

**SCHOOL DISTRICT OF THE
OCEAN TOWNSHIP
COUNTY OF MONMOUTH, NEW JERSEY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**

BOARD OF EDUCATION

OCEAN TOWNSHIP

STATE OF NEW JERSEY

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2024

PREPARED BY

OCEAN TOWNSHIP BOARD OF EDUCATION

BOARD SECRETARY'S OFFICE

OUTLINE OF ACFR

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INTRODUCTORY SECTION



TOWNSHIP OF OCEAN SCHOOLS

Business Office

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Oakhurst, NJ 07755

ghastings@oceanschools.org

(732) 531-5600 ext. 3100

Geoffrey Hastings

Business Administrator

December 20, 2024

Citizens of the Township of Ocean
The Honorable President and
Members of the Board of Education
Township of Ocean School District
Monmouth County
Oakhurst, New Jersey

Dear Citizens of Ocean Township and Board Members:

The annual comprehensive financial report (ACFR) of the Township of Ocean School District (District) for the fiscal year ended June 30, 2024, is hereby submitted. This ACFR includes the District's Basic Financial Statements prepared in accordance with Governmental Accounting Standards (GASB), Board Statement 34. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes Management's Discussion and Analysis, the Basic Financial Statements and notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information, as well as the auditor's report hereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis, as the information was available to us. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, as amended, 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's Circular 15-08, *Single audit policy for recipients of Federal Grants, State Grants, and State Aid*. Information related to this single audit, including the auditor's report on the internal control and compliance with applicable laws, regulation, contracts and grants along with findings and questioned costs, is included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: Township of Ocean School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds of the District are included in this report. The Township of Ocean Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2023-2024 fiscal year with an enrollment of 3,145 students, which is 8 students more than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years.

**Note: Below enrollments do not include 'out of district' tuition students.*

ACTUAL STUDENT ENROLLMENT

Fiscal Year	Student Enrollment	Percent Change
2023-2024	3145	.25%
2022-2023	3137	<1.84>%
2021-2022	3196	<3.12>%
2020-2021	3329	<0.18>%
2019-2020	3305	<3.53>%

PROJECTED STUDENT ENROLLMENT

Fiscal Year	Student Enrollment	Percent Change
2024-2025	3,139	<.19>%
2025-2026	3,090	<1.56>%
2026-2027	3,041	<1.56>%
2027-2028	2,994	<1.56>%

- 2) **ECONOMIC CONDITION AND OUTLOOK:** Ocean Township is located on the Jersey Shore in east central Monmouth County, NJ. The township is located 47 miles south of New York City and 55 miles east of Philadelphia. Ocean Township consists of three main unincorporated communities: Oakhurst, Wanamassa, and Wayside. The township, located in Monmouth County, is a desirable place to start and grow a business. The County's Division of Economic Development continues to work with the business community in all sectors to retain, grow, and attract businesses. The County encompasses a number of higher educational institutions, notably Rutgers and Monmouth universities, as well as medical facilities and pharmaceutical companies. It also includes popular points on the Jersey Shore, helping to make leisure and hospitality an important industry sector in the local economy. Employment in Middlesex-Monmouth County, which had grown somewhat faster than the rest of the state during the last decade, fell sharply during the pandemic but had fully reversed those losses as of mid-2022, even in its key leisure and hospitality sector, which had seen outsized losses during the pandemic. Income and educational attainment are higher than for the nation, and slightly higher than for New Jersey as a whole.
- 3) **MAJOR INITIATIVES:** The Township of Ocean Schools strives to meet the educational needs of all students. These educational settings have allowed us to expand our offerings and provide real world experiences for our students. In addition, the District is continuing major programmatic advances in the areas of 1) visual and performing arts with the implementation of the Spartan School of Visual and Performing Arts Academy, 2) science, technology, engineering and math (STEM) education, 3) career and technical education, and 4) academic and behavioral multi-tiered systems of support. Major facility upgrades have been completed to address growth in these areas. Finally, the Township of Ocean School District has been successful in applying for state funds for an early childhood preschool program. For the 2025-2026 school year, we will add another 2 full day preschool classes for a total of 25 preschool classes with approximately 375 preschool students ages 3-4. As always, we encourage our students and staff to be innovative and creative. We foster a climate of discovery. We are proud of our diversity and the rich culture of our schools

4) FACILITIES: The Township of Ocean School District operates 6 buildings as follows:

Building	Address	Year Built	Approximate Square Footage
Ocean Twp. High School	550 West Avenue	1964	224,295
Twp. of Ocean Intermediate School	1200 West Park Ave	1974	231,031
Wayside Elementary School	733 Bowne Road	1969	96,987
Ocean Twp. Elementary School	555 Dow Avenue	1957	77,797
Wanamassa Elementary School	901 Bendermere Ave	1930	80,529
Administration Office Bldg.	163 Monmouth Road	1900	46,850

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

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

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

6) 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 BOE and/or voters of the municipality. Annual appropriated budgets are adopted for the general fund,

the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balances at June 30, 2024.

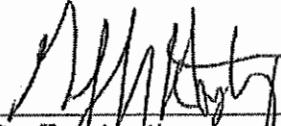
- 7) ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to Financial Statements", Note 1.
- 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 Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
- 9) RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. A schedule of insurance coverage is found in Exhibit J-20.
- 10) OTHER INFORMATION: Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Wielkotz & Co., P.A. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Uniform Guidance and New Jersey OMB's Circular 15-08. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.
- 11) ACKNOWLEDGEMENTS:**
We would like to express our appreciation to the members of the Township of Ocean School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance

