180,868.75	1,125,041.13
Total district expenses	$49,906,219.72	$47,059,367.89	$47,812,328.73	$49,120,854.22	$45,660,533.94	$48,765,169.56	$49,551,008.40	$47,388,646.62	$42,861,111.39	$39,091,438.82
Bodily Injury and Property Damage										
PROGRAM REVENUES										
Governmental activities:										
Charges for services	$212,976.63	$200,974.65	$179,181.73	$67,388.45	$212,478.24					
Operating grants and contributions	8,914,509.19	8,420,458.84	9,893,622.14	13,924,426.85	9,410,325.58	$12,283,607.03	$13,837,638.17	$12,414,593.85	$9,323,286.06	$7,681,072.94
Total governmental activities program revenues	9,127,485.82	8,621,433.49	10,072,803.87	13,991,815.30	9,622,803.82	12,283,607.03	13,837,638.17	12,414,593.85	9,323,286.06	7,681,072.94
Business-type activities:										
Charges for services										
Community School	602,690.99	563,654.39	405,805.75	17,127.50	405,273.73	527,933.22	455,899.65	486,578.17	489,795.72	391,250.68
Food Service	570,815.27	565,172.99	86,098.58	67.42	354,096.32	521,304.95	485,953.39	425,979.42	411,132.24	377,951.64
Operating grants and contributions	731,514.78	751,106.24	1,124,280.25	410,856.23	350,690.50	432,797.63	442,424.46	414,894.43	374,354.27	362,029.59
Total business type activities program revenues	1,905,021.04	1,879,933.62	1,616,184.58	428,051.15	1,110,060.55	1,482,035.80	1,384,277.50	1,327,452.02	1,275,282.23	1,131,231.91
Total district program revenues	$11,032,506.86	$10,501,367.11	$11,688,988.45	$14,419,866.45	$10,732,864.37	$13,765,642.83	$15,221,915.67	$13,742,045.87	$10,598,568.29	$8,812,304.85

EXHIBIT "J-2"
SHEET #2

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CHANGES IN NET POSITION
UNAUDITED

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
NET (EXPENSE)/REVENUE										
Governmental activities	($39,024,911.70)	($36,868,688.51)	($36,279,745.74)	($34,584,384.35)	($34,870,826.33)	($35,121,697.39)	($34,405,881.51)	($33,681,912.42)	($32,356,956.58)	($30,285,324.75)
Business-type activities	151,198.84	310,687.73	156,405.46	(116,603.42)	(56,843.23)	122,170.66	76,788.78	35,311.67	94,413.48	6,190.78
Total district-wide net expense	($38,873,712.86)	($36,558,000.78)	($36,123,340.28)	($34,700,987.77)	($34,927,669.56)	($34,999,526.73)	($34,329,092.73)	($33,646,600.75)	($32,262,543.10)	($30,279,133.97)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities:										
Property taxes levied for general purposes, net	$27,441,140.00	$26,903,078.00	$26,375,567.00	$26,114,423.00	$25,602,375.00	$24,846,700.00	$23,968,733.00	$23,175,230.00	$22,489,573.00	$21,957,251.00
Taxes levied for debt service	285,429.50	352,992.26	308,485.00	323,896.00	346,534.00	362,865.00	379,096.00	390,051.00	397,122.00	455,243.00
Unrestricted grants and contributions	14,708,708.22	12,785,380.68	11,746,863.20	11,107,372.90	10,611,458.38	9,781,534.03	9,455,626.12	9,347,453.88	10,304,042.61	9,443,829.77
Canceled receivables					(94,873.00)					
Contributed/Disposal of assets (net)	(4,651.93)				(331.84)	35,677.19	10,252.00	(9,596.17)	(195.58)	(116.87)
Transfers in	50,000.00	50,000.00			30,000.00	50,000.00	50,000.00	50,000.00	50,000.00	45,000.00
Miscellaneous income	900,296.15	610,538.27	290,395.46	149,284.17	428,146.87	321,137.49	533,055.10	490,277.87	263,905.16	246,316.95
Total governmental activities	43,380,921.94	40,701,989.21	38,721,310.66	37,694,976.07	36,923,309.41	35,397,913.71	34,396,762.22	33,443,416.58	33,504,447.19	32,147,523.85
Business-type activities:										
Miscellaneous Income	7,957.10	3,036.27	141.27	174.86	1,778.36	1,943.03	1,068.28	894.54	890.43	816.00
Contributed/Disposal of assets (net)					(331.84)					
Transfers out	(50,000.00)	(50,000.00)			(30,000.00)	(50,000.00)	(50,000.00)	(50,000.00)	(50,000.00)	(45,000.00)
Total business-type activities	(42,042.90)	(46,963.73)	141.27	174.86	(28,553.48)	(48,056.97)	(48,931.72)	(49,105.46)	(49,109.57)	(44,184.00)
Total district-wide	$43,338,879.04	$40,655,025.48	$38,721,451.93	$37,695,150.93	$36,894,755.93	$35,349,856.74	$34,347,830.50	$33,394,311.12	$33,455,337.62	$32,103,339.85
CHANGE IN NET POSITION										
Governmental activities	$4,356,010.24	$3,833,300.70	$2,441,564.92	$3,110,591.72	$2,052,483.08	$276,216.32	($9,119.29)	($238,495.84)	$1,147,490.61	$1,862,199.10
Business-type activities	109,155.94	263,724.00	156,546.73	(116,428.56)	(85,396.71)	74,113.69	27,857.06	(13,793.79)	45,303.91	(37,993.22)
Total district	$4,465,166.18	$4,097,024.70	$2,598,111.65	$2,994,163.16	$1,967,086.37	$350,330.01	$18,737.77	($252,289.63)	$1,192,794.52	$1,824,205.88

Source: ACFR Schedule A-2

EXHIBIT "J-3"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
UNAUDITED

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General fund:										
Restricted	$7,083,297.72	$6,615,721.97	$7,510,180.70	$7,237,593.99	$4,658,420.67	$2,290,692.47	$3,509,786.19	$2,968,705.81	$3,624,835.32	$4,636,863.16
Assigned	272,983.70	1,051,529.06	170,764.47	141,656.82	83,505.14	6,914.42	8,596.00	8,594.04	295,909.32	
Unassigned			605,200.58	858,319.27	114,829.81	134,668.34	155,668.81			(32,324.54)
Total general fund	$7,356,281.42	$7,667,251.03	$8,286,145.75	$8,237,570.08	$4,856,755.62	$2,432,275.23	$3,674,051.00	$2,977,299.85	$3,920,744.64	$4,604,538.62
All other governmental funds:										
Restricted	$4,548,275.05	$4,890,239.19	$7,003,992.18	$219,101.06	$521,282.24	$1,743,667.23	$122,736.84	$758,290.67	$585,131.33	$359,516.74
Committed	2,894,731.37	3,968,320.22	416,383.05				64,080.57	429,190.99	6,803,108.07	1,095,086.69
Total all other governmental funds	$7,443,006.42	$8,858,559.41	$7,420,375.23	$219,101.06	$521,282.24	$1,743,667.23	$186,817.41	$0.00	$0.00	$0.00