of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

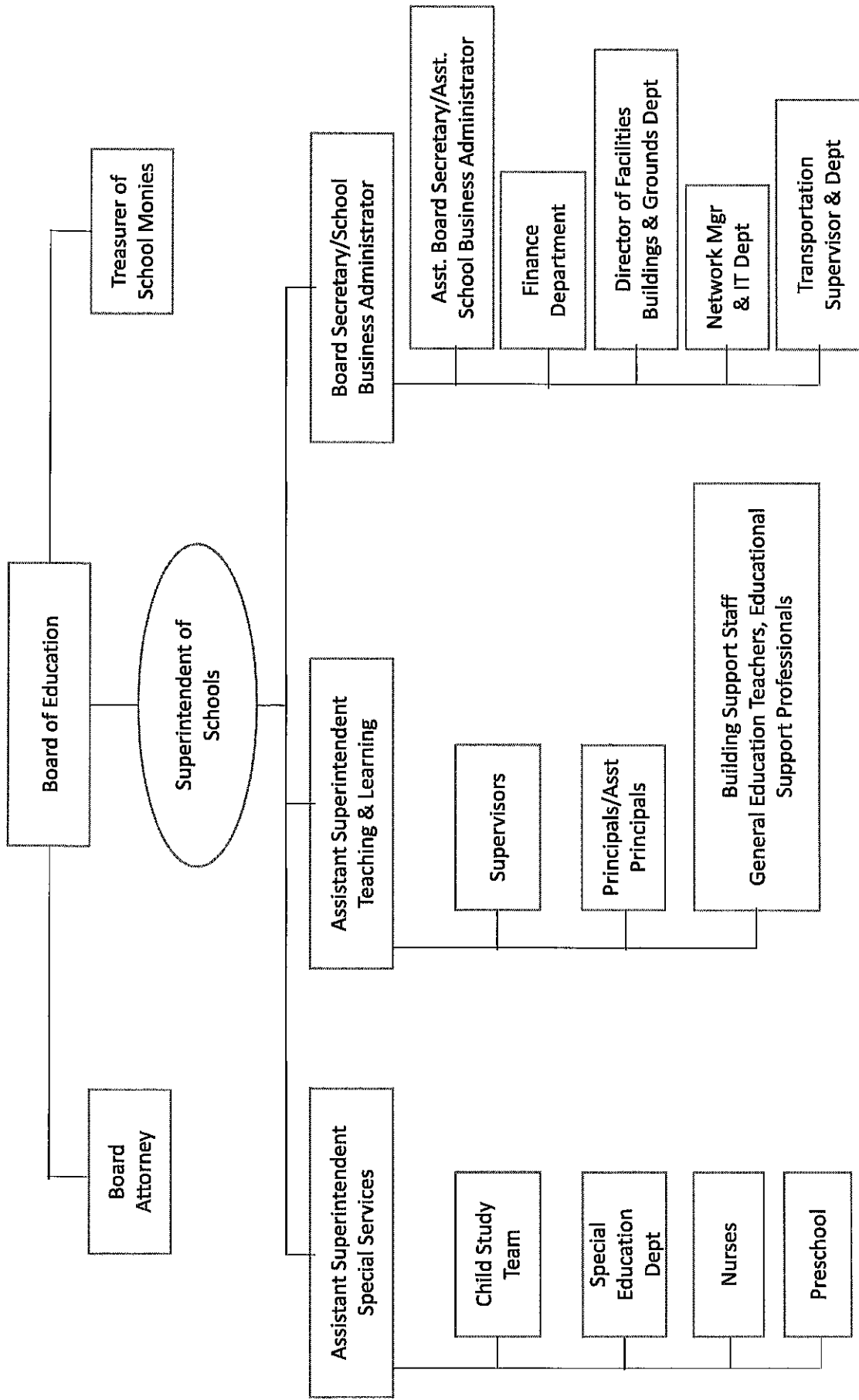
Respectfully submitted,



Kelly Weldon
Superintendent of Schools



Geoffrey Hastings
School Business Administrator/
Board Secretary



**OCEAN TOWNSHIP BOARD OF EDUCATION
OCEAN, NEW JERSEY**

ROSTER OF OFFICIALS

JUNE 30, 2024

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Denise Parlamas, President	2024
John McCarthy, Vice President	2024
Irene Gilman	2024
Gerard Dalton	2026
Amy McGovern	2025
GraceAnne Talarico	2025
Jeffrey Weinstein	2025
Caitlin Dam	2026
Brian Schneider	2023
Michael Chowning - Student Representative	
Madison Clark, Student Representative	

Other Officials

Kelly Weldon, Superintendent of Schools
Geoffrey Hastings, Board Secretary/School Business Administrator
Elliot Kass, Assistant School Business Administrator
Robert Williams, Treasurer

OCEAN TOWNSHIP BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

Audit Firm

Wielkocz & Company, LLC
Certified Public Accountants
401 Wanaque Avenue
Pompton Lakes, NJ 07442

Attorney

Taylor Law Group, LLC
430 Mountain Avenue, Suite 103
New Providence, NJ 07974

Kenney, Gross, Kovats and Parton
130 Maple Avenue
Red Bank, NJ 07701

Weiner Law Group, LLP
629 Parsippany Road
Parsippany, NJ 07054

Official Depositories

Santander Bank
57 Monmouth Road
Oakhurst, NJ 07755

New Jersey Asset & Rebate Management Program
200 Princeton South Corporation Suite 270A
Ewing, NJ 08628

FINANCIAL SECTION



WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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MATTHEW B. WIELKOTZ, CPA, PSA
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
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INDEPENDENT AUDITOR'S REPORT

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

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 Board of Education of the Township of Ocean School District, in the County of Monmouth, State of New Jersey, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the 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, business-type activities and each major fund of the Township of Ocean Board of Education, in the County of Monmouth, State of New Jersey, 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, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Ocean Township Board of Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Honorable President and
Members of the Board of Education
Page 2.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ocean Township Board of Education's ability to continue as a going concern for the next 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, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

Honorable President and
Members of the Board of Education
Page 3.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of 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 Ocean Township Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ocean Township Board of Education'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.



Honorable President and
Members of the Board of Education
Page 4.

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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ocean Township Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical data section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



Honorable President and
Members of the Board of Education
Page 5.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2024 on our consideration of the Ocean Township Board of Education'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 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 Ocean Township Board of Education's internal control over financial reporting and compliance.



Steven D. Wielkocz, C.P.A.
Licensed Public School Accountant
No. 816



WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 20, 2024

**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

OCEAN TOWNSHIP BOARD OF EDUCATION

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
UNAUDITED**

As management of the Ocean Township Board of Education (the "School District"), we offer readers of the School District's financial statements this narrative overview and analysis of the financial activities of the Ocean Township Board of Education for the fiscal year ended June 30, 2024.

The Management's Discussion and Analysis is provided at the beginning of the audit to provide in layman's terms the past and current position of the School District's financial condition. This summary should not be taken as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the School District's revenues and expenditures by program for the General Fund, Special Revenue Fund, and Enterprise Fund. The NJ Department of Education has elected to require districts to treat each governmental fund as a major fund.

FINANCIAL HIGHLIGHTS

- In total, net position increased \$8,113,484, net position of governmental activities increased \$8,168,966 while net position of business-type activity decreased by \$55,842.
- General revenues accounted for \$95,900,919 in revenue or 90 percent of all governmental activity revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$10,100,321 or 10 percent of total revenues of \$106,001,240.
- Total assets of governmental activities increased by \$1,638,311 as cash and cash equivalents decreased by \$189,792 receivables decreased by \$1,141,547, and capital assets increased by \$2,969,650.
- The School District had \$96,467,570 in governmental activities expenses; only \$8,735,618 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$95,900,919 were not adequate to provide for these programs.

OCEAN TOWNSHIP BOARD OF EDUCATION
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
UNAUDITED
(CONTINUED)

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

This discussion and analysis is intended to serve as an introduction to the Ocean Township Board of Education's basic financial statements. The Ocean Township Board of Education's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

These statements are designed to provide readers with a broad overview of the Ocean Township Board of Education's finances, in a manner similar to a private-sector business. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

The statement of net position presents information on all of the Ocean Township Board of Education's assets and liabilities, with the difference between the two 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 Ocean Township Board of Education is improving or deteriorating.

The statement of activities presents information showing how the government's net position 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. The causes of change may be the result of many factors, some financial and some not. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. Program revenues are revenues generated by an activity's fees and charges or are received as operating or capital grants specifically for a certain function. Most of the General Revenues are property taxes and unrestricted aid from other governments –i.e., Equalization Aid, Transportation Aid, Special Education Aid, Security Aid, Adjustment Aid, etc.

Both of the government-wide financial statements distinguish functions of the Ocean Township Board of Education that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Ocean Township Board of Education include instruction and support services, operations and maintenance of plant facilities, pupil transportation and extracurricular activities. The business-type activities of the School District are provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service and Safety Town enterprise funds are reported as business activities.

OCEAN TOWNSHIP BOARD OF EDUCATION
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
UNAUDITED
(CONTINUED)

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR), (continued)

Reporting the District's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Ocean Township Board of Education, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District uses many funds to account for a multitude of financial transactions. All of these governmental funds of the School District can be divided into four categories: General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

The District's activities are reported in governmental funds which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information may be useful in evaluating a District'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 government-wide financial statements. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

The Ocean Township Board of Education 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 balances for the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund, which are all considered to be major funds.

Enterprise Funds

The Ocean Township Board of Education maintains an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the District-wide financial statements. The Ocean Township Board of Education uses the enterprise fund to account for its food service program.

OCEAN TOWNSHIP BOARD OF EDUCATION

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
UNAUDITED
(CONTINUED)**

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR), (continued)

Internal Service Funds

The internal service fund are used to report any activity that provides good or services to other funds, departments or agencies of the District on a cost-reimbursement basis. The District accounts for its prescription drug costs provided to the Board of Education employees through the internal service fund. During fiscal year 2024 the District decided to no longer self-insure its prescription drug costs all remaining balances and rebates were recorded as reimbursements against employee benefit costs.

Long Term Debt

A separate section is used to account for all long-term Debt including detail of serial bonds payable and obligations under capital leases.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary information for the District's major funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The School District as a Whole

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

The School District's net position was \$29,996,330 at June 30, 2024. Of this amount \$(16,326,703) was unrestricted balances. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis on the next page focuses on the net position (Table 1) and change in net position (Table 2) of the School District. Table 1 provides a summary of the School District's net position for 2024 and 2023.

OCEAN TOWNSHIP BOARD OF EDUCATION
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
UNAUDITED
(CONTINUED)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Table 1

Net Position
June 30, 2024

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Current and Other Assets	25,574,015	26,905,354	716,302	925,135	26,290,317	27,830,489
Capital Assets	<u>45,025,409</u>	<u>42,055,759</u>	<u>471,697</u>	<u>354,084</u>	<u>45,497,106</u>	<u>42,409,843</u>
Total Assets	<u>70,599,424</u>	<u>68,961,113</u>	<u>1,187,999</u>	<u>1,279,219</u>	<u>71,787,423</u>	<u>70,240,332</u>
Deferred Outflows of Resources	<u>1,950,431</u>	<u>2,513,872</u>	_____	_____	<u>1,950,431</u>	<u>2,513,872</u>
Total Deferred Outflows of Resources	<u>1,950,431</u>	<u>2,513,872</u>	_____	_____	<u>1,950,431</u>	<u>2,513,872</u>
Current Liabilities	4,093,803	7,230,848	117,176	152,914	4,210,979	7,383,762
Non-Current Liabilities	<u>38,026,428</u>	<u>40,248,326</u>	_____	_____	<u>38,026,428</u>	<u>14,723,183</u>
Total Liabilities	<u>42,120,231</u>	<u>47,479,174</u>	<u>117,176</u>	<u>152,914</u>	<u>42,237,407</u>	<u>47,632,088</u>
Deferred Inflows of Resources	<u>1,504,117</u>	<u>3,239,270</u>	_____	_____	<u>1,504,117</u>	<u>3,239,270</u>
Total Deferred Inflows of Resources	<u>1,504,117</u>	<u>3,239,270</u>	_____	_____	<u>1,504,117</u>	<u>3,239,270</u>
Net Position						
Invested in Capital Assets						
Net of Debt	23,788,495	19,230,398	471,697	354,085	24,260,192	19,584,483
Restricted	22,062,841	19,998,941			22,062,841	19,998,941
Unrestricted	<u>(16,925,829)</u>	<u>(18,472,798)</u>	<u>599,126</u>	<u>772,220</u>	<u>(16,326,703)</u>	<u>(17,700,578)</u>
Total Net Position	<u>28,925,507</u>	<u>20,756,541</u>	<u>1,070,823</u>	<u>1,126,305</u>	<u>29,996,330</u>	<u>21,882,846</u>

OCEAN TOWNSHIP BOARD OF EDUCATION

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
UNAUDITED
(CONTINUED)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Table 2 below show the changes in net position for the fiscal year 2024 and 2023.

Table 2

**Changes in Net Position
Year Ended June 30, 2024**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues						
<u>Program Revenues:</u>						
Charges for Services & Sales		3,037,830	513,668	475,950	513,668	3,513,780
Operating Grants & Contributions	8,735,618	8,433,928	851,035	919,399	9,586,653	9,353,327
<u>General Revenues:</u>						
<u>Taxes:</u>						
Local Property Taxes	72,809,580	71,048,817			72,809,580	71,048,817
Federal & State Aid Not Restricted	20,985,023	20,072,893			20,985,023	20,072,893
Miscellaneous Income	<u>2,106,316</u>	<u>1,342,025</u>			<u>2,106,316</u>	<u>1,342,025</u>
Total Revenues	<u>104,636,537</u>	<u>103,935,493</u>	<u>1,364,703</u>	<u>1,395,349</u>	<u>106,001,240</u>	<u>105,330,842</u>

OCEAN TOWNSHIP BOARD OF EDUCATION

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
UNAUDITED
(CONTINUED)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Functions/Program Expenses						
<u>Instruction:</u>						
Regular	26,842,929	26,885,387			26,842,929	26,885,387
Special Education	7,457,234	7,378,982			7,457,234	7,378,982
Other Special Instruction	1,214,827	1,150,566			1,214,827	1,150,566
Other Instruction	1,492,425	1,416,427			1,492,425	1,416,427
Support Services:						
Tuition, Student and Instruction Related Services	15,047,160	14,525,341			15,047,160	14,525,341
School Administrative Services	2,118,284	2,193,911			2,118,284	2,193,911
General Administrative Services	906,125	1,413,330			906,125	1,413,330
Central Service and Admin Info.	1,449,091	1,471,926			1,449,091	1,471,926
Plant Operations and Maintenance	7,044,548	6,880,172			7,044,548	6,880,172
Pupil Transportation	4,764,084	4,329,922			4,764,084	4,329,922
Personal Services-benefits	24,906,564	26,799,989			24,906,564	26,799,989
Summer schools	259,129	256,402			259,129	256,402
Charter school	501,493	428,211			501,493	428,211
Unallocated Depreciation	1,779,504	1,746,383			1,779,504	1,746,383
Non-depreciable capital outlay	60,092	60,092			60,092	60,092
Interest on Long-Term Debt	624,081	651,011			624,081	651,011
Enterprise Fund			<u>1,420,185</u>	<u>1,159,825</u>	<u>1,420,185</u>	<u>1,159,825</u>
Total Expenses and Transfers	<u>96,467,570</u>	<u>97,588,052</u>	<u>1,420,185</u>	<u>1,159,825</u>	<u>97,887,755</u>	<u>98,747,877</u>
Change in Net Position	<u>8,168,966</u>	<u>6,347,441</u>	<u>(55,482)</u>	<u>235,524</u>	<u>8,113,484</u>	<u>6,582,965</u>

As reported in the Statement of Activities, the cost of all of our governmental and business-type activities this year was \$97,887,755.

OCEAN TOWNSHIP BOARD OF EDUCATION

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**UNAUDITED
(CONTINUED)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Business-Type Activities

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

- Expenditures exceeded revenues by \$55,482 (loss).
- Charges for services represent \$513,668 of revenue. This represents the amounts paid by patrons for daily food service.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and free milk, and donated commodities was \$851,035.

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

The School District's budgets are prepared according to New Jersey law. The most significant budgeted funds are the general fund and the special revenue fund.

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OCEAN TOWNSHIP BOARD OF EDUCATION

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**UNAUDITED
(CONTINUED)**

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS (continued)

Governmental Activities

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

Table 3

	<u>Total Cost of Services 2024</u>	<u>Total Cost of Services 2023</u>	<u>Net Cost of Services 2024</u>	<u>Net Cost of Services 2023</u>
Instruction	37,007,415	36,831,362	31,750,213	31,401,071
Support Services:				
Pupils and Instructional Staff	15,047,160	14,525,341	11,568,744	11,815,045
General Administration, School Administration, Business Services and Central Services	4,473,500	5,079,167	4,473,500	5,079,167
Operation and Maintenance of Facilities	7,044,548	6,880,172	7,044,548	6,880,172
Pupil Transportation	4,764,084	4,329,922	4,764,084	4,329,922
Personal services-benefits	24,906,564	26,799,989	24,906,564	23,762,159
Interest and Fiscal Charges	624,081	651,011	624,081	651,011
Other	<u>2,600,218</u>	<u>2,491,088</u>	<u>2,600,218</u>	<u>2,197,747</u>
<u>Total Expenses</u>	<u>96,467,570</u>	<u>97,588,052</u>	<u>87,731,952</u>	<u>86,116,294</u>

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

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

General administration, school administration, central services and admin info tech includes expenses associated with administrative and financial supervision of the District.

OCEAN TOWNSHIP BOARD OF EDUCATION

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**UNAUDITED
(CONTINUED)**

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS (continued)

Operation and maintenance of facilities involve keeping the school grounds, buildings, and equipment in an effective working condition and in compliance with NJDEP and all applicable statutes.

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

Personel benefits includes costs related to group insurance, social security, retirement contributions, workmen's compensation, health benefits, tuition benefits and other employee benefits.

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

"Other" includes summer and charter schools, Non-depreciable capital outlay and unallocated depreciation.

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OCEAN TOWNSHIP BOARD OF EDUCATION

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
UNAUDITED
(CONTINUED)**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2024 the School District had \$93,042,605 invested in sites, buildings, and equipment. Of this amount \$47,545,499 in depreciation has been taken over the years. We currently have a net book value of \$45,497,106. Total additions for the year were \$2,239,326. Table 3 shows fiscal year 2024 balances compared to 2023.

Table 4

**Capital Assets at June 30, 2024
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	984,968	984,968			984,968	984,968
Site Improvements	1,491,211	1,663,999			1,491,211	1,663,999
Buildings and Improvements	34,952,927	35,906,130			34,952,927	35,606,162
Machinery and Equipment	3,961,423	3,134,610	471,697	354,084	4,433,120	3,642,499
Construction in Progress	<u>3,634,880</u>	<u>366,052</u>	<u>—</u>	<u>—</u>	<u>3,634,880</u>	<u>1,098,185</u>
Total Net Assets	<u>45,025,409</u>	<u>42,055,759</u>	<u>471,697</u>	<u>354,084</u>	<u>45,497,106</u>	<u>42,409,843</u>

OCEAN TOWNSHIP BOARD OF EDUCATION
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
UNAUDITED
(CONTINUED)

CAPITAL ASSETS AND DEBT ADMINISTRATION, (continued)

Debt Administration

At June 30, 2024, the District had \$19,475,000 in outstanding bonds. In addition to this amount the District had, \$2,158,698 in compensated absences, \$1,761,914 is for capital lease obligations and \$14,630,816 in net pension liability.