Source: ACFR Schedule B-1

EXHIBIT "J-4"
SHEET #1

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
UNAUDITED

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Tax levy	$27,726,569.50	$27,256,070.26	$26,684,052.00	$26,438,319.00	$25,948,909.00	$25,209,565.00	$24,347,829.00	$23,565,281.00	$22,886,695.00	$22,412,494.00
Tuition - individuals	62,990.98	40,350.00	45,900.00	20,750.00	45,750.00	46,826.00	61,775.00	70,179.45	98,537.75	53,625.50
Miscellaneous	1,123,431.87	780,602.99	404,107.16	189,410.29	366,692.78	257,719.85	499,052.95	393,624.29	148,073.84	206,550.27
State sources	25,082,458.36	22,325,061.13	21,032,789.63	18,111,750.10	16,604,298.23	15,506,219.53	14,330,297.97	13,558,002.65	14,139,882.59	12,889,508.62
Federal sources	2,761,045.98	2,430,204.32	1,535,381.36	1,397,762.58	910,659.46	951,718.03	881,340.12	929,158.08	935,790.08	955,341.30
Total revenue	56,756,496.69	52,832,288.70	49,702,230.15	46,157,991.97	43,876,309.47	41,972,048.41	40,120,295.04	38,516,245.47	38,208,979.26	36,517,519.69
Expenditures										
Instruction										
Regular Instruction	11,874,082.46	11,982,354.78	11,516,059.10	10,645,696.10	10,451,401.14	10,669,846.05	10,356,414.42	9,957,255.66	9,829,459.53	9,634,373.35
Special education instruction	4,939,303.97	4,783,255.19	4,474,936.74	4,261,345.79	4,107,754.29	4,173,255.57	4,009,612.87	3,871,010.56	3,914,109.72	3,834,341.03
Other instruction	1,859,349.30	1,790,394.88	1,524,778.04	1,275,885.65	1,286,148.09	1,644,955.35	1,455,195.49	1,746,396.02	1,597,380.38	1,560,941.89
Support Services:										
Tuition	1,920,337.19	1,187,626.31	936,408.89	955,432.59	780,417.42	282,735.12	458,022.49	548,308.45	483,093.97	280,230.21
Student and instruction related services	5,851,099.54	5,345,419.08	4,996,030.79	4,538,906.61	3,983,264.53	4,144,539.07	3,845,979.95	3,746,422.88	3,831,186.37	3,921,058.68
General administrative services	1,190,115.21	964,170.17	1,124,895.66	1,042,056.36	905,738.24	970,422.78	930,001.25	935,070.40	668,614.96	577,524.87
School administrative services	2,034,314.53	1,844,011.14	1,848,815.59	1,830,899.13	1,882,575.63	1,444,275.82	1,384,844.47	1,366,454.17	1,335,936.37	1,325,386.55
Central services	583,483.64	494,691.29	419,420.33	465,973.86	503,059.49	498,432.38	435,896.53	447,681.49	443,135.07	411,622.82
Administration information technology	210,154.25	200,120.58	215,884.64	142,643.35	122,924.08	356,594.70	321,163.05	340,308.81	338,945.40	325,379.30
Plant operations and maintenance	3,216,073.99	2,979,795.63	2,967,266.74	2,719,253.62	3,138,679.97	3,366,940.57	3,124,157.06	3,357,909.54	3,063,196.96	2,664,678.79
Student transportation services	1,878,313.64	1,745,927.71	1,294,616.33	750,381.86	929,905.30	1,014,304.07	929,885.40	873,792.57	916,368.85	872,171.23
Unallocated employee benefits	16,382,486.77	15,848,882.17	16,018,640.67	13,510,240.88	12,446,165.64	12,546,824.39	11,658,765.44	10,357,191.95	9,426,858.17	8,252,975.68
Capital outlay	5,979,592.30	2,543,358.05	1,468,226.79	710,961.42	1,664,977.25	1,357,617.92	429,602.18	1,573,488.84	8,666,133.87	4,304,256.61
Debt service:										
Principal	390,000.00	196,000.00	435,000.00	440,000.00	455,000.00	465,000.00	470,000.00	480,000.00	490,000.00	510,000.00
Interest and other charges	224,312.50	156,992.26	17,400.00	35,000.00	53,200.00	67,150.00	85,950.00	100,350.00	115,050.00	134,800.00
Total expenditures	58,533,019.29	52,062,999.24	49,258,380.31	43,324,677.22	42,711,211.07	43,002,893.79	39,895,490.60	39,701,641.34	45,119,469.62	38,609,741.01
Excess (deficiency) of revenues over (under) expenditures	($1,776,522.60)	$769,289.46	$443,849.84	$2,833,314.75	$1,165,098.40	($1,030,845.38)	$224,804.44	($1,185,395.87)	($6,910,490.36)	($2,092,221.32)

EXHIBIT "J-4"
SHEET #2

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
UNAUDITED

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Other Financing sources (uses)										
Installment purchase contracts (non-budgeted)					$101,870.00	$1,360,000.00	($277,687.69)			$7,551,996.00
Transfers in	$3,560,844.00	$3,558,935.00	$1,420,900.00	$675,237.09	311,276.07	1,268,953.67	396,386.93	$967,540.11	$1,060,850.00	1,901,283.00
Transfers out	(3,510,844.00)	(3,508,935.00)	(1,420,900.00)	(675,237.09)	(281,276.07)	(1,218,953.67)	(346,386.93)	(917,540.11)	(1,010,850.00)	(1,856,283.00)
Proceeds from Bond Sale			6,806,000.00							
Canceled receivables					(94,873.00)					
Total other financing sources (uses)	50,000.00	50,000.00	6,806,000.00	0.00	36,997.00	1,410,000.00	(227,687.69)	50,000.00	50,000.00	7,596,996.00
Net change in fund balances	($1,726,522.60)	$819,289.46	$7,249,849.84	$2,833,314.75	$1,202,095.40	$379,154.62	($2,883.25)	($1,135,395.87)	($6,860,490.36)	$5,504,774.68
Debt service as a percentage of noncapital expenditures	1.17%	0.71%	0.95%	1.11%	1.24%	1.28%	1.41%	1.52%	1.66%	1.88%

Source: ACFR Schedule B-2

EXHIBIT "J-5"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
UNAUDITED

Fiscal Year Ended June 30,	Interest on Investments	Athletic Receipts	Pay to Participate	Building Usage	Tuition Other LEAs	ESIP	Miscellaneous	Total
2024	$504,312.59	$10,264.00	$36,636.11	$25,680.00	$202,619.30	$456.79	$57,336.38	$837,305.17
2023	287,939.70	12,404.75	40,185.46	26,485.00	114,994.83	1,465.94	127,062.59	610,538.27
2022	6,773.73	12,408.55	54,410.35	26,229.00	54,644.90	3,025.51	47,713.04	205,205.08
2021	6,846.21		8,261.16	4,285.00	30,219.05	5,425.61	33,087.28	88,124.31
2020	13,931.59	20,283.00	40,613.48	2,135.00	33,422.00	1,668.29	228,369.07	340,422.43
2019	16,313.79	15,255.09	47,663.47	8,920.00	44,897.11	8,196.61	78,734.61	219,980.68
2018	7,766.63	17,346.00	47,939.23	15,802.50	74,977.09	131,021.44	204,200.06	499,052.95
2017	395.29	13,567.00	48,800.00	16,472.50	2,910.00	146,127.45	157,342.05	385,614.29
2016	1,028.45	12,349.35	50,609.45	9,977.50	25,008.60		35,254.89	134,228.24
2015	3,935.05	12,118.90	55,670.00	5,562.50	33,366.90		57,008.24	167,661.59

Source: District Records

EXHIBIT "J-6"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (a)	Net Valuation Taxable	Est. Actual (County Equalized Value)	Total Direct School Tax Rate (b)
2024	$29,806,600.00	$1,774,835,900.00	$131,957,000.00	$313,372,200.00	$58,020,000.00	$2,307,991,700.00	$1,997,100.00	$2,309,988,800.00	$2,324,153,957.00	$1.25
2023	30,796,300.00	1,774,109,900.00	131,559,800.00	315,365,600.00	58,020,000.00	2,309,851,600.00	1,976,900.00	2,311,828,500.00	2,195,568,163.00	1.20 *
2022	5,244,600.00	390,862,584.00	32,006,600.00	52,332,800.00	10,363,200.00	490,809,784.00	497,992.00	491,307,776.00	1,904,293,706.00	5.55
2021	5,364,800.00	390,742,834.00	32,160,800.00	52,808,200.00	9,851,200.00	490,927,834.00	553,723.00	491,481,557.00	1,711,378,775.00	5.43
2020	5,031,700.00	390,996,400.00	32,017,100.00	53,611,300.00	9,851,200.00	491,507,700.00	596,666.00	492,104,366.00	1,540,819,716.00	5.37
2019	5,441,600.00	391,018,700.00	32,251,900.00	53,848,200.00	9,851,200.00	492,411,600.00	588,875.00	493,000,475.00	1,556,360,338.00	5.26
2018	5,127,200.00	391,098,400.00	33,801,000.00	54,542,800.00	9,851,200.00	494,420,600.00	600,111.00	495,020,711.00	1,487,917,062.00	5.09
2017	5,550,600.00	390,555,500.00	33,927,000.00	55,601,700.00	9,851,200.00	495,486,000.00	569,584.00	496,055,584.00	1,450,704,937.00	4.91
2016	5,695,800.00	390,126,100.00	33,895,600.00	55,790,200.00	9,851,200.00	495,358,900.00	591,061.00	495,949,961.00	1,406,808,225.00	4.75
2015	5,683,500.00	389,739,400.00	34,104,600.00	55,893,000.00	9,851,200.00	495,271,700.00	585,340.00	495,857,040.00	1,401,134,167.00	4.62

* Revaluation in 2023

Source: District records tax list summary and 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

EXHIBIT "J-7"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
UNAUDITED

Year Ended Dec 31,		Borough of Middlesex Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
		Basic Rate (a)	General Obligation Debt Service (b)	Total Direct School Tax Rate	Borough of Middlesex	Middlesex County	
2024		$0.98	$0.27	$1.25	$0.70	$0.36	$2.31
2023	*	0.91	0.29	1.20	0.65	0.35	2.20
2022		4.16	1.39	5.55	2.84	1.50	9.89
2021		5.34	0.09	5.43	2.83	1.38	9.64
2020		5.30	0.18	5.48	2.83	1.23	9.53
2019		5.19	0.27	5.46	2.68	1.23	9.37
2018		5.01	0.36	5.37	2.60	1.19	9.16
2017		4.83	0.46	5.29	2.56	1.17	9.02
2016		4.67	0.55	5.23	2.49	1.12	8.83
2015		4.54	0.65	5.19	2.44	1.13	8.75

* - Revaluation

Source: District Records and Municipal Tax Collector
(Rates are per $100 of assessed value)

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 calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

(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.

EXHIBIT "J-8"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS - CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2023			2014		
Taxpayer	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Newchester Construction Co	$24,360,000.00	1	1.05%	$4,360,000.00	1	0.88%
Cedar Rose Associates LLC	19,170,000.00	2	0.83%	2,650,400.00	6	0.53%
Skyview Estates, Inc.	18,834,600.00	3	0.81%	4,151,431.00	2	0.84%
JT Realty Associates, LLC	18,584,500.00	4	0.80%	3,984,000.00	3	0.80%
207 Pond Ave., LLC	18,243,400.00	5	0.79%	2,848,208.00	5	0.57%
Pipeline Realty Middlesex LLC	17,500,000.00	6	0.76%			
Hamiltonian Gardens LLC	15,730,000.00	7	0.68%	2,479,000.00	7	0.50%
OT Bound Brook, LLC	13,520,000.00	8	0.58%			
Rosenthal Realty Management, LLP	9,649,300.00	9	0.42%	2,065,000.00	9	0.42%
Main Land Middlesex	9,375,400.00	10	0.41%	2,065,000.00	9	0.42%
Noel Homes				2,280,000.00	8	0.46%
Naval Crest Associates				1,788,300.00	10	0.36%
RCS-LEG Piscataway LLC				2,942,000.00	4	0.59%
Total	$164,967,200.00		7.14%	$31,613,339.00		6.37%

Source: Municipal Tax Assessor

EXHIBIT "J-9"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
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	
2024	$27,726,570.00	$27,726,570.00	100.00%	$0.00
2023	27,256,071.00	27,256,071.00	100.00%	0.00
2022	26,684,052.00	26,684,052.00	100.00%	0.00
2021	26,438,319.00	26,438,319.00	100.00%	0.00
2020	25,948,909.00	25,948,909.00	100.00%	0.00
2019	25,209,565.00	25,209,565.00	100.00%	0.00
2018	24,347,829.00	24,347,829.00	100.00%	0.00
2017	23,565,281.00	23,565,281.00	100.00%	0.00
2016	22,886,695.00	22,886,695.00	100.00%	0.00
2015	22,412,494.00	22,412,494.00	100.00%	0.00

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

Note: 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 is the amount voted upon or certified prior to the end of the school year.