Table 5

Outstanding Serial Bonds at June 30, 2024

	<u>2024</u>	<u>2023</u>
School Bonds - Series 2015	<u>\$19,475,000</u>	<u>\$20,765,000</u>

OCEAN TOWNSHIP BOARD OF EDUCATION

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**UNAUDITED
(CONTINUED)**

ECONOMIC FACTORS AND NEXT YEARS' BUDGETS

The Board of Education continues to take necessary steps to institute cost savings measures on budgets, enabling the District to absorb the reductions in state aid. The goal of the 2024-2025 budget will be to address aging infrastructure concerns, maintain staffing levels and continue to build on curricular and technology advances that have already been made.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Mr Geoffrey Hastings
School Business Administrator/Board Secretary
Ocean Township Board of Education
163 Monmouth Road
Ocean, NJ 07755

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 11,110,991	\$ 587,773	\$ 11,698,764
Receivables from other governments	3,248,652	128,529	3,377,181
Receivables - Other	666,541		666,541
Restricted assets:			
Cash and cash equivalents	10,547,831		10,547,831
Capital assets; net			
Land/Construction in Process	4,619,848		4,619,848
Other Capital Assets, Net	40,405,561	471,697	40,877,258
Total Assets	<u>70,599,424</u>	<u>1,187,999</u>	<u>71,787,423</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources Related to PERS	1,950,431		1,950,431
Total Deferred Outflows of Resources	<u>1,950,431</u>	<u>-</u>	<u>1,950,431</u>
LIABILITIES			
Accounts payable and accrued liabilities	1,599,894	117,176	1,717,070
Accounts payable related to Pensions	1,350,000		1,350,000
Payroll deductions and withholdings	97,972		97,972
Other liability - Unemployment compensation	168,815		168,815
Payable to state government	18,116		18,116
Unearned revenue	859,006		859,006
Noncurrent liabilities:			
Due within one year	1,705,108		1,705,108
Due beyond one year	36,321,320		36,321,320
Total liabilities	<u>42,120,231</u>	<u>117,176</u>	<u>42,237,407</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources Related to PERS	1,504,117		1,504,117
NET POSITION			
Invested in capital assets, net of related debt	23,788,495	471,697	24,260,192
Restricted for:			-
Capital Reserve	6,610,060		6,610,060
Maintenance Reserve	2,732,264		2,732,264
Unemployment compensation	620,668		620,668
Student Activities	420,095		420,095
Scholarship Funds	42,587		42,587
Debt Service Fund	133		133
Capital Project Fund	1,801,479		1,801,479
Other purposes	9,835,555		9,835,555
Unrestricted	(16,925,829)	599,126	(16,326,703)
Total net position	<u>\$ 28,925,507</u>	<u>\$ 1,070,823</u>	<u>\$ 29,996,330</u>

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

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities
Governmental activities:						
Instruction:						
Regular	\$ 26,731,268	\$ 111,661	\$	\$ 5,257,202	\$ (21,585,727)	\$ (21,585,727)
Special education	7,457,234				(7,457,234)	(7,457,234)
Other special instruction	1,214,827				(1,214,827)	(1,214,827)
School-sponsored activities	1,492,425				(1,492,425)	(1,492,425)
Support services:						
Tuition	3,448,320			3,478,416	(3,448,320)	(3,448,320)
Student & instruction related services	11,402,024	196,816			(8,120,424)	(8,120,424)
School administrative services	2,086,372	31,912			(2,118,284)	(2,118,284)
General and business administrative services	900,401	5,724			(906,125)	(906,125)
Central Services and Admin. Info Tech.	1,449,091				(1,449,091)	(1,449,091)
Plant operations and maintenance	7,000,540	44,008			(7,044,548)	(7,044,548)
Pupil transportation	4,324,222	439,862			(4,764,084)	(4,764,084)
Personal Services-employee benefits	24,906,564				(24,906,564)	(24,906,564)
Summer Schools	259,129				(259,129)	(259,129)
Charter Schools	501,493				(501,493)	(501,493)
Interest on long-term debt	624,081				(624,081)	(624,081)
Unallocated depreciation	1,779,504				(1,779,504)	(1,779,504)
Non-depreciable capital outlay	60,092				(60,092)	(60,092)
Total governmental activities	95,657,587	829,983	-	8,733,618	(87,731,952)	(87,731,952)
Business-type activities:						
Food Service	1,420,185		515,668	851,095	(55,482)	(55,482)
Total business-type activities	1,420,185		515,668	851,095	(55,482)	(55,482)
Total primary government	97,077,772	829,983	\$	9,584,653	\$ (87,731,952)	\$ (87,731,952)

General revenues:

Taxes:

Property taxes, levied for general purposes	71,317,208
Property taxes, levied for debt service	1,492,372
Federal and State aid not restricted	20,985,023
Unemployment reserve -net	95,155
Miscellaneous Income	2,011,161
Total general revenues, special items, extraordinary items and transfers	95,900,919
Change in Net Position	8,113,484

Net Position—beginning

Net Position—ending

Net Position—beginning	21,882,846
Net Position—ending	29,996,330

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

FUND FINANCIAL STATEMENTS

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
 Balance Sheet
 Governmental Funds
 June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 10,533,870	\$ 576,988		\$ 133	\$ 11,110,991
Receivables from other governments	1,295,482	736,530	1,216,640		3,248,652
Receivables - Other	641,225	25,316			666,541
Restricted cash and cash equivalents	9,962,992		584,839		10,547,831
Total assets	<u>\$ 22,433,569</u>	<u>\$ 1,338,834</u>	<u>\$ 1,801,479</u>	<u>\$ 133</u>	<u>\$ 25,574,015</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Cash Overdraft					-
Accounts Payable	950,899	449,568			1,400,467
Unearned revenue	120,000	739,006			859,006
Payable to state government		18,116			18,116
Payroll deductions and withholdings payable	97,972				97,972
Unemployment Compensation claims payable	168,815				168,815
Total liabilities	<u>1,337,686</u>	<u>1,206,690</u>	<u>-</u>	<u>-</u>	<u>2,544,376</u>
Fund Balances:					
Restricted for:					
Excess surplus - current year	4,334,300				4,334,300
Excess surplus - prior year - designated for subsequent year's expenditures	4,300,349				4,300,349
Capital reserve	6,610,060				6,610,060
Maintenance reserve	2,732,264				2,732,264
Capital Projects			1,801,479		1,801,479
Debt service				133	133
Unemployment compensation	620,668				620,668
Scholarship Fund		42,587			42,587
Student Activities		420,095			420,095
Assigned to:					
Other purposes					-
Designated for subsequent year's expenditures	1,200,906				1,200,906
Unassigned:					
General fund	1,297,336				1,297,336
Special Revenue Fund (Deficit)		(330,538)			(330,538)
Total Fund balances	<u>21,095,883</u>	<u>132,144</u>	<u>1,801,479</u>	<u>133</u>	<u>23,029,639</u>
Total liabilities and fund balances	<u>\$ 22,433,569</u>	<u>\$ 1,338,834</u>	<u>\$ 1,801,479</u>	<u>\$ 133</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$92,045,809 and the accumulated depreciation is \$47,020,400.	45,025,409
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds.	(199,427)
Accounts payable for subsequent pension payment is not a payable in the funds.	(1,350,000)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred Outflows of Resources related to PERS pension liability	1,950,431
Deferred Inflows of Resources related to PERS pension liability	(1,504,117)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(38,026,428)</u>
Net position of governmental activities	<u>\$ 28,925,507</u>

See accompanying Notes to the Financial Statements.