EXHIBIT "J-10"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities: General Obligation Bonds (b)	Governmental Activities: Installment Purchase Agreements	Total District	Percentage of Personal Income (a)	Per Capita (a)
2024	$6,220,000.00	$3,413,116.33	$9,633,116.33	0.94%	$666.14
2023	6,610,000.00	3,661,656.18	10,271,656.18	1.00%	707.80
2022	6,806,000.00	4,280,147.35	11,086,147.35	1.09%	764.51
2021	435,000.00	4,874,893.43	5,309,893.43	0.59%	392.19
2020	875,000.00	5,460,389.36	6,335,389.36	0.74%	463.35
2019	1,330,000.00	5,885,266.78	7,215,266.78	0.87%	528.75
2018	1,795,000.00	5,002,249.72	6,797,249.72	0.86%	499.80
2017	2,265,000.00	5,927,491.02	8,192,491.02	1.07%	601.81
2016	2,745,000.00	6,962,996.00	9,707,996.00	1.30%	710.17
2015	3,235,000.00	7,345,252.41	10,580,252.41	1.44%	771.94

Source: District ACFR Schedules I-1, I-2
Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.
(a) See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the

EXHIBIT "J-11"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
RATIOS OF NET BONDED DEBT OUTSTANDING
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value (a) of Property	Per Capita (b)
2024	$6,220,000.00		$6,220,000.00	0.26927%	$430.12
2023	6,610,000.00		6,610,000.00	0.28592%	455.49
2022	6,806,000.00		6,806,000.00	1.38528%	469.35
2021	435,000.00		435,000.00	0.08851%	32.13
2020	875,000.00		875,000.00	0.17781%	63.99
2019	1,330,000.00		1,330,000.00	0.26978%	97.46
2018	1,795,000.00		1,795,000.00	0.36261%	131.99
2017	2,265,000.00		2,265,000.00	0.45660%	166.39
2016	2,745,000.00		2,745,000.00	0.55348%	200.80
2015	3,235,000.00		3,235,000.00	0.65241%	236.03

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.
(a) See Exhibit NJ J-6 for property tax data.
(b) Population data can be found in Exhibit NJ J-14.

EXHIBIT "J-12"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2023
UNAUDITED

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Middlesex Borough	$17,460,974.09	100.00%	$17,460,974.09
Other debt			
Middlesex County	573,306,641.00	3.2536%	18,653,252.00
Middlesex County Utilities Authority	98,357,844.00	1.7964%	1,766,948.00
Subtotal, overlapping debt			$37,881,174.09
Middlesex Borough School District Direct Debt			6,610,000.00
Total direct and overlapping debt			$44,491,174.09

Source: Borough of Middlesex Chief Financial Officer, Middlesex County Treasurer's Office and Middlesex County Utilities Authority.

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 Middlesex. This process recognizes that, when considering the District's ability to issue and repay long-term debt, 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 payment.

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

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
UNAUDITED

Legal Debt Margin Calculation for Calendar Year 2023:

Equalized Valuation Basis

Calendar Year	
2023	$2,324,028,172.00
2022	2,077,941,507.00
2021	1,902,821,062.00
	$6,304,790,741.00
Average Equalized Valuation of Taxable Property	$2,101,596,913.67
Debt Limit (4% (a) of average equalization value)	84,063,876.55
Total Net Debt Applicable to Limit	(6,610,000.00)
Legal Debt Margin	$77,453,876.55

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit	$84,063,876.55	$75,887,262.37	$68,717,786.83	$64,090,309.03	$61,036,101.00	$59,891,308.49	$57,897,477.27	$56,815,542.35	$56,107,987.17	$56,652,709.77
Total Net Debt Applicable To Limit	6,610,000.00	6,806,000.00	435,000.00	875,000.00	1,330,000.00	1,795,000.00	2,265,000.00	2,745,000.00	3,235,000.00	3,745,000.00
Legal Debt Margin	$77,453,876.55	$69,081,262.37	$68,282,786.83	$63,215,309.03	$59,706,101.00	$58,096,308.49	$55,632,477.27	$54,070,542.35	$52,872,987.17	$52,907,709.77
Total Net Debt Applicable to the Limit as a % of Debt Limit	7.86%	8.97%	0.63%	1.37%	2.18%	3.00%	3.91%	4.83%	5.77%	6.61%

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 N.J.S.A. 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

EXHIBIT "J-14"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
UNAUDITED

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2023	14,461	N/A	N/A	4.10%
2022	14,512	1,029,640,912.00	$70,951.00	3.70%
2021	14,501	1,018,274,721.00	70,221.00	5.70%
2020	13,539	902,238,960.00	66,640.00	10.10%
2019	13,673	856,818,545.00	62,665.00	3.50%
2018	13,646	826,224,362.00	60,547.00	3.80%
2017	13,600	787,290,400.00	57,889.00	4.10%
2016	13,613	765,145,891.00	56,207.00	4.10%
2015	13,670	745,589,140.00	54,542.00	4.90%
2014	13,706	733,284,706.00	53,501.00	6.20%

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 was computed using Census Bureau midyear population estimates. Estimates for 2014-2022 reflect county population.
(d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

N/A - Not Available

EXHIBIT "J-16"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
UNAUDITED

Function/Program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instruction:										
Regular	120	136	137	145	141	145	141	146	140	140
Special education	76	74	77	80	80	75	72	68	58	59
Support services:										
Student and instruction related services	57	43	47	57	55	62	52	53	68	54
General administrative services	6	7	6	5	4	4	4	3	3	3
School administrative services	17	16	18	18	18	16	16	16	16	16
Plant operations and maintenance	30	37	31	35	30	31	31	32	30	30
Pupil transportation	5	3	2	3	3	3	3	3	3	3
Central services	3	5	4	4	5	5	5	5	5	5
Administration information technology	4	2	2	2	3	3	3	3	3	3
Total	318	323	324	349	339	344	327	329	326	312

Source: District Personnel Records

EXHIBIT "J-17"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
OPERATING STATISITICS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures (a)	Cost Per Pupil	% Change	Teaching Staff (b)	Pupil/Teacher Ratio			Average Daily Enrollment (c)	Average Daily Attendance (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2024	2,051	$51,733,333.63	$25,223.47	4.27%	201	10.7	9.6	10.0	2,051	1,925	1.33%	93.86%
2023	2,024	48,963,874.76	24,191.64	1.34%	205	8.3	7.4	8.5	2,024	1,896	1.25%	93.68%
2022	1,975	47,148,004.71	23,872.41	14.13%	212	10.7	7.0	9.8	1,999	1,875	0.91%	93.80%
2021	2,011	42,052,324.59	20,916.35	7.27%	220	8.7	9.3	9.0	1,981	1,897	-4.57%	95.76%
2020	2,079	40,538,033.82	19,498.81	-1.45%	181	10.0	11.0	10.0	2,076	1,969	0.10%	94.85%
2019	2,078	41,113,125.87	19,784.95	5.18%	181	10.0	12.0	10.0	2,074	1,969	-0.38%	94.94%
2018	2,067	38,882,595.42	18,811.13	3.76%	181	10.0	12.0	10.0	2,082	1,982	0.00%	95.20%
2017	2,071	37,547,802.50	18,130.28	4.24%	179	11.0	13.0	10.0	2,082	1,984	0.92%	95.29%
2016	2,061	35,848,285.75	17,393.64	10.02%	180	12.0	11.0	9.0	2,063	1,973	-0.77%	95.64%
2015	2,128	33,642,684.40	15,809.53	6.06%	180	13.0	13.0	11.0	2,079	1,983	-1.42%	95.38%

Sources: District records
Note: Enrollment based on annual October district count.
(a) Operating expenditures equal total expenditures less debt service, capital outlay, scholarships and student activities.
(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).

EXHIBIT "J-18"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
UNAUDITED

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District Buildings										
Elementary School(s):										
Watchung School (1916)										
Square Feet	24,871	24,871	24,871	26,821	26,821	26,821	26,821	26,821	26,821	26,821
Capacity (students)	176	176	176	176	176	176	176	176	176	176
Enrollment	214	224	234	248	270	242	212	190	193	208
Parker School (1916)										
Square Feet	20,435	20,435	20,435	20,397	20,397	20,397	20,397	20,397	20,397	20,397
Capacity (students)	171	171	171	171	171	171	171	171	171	171
Enrollment	182	172	190	175	190	215	220	215	213	227
Hazelwood School (1965)										
Square Feet	26,552	26,552	26,552	29,482	29,482	29,482	29,482	29,482	29,482	29,482
Capacity (students)	198	198	198	198	198	198	198	198	198	198
Enrollment	212	231	192	184	232	214	221	226	217	252
Intermediate School(s)										
Woodland School (1953)										
Square Feet	40,126	40,126	40,126							
Capacity (students)	285	285	285							
Enrollment	335	296	290							
Middle School(s):										
Mauger Middle School (1953)										
Square Feet	60,190	60,190	60,190	95,177	95,177	95,177	95,177	95,177	95,177	95,177
Capacity (students)	428	428	428	713	713	713	713	713	713	713
Enrollment	501	484	450	760	769	770	806	835	816	826
High School(s):										
Middlesex High School (1958)										
B Square Feet	152,060	152,060	152,060	150,527	150,527	150,527	150,527	150,527	150,527	150,527
Capacity (students)	551	551	551	551	551	551	551	551	551	551
Enrollment	607	618	619	615	618	627	638	605	615	603

Number of Schools at June 30, 2024
- Elementary = 3
- Intermediate = 1
- Middle School = 1
- High School = 1

Source: District records

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count.

EXHIBIT "J-19"

BOROUGH OF MIDDLESEX SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
UNAUDITED

Undistributed expenditures - Required maintenance for school facilities - 11-000-261-XXX

School Facilities * Project #(s)	Total	Watchung	Parker	Hazelwood	Woodland	Mauger	High School
2024	$408,578.99	$21,040.14	$19,044.23	$38,270.56	$4,034.69	$95,891.56	$230,297.81
2023	382,008.17	33,553.25	23,738.91	22,985.07	13,663.15	114,919.06	173,148.73
2022	478,131.93	35,020.26	26,798.93	45,532.88	41,018.00	126,950.81	202,811.05
2021	520,979.00	40,790.33	31,586.93	56,080.20		158,683.75	233,837.79
2020	823,327.68	52,154.59	48,498.68	76,015.99		261,772.59	384,885.83
2019	924,290.86	48,865.66	123,510.43	86,667.17		277,541.87	387,705.73
2018	706,888.87	42,881.32	44,781.79	100,792.93		266,372.38	252,060.45
2017	527,898.26	35,691.46	41,153.54	63,943.57		171,544.53	215,565.16
2016	986,396.00	38,294.00	55,027.00	85,378.00		223,069.00	584,628.00
2015	631,999.00	37,914.00	44,609.00	50,848.00		220,730.00	277,898.00
Total School Facilities	$5,981,919.77	$365,164.87	$439,705.21	$588,243.81	$54,681.15	$1,821,583.99	$2,712,540.74

* - School facilities as defined under EFCFA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: District records

EXHIBIT "J-20"

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

	Coverage Amount		Deductible
New Jersey School Boards Association Insurance Group			
Property Coverage:			
Blanket Real and Personal Property	$350,000,000.00	per occurrence	$5,000.00
Blanket Extra Expense	50,000,000.00		5,000.00
Blanket Valuable Papers and Records	10,000,000.00		5,000.00
Demolition and Increased Cost of Construction	25,000,000.00		
Sublimits:			
Flood, All Other Zones	75,000,000.00	per occurrence	500,000.00
		aggregate	10,000.00
Electronic Data Processing:			
Blanket Hardware	350,000,000.00	per occurrence	1,000.00
Equipment Coverage:			
Property Damage	100,000,000.00		5,000.00
Perishable Goods	1,000,000.00		
Expediating Expenses	1,000,000.00		
Hazardous Substance Cleanup	1,000,000.00		
Crime Coverage:			
Faithful Performance Limit	250,000.00		1,000.00
Forgery and Altercation	250,000.00		1,000.00
Money and Securities Limit	50,000.00		500.00
Money Orders/Counterfeit Currency Limit	50,000.00		500.00
Computer Fraud	250,000.00		1,000.00
Public Official Bond Limit - Board Secretary	100,000.00		1,000.00
Public Official Bond Limit - Board Treasurer	270,000.00		1,000.00
General Liability Coverage:			
Bodily Injury and Property Damage	31,000,000.00	per occurrence	
Employee Benefit Liability	31,000,000.00		1,000.00
Sexual Abuse	15,000,000.00	per occurrence	
Terrorism Sub-Limit	1,000,000.00		
Automobile Coverage:			
Bodily Injury and Property Damage	31,000,000.00		
Uninsured/Underinsured Motorists	25,000.00	bodily injury per person	
	50,000.00	bodily injury per accident	
	25,000.00	pr0perty damage per accident	
Personal Injury Protection	250,000.00		
Medical Payments	10,000.00		
School Leaders Errors & Omissions Liability:			
Coverage A:	31,000,000.00		5,000.00
Coverage B:	100,000.00	each claim	5,000.00
Workers Compensation			
Part One: Workers Compensation:	Statutory		
Part Two: Employers' Liability:			
Bodily Injury By Accident:	3,000,000.00		
Bodily Injury By Disease:	3,000,000.00		
Bodily Injury By Disease:	3,000,000.00		
Underwriters at Lloyd's (Beazley Syndicates at Lloyds)			
Premises Pollution Liability	1,000,000.00	policy aggregate	10,000.00

Source: District Records

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SINGLE AUDIT SECTION

SUPLEE, CLOONEY & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS
308 East Broad Street, Westfield, New Jersey 07090-2122
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INDEPENDENT AUDITORS REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable President and Members
of the Board of Education
Borough of Middlesex School District
County of Middlesex
Middlesex, New Jersey 08846

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, the financial statements of the governmental activities, the business-type activities and each major fund of the Borough of Middlesex School District, in the County of Middlesex, State of New Jersey (the "District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 5, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's 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 Borough of Middlesex School District's internal control.