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the 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	\$ 71,317,208			\$ 1,492,372	\$72,809,580
Tuition	214,196				214,196
Transportation Fees	96,100				96,100
Interest Earned on Investments	764,585				764,585
Unrestricted miscellaneous revenue	358,955	1,637,823			1,996,778
Interest Earned on Investments-Capital Project Funds	290,885				290,885
Rental fees	269,258				269,258
Total - Local Sources	73,311,187	1,637,823	-	1,492,372	76,441,382
State sources	26,029,897	4,409,054	1,216,640	434,610	32,090,201
Federal sources	88,120	4,844,091			4,932,211
Total revenues	99,429,204	10,890,968	1,216,640	1,926,982	113,463,794
EXPENDITURES					
Current:					
Regular instruction	\$ 21,503,246	\$ 5,320,612			\$ 26,823,858
Special education instruction	7,457,234				7,457,234
Other special instruction	1,214,827				1,214,827
School-sponsored activities	1,492,425				1,492,425
Support services and undistributed costs:					
Tuition	3,448,320				3,448,320
Student & instruction related services	7,923,608	3,478,416			11,402,024
General administrative services	1,198,846				1,198,846
School administrative services	2,086,372				2,086,372
Central Services and Admin Info. Tech.	1,449,091				1,449,091
Plant operations and maintenance	7,000,540				7,000,540
Pupil transportation	4,324,222				4,324,222
Personal Services - employee benefits	35,501,846				35,501,846
Summer Schools	259,129				259,129
Charter Schools	501,493				501,493
Debt Service:					
Principal				1,290,000	1,290,000
Interest and other charges				636,981	636,981
Non-depreciable capital outlay	60,092				60,092
Capital outlay	2,166,484	2,155,350	1,240,121		5,561,955
Total expenditures	97,587,775	10,954,378	1,240,121	1,926,981	111,709,255
Excess (Deficiency) of revenues over expenditures	1,841,428	(63,410)	(23,481)	1	1,754,538
OTHER FINANCING SOURCES (USES)					
Unemployment Reserve-Net	95,155				95,155
Transfers in			1,824,960		1,824,960
Transfers out	(1,824,960)				(1,824,960)
Total other financing sources and uses	(1,729,805)	-	1,824,960	-	95,155
Net change in fund balances	111,623	(63,410)	1,801,479	1	1,849,693
Fund balance—July 1	20,984,260	195,554	-	132	21,179,946
Fund balance—June 30	\$ 21,095,883	\$ 132,144	\$ 1,801,479	\$ 133	\$ 23,029,639

See accompanying Notes to the Financial Statements.

**OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2024**

Total net change in fund balances - governmental funds (from B-2) **\$ 1,849,693**

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

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

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

Depreciation expense	\$ (2,609,487)	
Adjustment to Fixed Assets	\$ 17,182	
Depreciable capital outlays	<u>5,561,955</u>	2,969,650

Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. In the current year, these amounts consist of:

Principal payments on bonds payable	1,290,000
Capital leases-Net	298,445

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

Prior Year	212,327
Current Year	<u>(199,427)</u>

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

(Increase) Decrease in compensated absences payable	92,590
---	--------

District pension contributions are reported as expenditures in the governmental funds when made.

However, per GASB No. 68 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	1,350,041	
Add: Pension Expense	<u>(305,647)</u>	
(Increase)/Decrease in Pension Expense		1,655,688

Per GASB No. 68 Non-employer contributing entities are required to record an increase in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements

Increase/(Decrease) in On-behalf State Aid TPAF Pension	(8,932,232)
Increase/(Decrease) in On-behalf TPAF Pension Expense	<u>8,932,232</u>

Per GASB No. 75 Non-employer contributing entities are required to record a decrease in revenue and expense for On-behalf other post-retirement health benefits paid by the State of New Jersey on the Statement of Activities that are less than those amounts reported in the fund financial statements

Decrease in On-behalf Other Post-Employment Health Benefits	(7,362)
Decrease in On-behalf Other Post-Employment Health Benefits Expense	<u>7,362</u>

Change in net position of governmental activities **\$ 8,168,966**

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

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Combining Statement of Net Position
Enterprise Funds
June 30, 2024

	Food Service
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 587,773
Accounts receivable	128,529
Noncurrent assets:	
Furniture, machinery & equipment	996,796
Less accumulated depreciation	(525,099)
Total noncurrent assets	471,697
Total assets	1,187,999
Current Liabilities:	
Accounts Payable	117,176
	117,176
NET POSITION	
Net Investment in capital assets	471,697
Unrestricted	599,126
Total net position	\$ 1,070,823

See accompanying Notes to the Financial Statements.

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds
For the Year Ended June 30, 2024

Operating revenues:	
Charges for services:	
Daily sales - program and non-program sales	\$ 513,668
Total operating revenues	<u>513,668</u>
Operating expenses:	
Purchase services-fixed price contract	1,209,055
Food Commodities	135,674
Depreciation	75,456
Total Operating Expenses	<u>1,420,185</u>
Operating income (loss)	<u>(906,517)</u>
Non-operating revenues (expenses):	
State sources:	
State school lunch program	27,066
State school breakfast program	4,721
Federal sources:	
National school lunch program	468,311
Breakfast Program	133,383
Food distribution program	135,674
Covid Supply Chain Assistance	81,880
Total non-operating revenues (expenses)	<u>851,035</u>
Income (loss) before contributions & transfers	<u>(55,482)</u>
Total net position- July 1, 2023	<u>1,126,305</u>
Total net position-June 30, 2024	<u>\$ 1,070,823</u>

See accompanying Notes to the Financial Statements.

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Combining Statement of Cash Flows
Enterprise Funds
For the Year Ended June 30, 2024

	Food Service
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and other funds	\$ 523,267
Payments to management company and other suppliers	(1,468,264)
Net cash provided by (used for) operating activities	(944,997)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State sources	26,794
Federal sources	736,445
Net cash provided by (used for) non-capital financing activities	763,239
CASH FLOWS FROM CAPITAL AND RELATED INVESTING ACTIVITIES	
Payments for Equipment	(105,273)
Net cash provided by (used for) investing activities	(105,273)
Net increase (decrease) in cash and cash equivalents	(287,031)
Balances—beginning of year	874,804
Balances—end of year	\$ 587,773
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (906,517)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
Depreciation	75,456
(Increase) decrease in accounts receivable	(78,198)
Increase (decrease) in accounts payable	(35,738)
Total adjustments	(38,480)
Net cash provided by (used for) operating activities	\$ (944,997)

See accompanying Notes to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

A. Description of the School District and Reporting Entity:

The Board of Education of the Ocean Township ("Board") School District (the "District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Ocean Township School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-12. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significance) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include four elementary schools and one high school, located in the Ocean Township. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation:

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

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

District-wide Financial Statements:

The statement of net position and the statement of activities display information about the Board as a whole. These statements include the financial activities of the overall District. The statements distinguish between those activities of the Board that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the Board at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the governmental activities and for the business-type activities of the Board. Direct expenses are those that are specifically associated with a service, program or function and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues, including all taxes, are presented as general revenues of the Board, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Board.

Fund Financial Statements:

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds. Separate statements for each fund category - *government 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. The various funds of the Board are grouped into the categories governmental and proprietary.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

GOVERNMENTAL FUNDS, (continued)

General Fund - The General Fund is the general operating fund of the Board. 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 Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America 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 the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from sale of bonds, lease purchases and other revenues. The Board currently has no funds in the capital project fund.

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

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

PROPRIETARY FUNDS, (continued)

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

The Board's Enterprise Fund is comprised of the Food Service Fund.

Internal Service Fund - The internal service fund may be used to report any activity that provides goods or services to other funds, departments or agencies of the primary entity on a cost reimbursement basis. The District accounts for its self-insured prescription drug plan costs provided to the Board of Education employees through the internal service fund. During Fiscal Year 2024 the District decided to no longer self insure it prescription drug plan costs. Prescription drugs are now provided directly with the Horizon State Health Benefit Plan.

C. Measurement Focus:

District-wide Financial Statements

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the District-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

C. Measurement Focus: (continued)

Fund Financial Statements, (continued)

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting:

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

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 a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that 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.

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

D. Basis of Accounting: (continued)

Revenues - Exchange and Non-exchange Transactions, (continued)

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

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

E. Budgets/Budgetary Control:

Annual appropriated budgets are adopted in the spring of the preceding year for the general, special revenue and debt service funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(G)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. The Board of Education did make any material supplemental budgetary appropriations during the fiscal year. The additional appropriations were caused by \$16,929 of additional Stabilization Aid and \$500,000 of Mental Health being received.

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 accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and 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.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

E. Budgets/Budgetary Control: (continued)

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

F. Encumbrances:

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

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

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

G. Cash, Cash Equivalents and Investments:

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

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

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

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

G. Cash, Cash Equivalents and Investments: (continued)

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

H. Tuition Revenues/Receivable:

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

I. Inventories:

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

J. Prepaid Items:

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

K. Short-Term Interfund Receivables/Payables:

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

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

L. Capital Assets:

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the District-wide statement of net position and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated capital assets are valued at their acquisition value on the date received. The capital assets acquired or constructed are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. The Board currently maintains a capitalization threshold of \$2,000.00. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

M. Compensated Absences:

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

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.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

N. Deferred Revenue:

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Deferred revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 1(B) regarding the special revenue fund.

O. Accrued Liabilities and Long-term Obligations:

All payables, accrued liabilities and long-term obligations are reported in 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, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

P. Accounting and Financial Reporting for Pensions:

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date—an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

P. Accounting and Financial Reporting for Pensions: (continued)

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

Q. 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 one items that qualify for reporting in this category, deferred amounts related to pension.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Q. Deferred Outflows/Inflows of Resources, (continued)

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 one item that qualifies in this category, deferred amounts related to pension.

R. Fund Balances:

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

S. Net Position:

Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

T. Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

U. Extraordinary and Special Items:

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

V. 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 for personal services -benefits are reported separately in the Statement of Activities. 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 as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

W. Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

X. Allowance for Uncollectible Accounts:

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

Y. Recently Issued Accounting Pronouncements:

The GASB has issued the following statements that will become effective for the School District for fiscal years ending June 30, 2025 and 2026:

GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

In December 2023, the Government Accounting Standards Board issued GASB Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the District.

In April 2024, the Government Accounting Standards Board issued GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its' effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter, though, earlier application is encouraged. Management is currently reviewing the provisions of this Statement and plans to implement, as needed, before the effective date.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS:

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

Checking/Money Market Accounts	<u>\$24,264,247</u>
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During the period ended June 30, 2024, the Board did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2024 was \$24,264,247 and the bank balance was \$26,050,082. The entire balance was covered by federal depository insurance and the collateral pool maintained by the banks as required by New Jersey statutes.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based on banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments (established in New Jersey Statutes 18A:20-37) are treated as cash equivalents. As of June 30, 2024, \$-0- of the Board's bank balance of \$26,050,082 was exposed to custodial credit risk.

Interest Rate Risk

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

Credit Risk

New Jersey Statutes 18A:20-37 limits school district investments to those specified by the Statutes. The type of allowance investments are Bonds of the United States of America or local unit or school districts of which the local unit is a part of: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS: (continued)

NEW JERSEY ASSET AND REBATE MANAGEMENT PROGRAM

The District participates in the New Jersey Asset and Rebate Management Program which is a joint investment trust for local governmental units in the State of New Jersey. It was formed to make available comprehensive investment management, accounting and rebate calculation services for the issuers of tax-exempt bonds and complies with New Jersey statutes which provide a convenient method for local governments to pool funds for temporary investing. These investments consist of United States Treasury Bills and notes with a maturity not greater than 397 days, and fully collateralized repurchase agreements. The carrying amount and fair value as of June 30, 2024 was \$6,814,323.

NOTE 3. RECEIVABLES:

Receivables at June 30, 2024, consisted of accounts receivable, interfund and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial <u>Statements</u>	Enterprise Fund	District Wide Financial <u>Statements</u>
State Aid	\$2,512,122	\$6,503	\$2,518,625
Federal Aid	736,530	122,026	858,556
Other	<u>666,541</u>		<u>666,541</u>
	<u>\$3,915,193</u>	<u>\$128,529</u>	<u>\$4,043,722</u>

NOTE 4. INTERFUND BALANCES AND TRANSFERS:

The District had no interfund balances as of June 30, 2024.

Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 5. CAPITAL ASSETS:

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

	<u>Balance</u> <u>6/30/23</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>6/30/24</u>
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$984,968	\$	\$	\$984,968
Construction in Progress	<u>366,052</u>	<u>3,532,880</u>	<u>(264,052)</u>	<u>3,634,880</u>
Total Capital Assets, Not Being Depreciated	<u>1,351,020</u>	<u>3,532,880</u>	<u>(264,052)</u>	<u>4,619,848</u>
Capital Assets Being Depreciated				
Site Improvements	4,065,312			4,065,312
Buildings and Improvements	67,859,693	648,441		68,508,134
Machinery and Equipment	<u>13,190,647</u>	<u>1,661,868</u>	_____	<u>14,852,515</u>
Total Capital Assets, Being Depreciated	<u>85,115,652</u>	<u>2,310,309</u>	_____	<u>87,425,961</u>
Less Accumulated Depreciation:				
Site Improvements	2,401,313	172,788		2,574,101
Buildings and Improvements	31,953,563	1,601,644		33,555,207
Machinery and Equipment	<u>10,056,037</u>	<u>835,055</u>	_____	<u>10,891,092</u>
Total Accumulated Depreciation	<u>44,410,913</u>	<u>2,609,487</u>	_____	<u>47,020,400</u>
Total Capital Assets, Being Depreciated, Net	<u>40,704,739</u>	<u>(299,178)</u>	_____	<u>40,405,561</u>
Governmental Activities Capital Assets, Net	<u>\$42,055,759</u>	<u>\$3,233,702</u>	<u>(\$264,052)</u>	<u>\$45,025,409</u>
	<u>Balance</u> <u>6/30/23</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>6/30/24</u>
Business-Type Activity				
Equipment	\$803,727	\$193,069	\$	\$996,796
Totals	<u>803,727</u>	<u>193,069</u>	_____	<u>996,796</u>
Less Accumulated Depreciation				
Equipment	<u>449,643</u>	<u>75,456</u>	_____	<u>525,099</u>
Total Accumulated Depreciation	<u>449,643</u>	<u>75,456</u>	_____	<u>525,099</u>
Business-Type Activity Capital Assets, Net	<u>\$354,084</u>	<u>\$117,613</u>	<u>\$</u>	<u>\$471,697</u>

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 5. CAPITAL ASSETS: (continued)

Depreciation expense was charged to functions as follows:

Regular Instruction	\$111,661
Other Instructional	196,816
General Administration	5,724
School Administration	31,912
Operations and Maintenance	44,008
Transportation	439,862
Unallocated	<u>1,779,504</u>
Total	<u>\$2,609,487</u>

NOTE 6. LONG-TERM DEBT OBLIGATIONS:

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

	Balance <u>6/30/23</u>	<u>Issued</u>	<u>Retired</u>	Balance <u>6/30/24</u>	Due Within <u>One Year</u>
Financed Purchases Payable	\$2,060,361	\$98,958	\$397,405	\$1,761,914	\$370,108
Compensated Absences Payable	225,128		92,590	2,158,698	
Bonds Payable	20,765,000		1,290,000	19,475,000	1,335,000
Net Pension Obligation	<u>15,171,677</u>		<u>540,861</u>	<u>14,630,816</u>	
	<u>\$40,248,326</u>	<u>\$98,958</u>	<u>\$2,320,856</u>	<u>\$38,026,428</u>	<u>\$1,705,108</u>

Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 6. LONG-TERM DEBT OBLIGATIONS: (continued)

A. Bonds Payable: (continued)

Schedule of Payments

<u>Fiscal</u> <u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024-2025	1,335,000	598,281	1,933,281
2025-2026	1,380,000	558,231	1,938,231
2026-2027	1,430,000	516,831	1,946,831
2027-2028	1,480,000	473,931	1,953,931
2028-2029	1,530,000	429,531	1,959,531
2030-2040	<u>12,320,000</u>	<u>1,611,338</u>	<u>13,931,338</u>
	<u>\$19,475,000</u>	<u>\$4,188,143</u>	<u>\$23,663,143</u>

B. Bonds and Notes Authorized But Not Issued:

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

C. Financing Purchases Payable:

The District has Financed Purchases Agreements for energy conservation equipment, buses and copiers, all Financing Purchase Agreements are for a term of fifteen years. The following is the payment schedule at June 30, 2024:

<u>Fiscal</u> <u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	402,987	44,236	447,223
2026	399,288	34,092	433,380
2027	414,810	23,512	438,322
2028	264,554	12,480	277,034
2029	<u>280,275</u>	<u>3,654</u>	<u>283,929</u>
	<u>\$1,761,914</u>	<u>\$117,974</u>	<u>\$1,879,888</u>

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 7. 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 or reports can be accessed on the internet at: <http://www.state.nj.us/treasury/pensions/financial-reports.shtm>.