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

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

Compliance and Other Matters

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

Suplee Clooney & Co.
CERTIFIED PUBLIC ACCOUNTANTS

Robert W Suplee
PUBLIC SCHOOL ACCOUNTANT NO. 948

December 5, 2024

EXHIBIT "K-2"

SUPLEE, CLOONEY & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS
308 East Broad Street, Westfield, New Jersey 07090-2122
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE FINANCIAL ASSISTANCE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08

Honorable President and Members
of the Board of Education
Borough of Middlesex School District
County of Middlesex
Middlesex, New Jersey 08846

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (*Uniform Guidance*) and *the New Jersey OMB State Grant Compliance Supplement.* Our responsibilities under those standards, the Uniform Guidance and the New Jersey OMB State Grant Compliance Supplement 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.

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.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and the New Jersey OMB State Grant Compliance Supplement 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 or state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and New Jersey OMB State Grant Compliance Supplement, 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 the New Jersey OMB State Grant Compliance Supplement, 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.

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

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

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

CERTIFIED PUBLIC ACCOUNTANTS

PUBLIC SCHOOL ACCOUNTANT NO. 948

December 5, 2024

EXHIBIT "K-3"
SCHEDULE "A"

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

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL AL NUMBER	FEDERAL FAIN NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD FROM	GRANT PERIOD TO	BALANCE AT JUNE 30, 2023	ADJUSTMENT	RECEIPTS	BUDGETARY EXPENDITURES	SUBRECEPRIENT BUDGETARY EXPENDITURES	REPAYMENT OF OF PRIOR YEAR BALANCES	BALANCE AT JUNE 30, 2024 (ACCOUNTS RECEIVABLE)	BALANCE AT JUNE 30, 2024 UNEARNED REVENUE	BALANCE AT JUNE 30, 2024 DUE TO GRANTOR
General Fund															
Department of Health and Human Services															
Passed-through State Department of Education:															
Medicaid Assistance Program (SEMI)	93.778	2005NJ5MAP	N/A	49,382.94	07/01/2023	06/30/2024			$49,382.94	($49,382.94)					
Department of Law and Public Safety:															
Hurricane IDA-FEMA	97.036	N/A	N/A	4,164.06	07/01/2023	06/30/2024			4,164.06	(4,164.06)					
Total General Fund									53,547.00	(53,547.00)					
Enterprise Funds															
U.S. Department of Agriculture															
Passed-through State Department of Education:															
National School Lunch Program - commodities	10.555	231NJ304N1099	N/A	134,703.29	07/01/2022	06/30/2023	12,891.42			(12,891.42)					
National School Lunch Program - commodities	10.555	241NJ304N1099	N/A	128,676.71	07/01/2023	06/30/2024			128,676.71	(122,376.00)				$6,300.71	
National School Lunch Program	10.555	231NJ304N1099	N/A	445,367.75	07/01/2022	06/30/2023	(16,116.01)		16,116.01						
National School Lunch Program	10.555	241NJ304N1099	N/A	454,856.66	07/01/2023	06/30/2024			428,920.78	(454,856.66)			($25,935.88)		
COVID Supply Chain Assistance Award	10.555	24-010-3350-100-118	N/A	51,826.06	07/01/2023	06/30/2024			51,826.06	(51,826.06)					
National School Breakfast Program	10.553	231NJ304N1099	N/A	51,178.93	07/01/2022	06/30/2023	(3,014.83)		3,014.83						
National School Breakfast Program	10.553	241NJ304N1099	N/A	61,468.22	07/01/2023	06/30/2024			56,824.46	(61,468.22)			(4,643.76)		
Total Child Nutrition Cluster							(6,239.42)		685,378.85	(703,418.36)			(30,579.64)	6,300.71	
P-EBT Administrative Cost	10.649	23-010-3350-100-115	N/A	653.00	07/01/2022	06/30/2023	(653.00)		653.00						
LFS- Local Food for Schools Cooperative Program	10.185	24-010-3350-100-123	N/A	3,612.06	07/01/2023	06/30/2024			2,808.86	(3,612.06)			(803.20)		
Total Enterprise Fund							(6,892.42)		688,840.71	(707,030.42)			(31,382.84)	6,300.71	
Special Revenue Funds															
U.S. Department of Education															
Passed-through State Department of Education:															
E.S.E.A.:															
Title I	84.010	S010A230030	NCLB314023	539,196.00	07/01/2022	09/30/2023	(88,039.75)		130,119.74	(42,079.99)					
Title I	84.010	S010A240030	NCLB314024	368,311.00	07/01/2023	09/30/2024			152,118.26	(257,880.73)			(105,762.47)		
Title I SIA Part A	84.010	S010A230030	NCLB314023	10,000.00	07/01/2022	09/30/2023			158.00	(158.00)					
Title I SIA Part A	84.010	S010A240030	NCLB314024	34,842.00	07/01/2023	09/30/2024			20,171.00	(26,163.02)			(5,992.02)		
Title II- Part A	84.367	S367A240029	NCLB314024	104,239.00	07/01/2023	09/30/2024			27,938.00	(48,688.00)			(20,750.00)		
Title III	84.365	S365A230030	NCLB314023	59,546.00	07/01/2022	09/30/2023	(18,078.03)		27,299.16	(9,221.13)					
Title III	84.365	S365A240030	NCLB314024	38,591.84	07/01/2023	09/30/2024			30,003.28	(41,057.87)			(11,054.59)		
Title IV	84.424	S424A230031	NCLB055523	30,674.00	07/01/2022	09/30/2023	(4,000.00)		6,600.00	(2,600.00)					
Title IV	84.424	S424A240031	NCLB055524	22,474.00	07/01/2023	09/30/2024			9,562.00	(9,562.00)					
Total E.S.E.A.:							(110,117.78)		403,969.44	(437,410.74)			(143,559.08)		
I.D.E.A. Part B Special Education Cluster:															
I.D.E.A. Part B, Basic	84.027A	H027A230100	IDEA314023	524,822.00	07/01/2022	09/30/2023	(120,740.00)		120,740.00						
I.D.E.A. Part B, Basic	84.027A	H027A240100	IDEA314024	566,580.00	07/01/2023	09/30/2024			560,836.00	(566,580.00)			(5,744.00)		
I.D.E.A. Part B-Preschool	84.173A	H173A230114	IDEA314023	14,974.00	07/01/2022	09/30/2023	(7,754.00)		7,754.00						
I.D.E.A. Part B-Preschool	84.173A	H173A240114	IDEA314024	15,128.00	07/01/2023	09/30/2024			12,997.00	(15,128.00)			(2,131.00)		
ARP- I.D.E.A. Part B-Basic	84.027X	H027A230100	IDEA314023	96,591.00	07/01/2022	09/30/2023	(17,083.00)		17,083.00						
ARP- I.D.E.A. Part B-Preschool	84.173X	H173X210114	IDEA314022	8,220.00	07/01/2021	09/30/2022	(115.32)		1,852.00	(1,736.68)					
Total Special Education Cluster							(145,692.32)		721,262.00	(583,444.68)			(7,875.00)		
Perkins Secondary Reserve:															
Middle Grades Career Awareness and Exploration	84.048	V048A230030	PERK481023	68,500.00	07/01/2022	06/30/2023	(43,514.84)		43,514.84						
Middle Grades Career Awareness and Exploration	84.048	V048A240030	PERK481024	73,066.00	07/01/2023	09/30/2024			18,940.00	(68,505.02)			(49,565.02)		
							(43,514.84)		62,454.84	(68,505.02)			(49,565.02)		
Coronavirus Relief Fund:															
High Impact Tutoring	21.027	SLFRFDOEAB01	N/A	153,997.00	10/11/2023	08/21/2024				(47,644.21)			(47,644.21)		
ACSERS- Extraordinary Aid over 21	21.027	SLFRFDOE1SES	N/A	102,130.00	07/01/2022	06/30/2023	(51,065.00)		51,065.00						
							(51,065.00)		51,065.00	(47,644.21)			(47,644.21)		
Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA):															
ESSER II	84.425D	S425D210027	N/A	939,720.00	03/13/2020	09/30/2023	(186,446.00)	13,368.71	116,267.00				(56,810.29)		
ESSER II- Accelerated Learning	84.425D	S425D210027	N/A	60,307.00	03/13/2020	09/30/2023	(9,000.43)		31,834.00	(22,833.57)					
ESSER II- Mental Health	84.425D	S425D210027	N/A	45,000.00	03/13/2020	09/30/2023									
American Rescue Plan (ARP):															
ESSER III	84.425U	S425U210027	N/A	2,111,960.00	03/13/2020	09/30/2024	(360,309.95)		1,443,763.00	(1,205,554.05)			(122,101.00)		
ESSER III- Accelerated Learning	84.425U	S425U210027	N/A	189,388.00	03/13/2020	09/30/2024	(0.84)		34,052.00	(36,202.16)			(2,151.00)		
ESSER III- Beyond School	84.425U	S425U210027	N/A	40,000.00	03/13/2020	09/30/2024	(21,831.00)		21,831.00						
ESSER III- Mental Health	84.425U	S425U210027	N/A	88,501.00	03/13/2020	09/30/2024	(56,817.00)		56,817.00						
							(634,405.22)	13,368.71	1,704,564.00	(1,264,589.78)			(181,062.29)		
Total Special Revenue Fund							(984,795.16)	13,368.71	2,943,315.28	(2,401,594.43)			(429,705.60)		
Total Expenditures of Federal Awards							($991,687.58)	$13,368.71	$3,685,702.99	($3,162,171.85)	$-0-	$-0-	($461,088.44)	$6,300.71	$-0-

See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

EXHIBIT "K-4"
SCHEDULE "B"

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

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD FROM	GRANT PERIOD TO	BALANCE AT JUNE 30, 2023 UNEARNED REVENUE (ACCTS. RECEIVABLE)	BALANCE AT JUNE 30, 2023 DUE TO GRANTOR	RECEIPTS	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEAR'S BALANCES	BALANCE AT JUNE 30, 2024 (ACCOUNTS RECEIVABLE)	BALANCE AT JUNE 30, 2024 UNEARNED REVENUE	MEMO BUDGETARY RECEIVABLE	MEMO CUMULATIVE TOTAL EXPENDITURES
State Department of Education														
General Funds:														
State Aid Cluster:														
Special Education Categorical Aid	24-495-034-5120-089	$1,717,325.00	07/01/2023	06/30/2024			$1,545,978.00	($1,717,325.00)	$171,347.00				$171,347.00	$1,717,325.00
Equalization Aid	24-495-034-5120-078	12,422,755.00	07/01/2023	06/30/2024			11,183,524.00	(12,422,755.00)	1,239,231.00				1,239,231.00	12,422,755.00
Security Aid	24-495-034-5120-084	359,344.00	07/01/2023	06/30/2024			323,536.00	(359,344.00)	35,808.00				35,808.00	359,344.00
Total State Aid Cluster							$13,053,038.00	($14,499,424.00)	$1,446,386.00				$1,446,386.00	$14,499,424.00
Transportation Aid	24-495-034-5120-014	333,032.00	07/01/2023	06/30/2024			299,739.00	(333,032.00)	33,293.00				33,293.00	333,032.00
Nonpublic School Transportation Aid	23-495-034-5120-014	27,768.00	07/01/2022	06/30/2023	($27,768.00)		27,768.00							27,768.00
Nonpublic School Transportation Aid	24-495-034-5120-014	39,585.00	07/01/2023	06/30/2024				(39,585.00)			($39,585.00)		39,585.00	39,585.00
Extraordinary Aid	23-495-034-5120-044	326,431.00	07/01/2022	06/30/2023	(326,431.00)		326,431.00							326,431.00
Extraordinary Aid	24-495-034-5120-044	284,075.00	07/01/2023	06/30/2024				(284,075.00)			(284,075.00)		284,075.00	284,075.00
Homeless Tuition	23-100-016-1600-029	50,828.00	07/01/2022	06/30/2023	(50,828.00)		50,828.00							50,828.00
On-behalf TPAF Pension - post retirement medical	24-495-034-5094-001	1,769,516.00	07/01/2023	06/30/2024			1,769,516.00	(1,769,516.00)						1,769,516.00
On-behalf TPAF non contributory insurance	24-495-034-5094-004	73,312.00	07/01/2023	06/30/2024			73,312.00	(73,312.00)						73,312.00
On-behalf TPAF pension contribution	24-495-034-5094-002	6,428,356.00	07/01/2023	06/30/2024			6,428,356.00	(6,428,356.00)						6,428,356.00
On-behalf TPAF long term disability insurance	24-495-034-5094-004	2,221.00	07/01/2023	06/30/2024			2,221.00	(2,221.00)						2,221.00
Reimbursed TPAF social security contributions	24-495-034-5094-003	1,381,917.14	07/01/2023	06/30/2024			1,313,517.09	(1,381,917.14)			(68,400.05)		68,400.05	1,381,917.14
Total General Fund					(405,027.00)		23,344,726.09	(24,811,438.14)	1,479,679.00		(392,060.05)		1,871,739.05	25,216,465.14
Special Revenue Fund:														
SDA- Emergent Needs	23-100-034-5120-519	48,206.00	07/01/2022	06/30/2023	4,211.00							4,211.00		48,206.00
SDA- Emergent Needs	24-100-034-5120-519	48,416.00	07/01/2023	06/30/2024			48,415.00	(43,880.00)				4,535.00		43,880.00
Total Special Revenue Fund					4,211.00		48,415.00	(43,880.00)				8,746.00		92,086.00
Enterprise Fund:														
New Jersey Department of Agriculture														
State School Lunch Program	23-100-010-3350-023	22,931.34	07/01/2022	06/30/2023	(834.98)		834.98							22,931.34
State School Lunch Program	24-100-010-3350-023	22,748.26	07/01/2023	06/30/2024			21,464.16	(22,748.26)			(1,284.10)		1,284.10	22,748.26
State Reduced School Breakfast Program	23-100-010-3350-023	1,732.80	07/01/2022	06/30/2023	(95.10)		95.10							1,732.80
State Reduced School Breakfast Program	24-100-010-3350-023	1,736.10	07/01/2023	06/30/2024			1,594.50	(1,736.10)			(141.60)		141.60	1,736.10
Total New Jersey Department of Agriculture					(930.08)		23,988.74	(24,484.36)			(1,425.70)		1,425.70	49,148.50
Total Enterprise Fund					(930.08)		23,988.74	(24,484.36)			(1,425.70)		1,425.70	49,148.50
Capital Projects Fund:														
Watchung School Boilers	3140-090-23-R502	253,040.00						(5,076.20)			(5,076.20)		5,076.20	5,076.20
Parker School HVAC	3140-070-23-R501	319,560.00						(7,996.01)			(7,996.01)		7,996.01	7,996.01
High School HVAC	3140-050-23-R502	659,920.00						(16,521.68)			(16,521.68)		16,521.68	16,521.68
Hazelwood School HVAC	3140-065-23-R502	31,160.00						(145.03)			(145.03)		145.03	145.03
Von E. Mauger School HVAC	3140-085-23-R501	336,760.00						(12,772.30)			(12,772.30)		12,772.30	12,772.30
Total Capital Projects Fund								(42,511.22)			(42,511.22)		42,511.22	42,511.22
Debt Service Fund:														
Debt Service Aid	24-495-034-5120-075	328,883.00	07/01/2023	06/30/2024			383,883.00	(383,883.00)						383,883.00
Total State Financial Assistance					($401,746.08)	$-0-	$23,801,012.83	($25,306,196.72)	$1,479,679.00	$-0-	($435,996.97)	$8,746.00	$1,915,675.97	$25,784,093.86
Less: On-Behalf amounts not utilized for determination of Major Programs:														
On-behalf TPAF Pension - post retirement medical	24-495-034-5094-001	1,769,516.00	07/01/2023	06/30/2024			(1,769,516.00)	1,769,516.00						
On-behalf TPAF non contributory insurance	24-495-034-5094-004	73,312.00	07/01/2023	06/30/2024			(73,312.00)	73,312.00						
On-behalf TPAF pension contribution	24-495-034-5094-002	6,428,356.00	07/01/2023	06/30/2024			(6,428,356.00)	6,428,356.00						
On-behalf TPAF long term disability insurance	24-495-034-5094-004	2,221.00	07/01/2023	06/30/2024			(2,221.00)	2,221.00						
Total State Financial Assistance Subject to Single Audit							$15,527,607.83	($17,032,791.72)						