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.

Benefits Provided

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

The following represents the membership tiers for TPAF:

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

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 7. PENSION PLANS: (continued)

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

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

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

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

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 7. PENSION PLANS: (continued)

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

Defined Contribution Retirement Program

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

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

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

Contributions Requirements Fund Based Statements

The Board's contribution to PERS and DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

Year		
<u>Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/24	\$1,350,041	\$96,409
6/30/23	1,267,758	95,552
6/30/22	1,226,099	104,372

Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS: (continued)

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

Year	Pension	Post-Retirement	NCGI	Long-Term
<u>Ending</u>	<u>Contributions</u>	<u>Medical</u>	<u>Premium</u>	<u>Disability</u>
		<u>Contributions</u>		<u>Insurance</u>
6/30/24	\$12,629,011	\$3,476,354	\$144,027	\$4,523
6/30/23	12,054,210	3,210,545	167,238	3,992
6/30/22	11,866,619	2,811,638	167,421	3,596

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$2,515,423 during the year ended June 30, 2024 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68

Public Employees Retirement System (PERS)

At June 30, 2024, the District had a liability of \$14,630,816 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 governmental entities, actuarially determined. At June 30, 2023, the District's proportion was .101011034 percent, which was an increase of .000478939 percent from its proportion measured as of June 30, 2022.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 7. PENSION PLANS: (continued)

For the year ended June 30, 2024, the District recognized pension expense of \$(305,647) at June 30, 2024, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in actual and expected experience	\$139,889	\$59,806
Changes of assumptions	32,141	886,690
Net difference between projected and actual earnings on pension plan investments	67,377	
Changes in proportion and differences between District contributions and proportionate share of contributions	361,024	557,621
District contributions subsequent to the measurement date	<u>1,350,000</u>	<u> </u>
Total	<u>\$1,950,431</u>	<u>\$1,504,117</u>

The \$1,350,000 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. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$(772,452)
2025	(431,153)
2026	602,508
2027	(107,825)
2028	<u>1,834</u>
Total	<u>\$(707,088)</u>

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.04, 5.13, 5.16, 5.21 and 5.63 years for 2023, 2022, 2021, 2020, 2019 and 2018, respectively.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 7. PENSION PLANS: (continued)

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2023 and June 30, 2022 are as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Collective deferred outflows of resources	\$1,080,204,730	\$1,660,772,008
Collective deferred inflows of resources	1,780,216,457	3,236,303,905
Collective net pension liability	14,606,489,066	15,219,184,020
District's Proportion	.101011034%	.100532095%

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. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75-6.55% (based on years of service)
Investment Rate of Return	7.00 Percent

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 7. PENSION PLANS: (continued)

Mortality Rates

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

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

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 7. PENSION PLANS: (continued)

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 to determine the total pension liability.

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

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

	<u>June 30, 2023</u>		
	1% Decrease	At Current Discount Rate	1% Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
District's proportionate share of the pension liability	\$19,206,784	\$14,630,816	\$10,964,398

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 financial report may be accessed at www.state.nj.us/treasury/pensions.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 7. PENSION PLANS: (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:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>150,476,863</u>
	<u>\$150,476,863</u>

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 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 .2948637888%.

For the year ended June 30, 2024, the District recognized on-behalf pension expense and revenue of \$3,696,779 for contributions provided by the State in the District-Wide Financial Statements.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 7. PENSION PLANS: (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%-5.65% (based on years of service)
Investment Rate of Return	7.00%

Mortality Rates

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 Health 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 a 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.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 7. PENSION PLANS: (continued)

Long-Term Expected Rate of Return

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

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

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 7. PENSION PLANS: (continued)

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 to determine the total pension liability.

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.

NOTE 8. POST-RETIREMENT BENEFITS:

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 8. POST-RETIREMENT BENEFITS: (continued)

General Information about the OPEB Plan, (continued)

State Health Benefit State Retired Employees Plan, (continued)

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

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**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 8. POST-RETIREMENT BENEFITS: (continued)

Total OPEB Liability

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 and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability of the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education. Note that actual numbers will be published in the NJ State ACFR on the Office of Management and Budget's Financial Publications webpage: nj.gov/treasury/omb/fr.shtml.

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

OPEB Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>173,471,862</u>
	<u>\$173,471,862</u>

Actual Assumptions and Other Imputes

The total OPEB liability in the June 30, 2023 actuarial valuation reported by the State in the State's Report of Total Nonemployer OPEB Liability for the State Health Benefit Local Education Retired Employee's Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Total Nonemployer OPEB Liability

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

	<u>TPAF/ABP</u>	<u>PERS</u>
Salary increases: Through 2026	2.75 - 4.25% based on service years	2.75 - 6.55% based on service years

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

Total Nonemployer OPEB Liability, (continued)

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.

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

(a) *Health Care Trend Assumptions*

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and 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%.

(b) *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.

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

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

Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates:

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the healthcare cost trend rates is not applicable to the District.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

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

For the year ended June 30, 2023, the board of education/board of trustees recognized on-behalf OPEB revenue and expense of \$3,468,992 in the district-wide financial statements as determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No.75 and in which there is a special funding situation.

In accordance with GASB No. 75, the Ocean Township School District proportionate share of school retirees OPEB is zero; therefore, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

NOTE 9. DEFERRED COMPENSATION:

The Board offers its employees the following deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plan, which is administered by the entity below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency.

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits participants to defer a portion of their salary until future years. All amounts of compensation deferred are held for the exclusive benefit of plan participants and beneficiaries. Amounts deferred under the plan are distributable upon separation from service, death, or unforeseeable emergency.

Participant's rights under the plan are equal to the fair market value of the deferred account for each participant. The District has no liability for losses under the plan and is not the plans trustee.

The plan administrators are as follows: AXA-Equitable, Metropolitan Life, Ameriprise, VALIC, Aspire, VOYA Annuities, National Life Teachers Pension and Lincoln Investments.

NOTE 10. 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 are 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.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 10. 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 accumulated unused sick leave and carry forward the full amount to subsequent years.. Upon retirement, employees shall be paid by the District school for the unused sick leave in accordance with the District's school's agreements with the various employee unions.

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefit accrue to employees. As of June 30, 2024, a liability existed for compensated absences in the Food Service Fund in the amount of \$-0-.

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 insurance coverage through the New Jersey Schools Insurance Group (NJSIG), a public school insurance pool, is to ensure the availability of insurance to New Jersey public schools by offering the best coverage at the lowest possible cost while providing risk management education, training and service.

NJSIG provides coverage for workers' compensation, general and auto liability, property damage, crime, bonds, boiler and machinery, umbrella excess catastrophe, and school boards officials' errors and omissions. Reinsurance has been purchased by NJSIG to cap losses retained by the group. Retention levels have been set on a "per accident" basis. NJSIG encourages loss control among the school districts by giving cost reductions for good loss history and uses individual experience modifications in the calculation of premiums.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 11. RISK MANAGEMENT: (continued)

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s expendable trust fund for the current and prior year:

Fiscal Year	Opening Balance	Employee Contributions/ Interest Earnings/ District Contributions	Amount invoiced	Ending Balance
2023-2024	\$525,513	\$95,155	\$	\$620,668
2022-2023	597,767	117,002	189,256	525,513
2021-2022	N/A	83,847	-0-	597,767

NOTE 12. CAPITAL RESERVE ACCOUNT:

A capital reserve account was established by the Ocean Township Board of Education and has since increased the reserve by additional budget appropriations and by the interest earned on investments 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.