See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

EXHIBIT "K-5"

Borough of Middlesex School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2024

NOTE 1: GENERAL

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

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 of the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is ($210,434.00) for the general fund and $372,084.55 for the special revenue fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	Federal	State	Total
General Fund	$53,547.00	$24,811,438.14	$24,864,985.14
Special Revenue Fund	2,401,594.43	43,880.00	2,445,474.43
Capital Projects Fund		42,511.22	42,511.22
Debt Service Fund		328,883.00	328,883.00
Food Service Fund	707,030.42	24,484.36	731,514.78
Total Awards & Financial Assistance	$3,162,171.85	$25,251,196.72	$28,413,368.57
GAAP Adjustment	305,904.55	(144,254.00)	161,650.55
Total: GAAP Basis	$3,468,076.40	$25,106,942.72	$28,575,019.12

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5: OTHER

Revenues and expenditures reported in the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF pension contributions, post retirement medical benefits and long term disability insurance represents the amount paid by the state on behalf of the district for the year ended June 30, 2024. TPAF Social Security contributions represent the amount reimbursed by the state for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2024.

EXHIBIT "K-6"

Borough of Middlesex School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

Section I – Summary of Auditor's Results

Financial Statements

(1)	Type of Auditor's Report Issued:		Unmodified
(2)	Internal Control Over Financial Reporting:		
	(a)	Material weakness identified?	No
	(b)	Significant deficiencies identified that are not considered to be material weaknesses?	No
(3)	Noncompliance material to basic financial statements noted?		No

Federal Program(s)

(1)	Internal Control Over Major Federal Programs:		
	(a)	Material weakness identified?	No
	(b)	Significant deficiencies identified that are not considered to be material weaknesses?	No
(2)	Type of Auditor's Report issued on compliance for major federal program(s)?		Unmodified
(3)	Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance and listed in Section III of this schedule?		No

(4) Identification of Major Federal Program(s):

AL Number	FAIN Number	Program
		Child Nutrition Cluster
10.555	241NJ304N1099	National School Lunch Program
10.555	24-010-3350-100-118	COVID Supply Chain Assistance
10.553	231NJ304N1099	National School Breakfast Program

Borough of Middlesex School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

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

Federal Program(s) Continued

(5) Program Threshold Determination:
Type A Federal Program Threshold > $750,000.00
Type B Federal Program Threshold <= $750,000.00

(6) Auditee qualified as a low-risk auditee under the Uniform Guidance? Yes

State Program(s)

(1) Internal Control Over Major State Programs:

(a) Material weakness identified? No

(b) Significant deficiencies identified that are not considered to be material weaknesses? No

(2) Type of Auditor's Report issued on compliance for major state program(s)? Unmodified

(3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08 and listed in Section III of this schedule? No

(4) Identification of Major State Program(s):

Grant Number	Program
	State Aid Cluster:
495-034-5120-089	Special Education Categorical Aid
495-034-5120-078	Equalization Aid
495-034-5120-084	Security Aid
495-034-5120-014	Transportation Aid
495-034-5120-075	Debt Service Aid

(5) Program Threshold Determination:
Type A State Program Threshold > $750,000.00
Type B State Program Threshold <= $750,000.00

(6) Auditee qualified as a low-risk auditee under N.J. OMB Circular 15-08? Yes

Borough of Middlesex School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards

Internal Control Findings

None Reported

Compliance Findings

None Reported

Section III – Findings and Questioned Costs Relative to Major Federal and State Programs

Federal Programs – None Reported

State Programs – None Reported

EXHIBIT "K-7"

Borough of Middlesex School District

Schedule of Prior Year Audit Findings

Not Applicable