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**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 12. CAPITAL RESERVE ACCOUNT: (continued)

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning balance, July 1,	\$6,269,435
Increased by:	
Transfer Per Board Resolution - June 18, 2024	2,500,000
Interest on Investments	290,585
Decreased by:	
Expenditures	<u>(2,449,960)</u>
Ending balance, June 30, 2024	<u>\$6,610,060</u>

NOTE 13. MAINTENANCE RESERVE ACCOUNT:

A maintenance reserve account was established by the District for the accumulation of funds for use as maintenance expenditures in subsequent years. The account is maintained in the general fund. The maintenance reserve account is used to accumulated funds for the required maintenance of a facility in accordance with the EFCRA (N.J.S.A. 18A:7G-9). EFCFA requires that upon district completion of a school facilities project, the district must submit a plan for the maintenance of that facility. All such plans must include a provision for a maintenance reserve fund. The activity of the maintenance reserve for the July 1, 2023 to June 30, 2024 fiscal year is as follows:

Beginning balance, July 1, 2023	\$2,111,964
Increased by:	
Transfer Per Board Resolution - June 18, 2024	750,000
Interest on Investments	300
Decreased by:	
Expenditures	<u>(130,000)</u>
Ending balance, June 30, 2024	<u>\$2,732,264</u>

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 14. FUND BALANCE APPROPRIATED:

General Fund [Exhibit B-1] - Of the \$21,095,883 General Fund fund balance at June 30, 2024, \$1,200,906 is reserved for encumbrances; \$2,732,264 has been legally established as a maintenance reserve in accordance with N.J.S.A. 18A:7G-9 as amended by P.L. 2004, c.73; \$-0- has been legally established as an emergency reserve in accordance with N.J.S.A. 18A:7F-41c(1); \$8,634,649 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7 \$4,300,349 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2025); \$6,610,060 has been reserved in the Capital Reserve Account; \$620,668 is reserved for Unemployment Compensation; \$-0- has been appropriated and included as anticipated revenue for the year ending June 30, 2025; and \$1,297,336 is unreserved and undesignated.

Debt Service Fund - The Debt Service Fund fund balance at June 30, 2024 of \$133 is restricted for the payment of debt service.

NOTE 15. CALCULATION OF EXCESS SURPLUS:

In accordance with *N.J.S.A.* 18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance — Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2024 is \$8,634,649 of which \$4,334,300 is the result of current year operations.

NOTE 16. ECONOMIC DEPENDENCY:

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

NOTE 17. TAX CALENDAR:

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy-based on the prior year's taxes. The second billing reflects adjustments to the current year's actual tax levy. The final tax bill is usually mailed on or before June 14, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are dividend into two dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges.

Taxes are collected by the municipality and are remitted to the District on predetermined, agreed-upon schedules.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 18. RELATED PARTIES AND ORGANIZATIONS:

Not included in the District's financial statements are certain Parent-Teacher Associations (PTAs), Parent-Teacher-Student Association, athletic and band booster clubs. These agencies provide services to students and employees of the District but are separate legal entities having sufficient autonomy in the management of their own affairs to distinguish them as separate from the administrative organization of the District. The District does not account for these entities as component units or joint ventures; it does not maintain an ongoing financial interest or have responsibility for these entities.

NOTE 19. CONTINGENT LIABILITIES:

It is the best judgment of the District's management that there are no pending or threatened litigation, unasserted claims or assessments that would have any adverse effect on the accompanying financial statements.

NOTE 20. DEFICIT FUND BALANCE:

As reflected on Exhibit B-1, Balance Sheet Governmental Funds, the District has an unassigned deficit fund balance of \$330,538 in the Special Revenue Fund as of June 30, 2024. This deficit is reported in the fund financial statements on a modified accrual basis. *N.J.S.A.* 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed on or more June State aid payments as revenue, for budget purposes only, in the current school year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school district cannot recognize the June state aid payment (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the Special Revenue fund balance deficits do not alone indicate that the district is facing financial difficulties.

Pursuant to *N.J.S.A.* 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficits in the GAAP funds statements are less than the last state aid payment.

As reflected on Exhibit A-1, Statement of Net Position, a deficit in unrestricted net position of \$16,326,703 existed as of June 30, 2024 for governmental activities. The primary cause of this deficit is the recognition of the net pension liability as well as the District not recognizing the receivable for State aid payments and the recording of the long-term liability for compensated absences. In accordance with full accrual accounting, which is the basis of accounting for Exhibit A-1, Statement of Net Position, such liabilities are required to be recorded in the period in which they are incurred.

**Ocean Township School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 20. DEFICIT FUND BALANCE: (continued)

However, in accordance with the rules and regulations that govern the District in the formulation of their annual budget (see Note 1), compensated absences that relate to future services, or that are contingent on a specific event outside the control of the District and its employees, are funded in the period in which such services are rendered or in which such events take place, and pension costs are recorded when due. Therefore, this deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

NOTE 21. SUBSEQUENT EVENTS:

The District has evaluated subsequent events through December 20, 2024, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

BUDGETARY COMPARISON SCHEDULES

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 71,317,208	\$ -	\$ 71,317,208	\$ 71,317,208	\$ -
Tuition	50,000	-	50,000	214,196	164,196
Transportation Fees	100,000	-	100,000	96,100	(3,900)
Interest Earned on Investments	30,800	-	30,800	764,585	733,785
Interest Earned on Investments-Capital Project Funds	125,000	-	125,000	290,885	290,885
Unrestricted miscellaneous revenue	262,266	-	262,266	358,955	233,955
Rental fees	71,885,274	-	71,885,274	269,258	6,992
Total - Local Sources	71,885,274	-	71,885,274	73,311,187	1,425,913
State Sources:					
Adjustment Aid	754,631	-	754,631	754,631	-
Transportation Aid	1,729,784	-	1,729,784	1,729,784	-
Special Education Categorical Aid	2,526,776	-	2,526,776	2,526,776	-
Security Aid	552,389	-	552,389	552,389	-
Stabilization Aid	16,929	16,929	16,929	16,929	-
Extraordinary Aid	902,500	-	902,500	1,034,444	131,944
Other State Aid - Reimburse Nonpublic Transportation	-	-	-	139,760	139,760
Other State Aid - Mental Health Aid	-	500,000	500,000	500,000	-
On-behalf TPAF Pension (non-budgeted)	-	-	-	12,629,011	12,629,011
On-behalf TPAF NCGI Premium (non-budgeted)	-	-	-	144,027	144,027
On-behalf TPAF Post Retirement Medical (non-budgeted)	-	-	-	3,476,354	3,476,354
On-behalf TPAF Long-Term Disability Contrib. (non-budgeted)	-	-	-	4,523	4,523
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	2,515,423	2,515,423
Total State Sources	6,466,080	516,929	6,983,009	26,024,051	19,041,042
Federal Sources:					
Medical Assistance Program	82,895	-	82,895	88,120	5,225
Total Federal Sources	82,895	-	82,895	88,120	5,225
Total Revenues	78,434,249	516,929	78,951,178	99,423,358	20,472,180

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Local Contrib. - Trans to Special Rev-Regular Kindergarten - Salaries of Teachers	\$ 1,114,844	-	\$ 1,114,844	\$ 1,114,844	\$ -
Grades 1-5 - Salaries of Teachers	766,600	-	766,600	754,100	12,500
Grades 6-8 - Salaries of Teachers	7,178,784	234,796	7,413,580	7,397,808	15,772
Grades 9-12 - Salaries of Teachers	4,644,209	(276,637)	4,367,572	4,319,517	48,055
Regular Programs - Home Instruction: Salaries of Teachers	6,363,190	85,147	6,448,337	6,388,601	59,736
Purchased Professional-Educational Services	44,000	2,761	46,761	38,939	7,822
Regular Programs - Undistributed Instruction: Other Salaries for Instruction	35,000	15,021	50,021	50,021	-
Purchased Professional-Educational Services	135,476	279	135,755	101,018	34,737
Other Purchased Services (400-500 series)	6,000	(1,600)	4,400	4,001	399
General Supplies	367,024	282,107	649,131	494,355	154,776
Textbooks	45,850	3,345	49,195	28,517	20,678
Other Objects	833,391	107,749	941,140	751,529	189,611
	37,838	(737)	37,101	33,040	4,061
	23,025	5,133	28,158	26,956	1,202
TOTAL REGULAR PROGRAMS - INSTRUCTION	21,595,231	457,364	22,052,595	21,503,246	549,349
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities-Mild to Moderate: Salaries of Teachers	484,011	945	484,956	484,280	676
Other Salaries for Instruction	231,232	79,359	310,591	286,987	23,604
General Supplies	20,025	(5,317)	14,708	12,603	2,105
Total Learning and/or Language Disabilities	735,268	74,987	810,255	783,870	26,385
Multiple Disabilities:					
Salaries of Teachers	525,090	1,442	526,532	525,590	942
Other Salaries for Instruction	522,482	(42,997)	479,485	458,773	20,712
Other Purchased Services (400-500 series)	46,965	(15,725)	31,240	31,039	201
General Supplies	36,250	26,934	63,184	46,681	16,503
Textbooks					
Total Multiple Disabilities	1,130,787	(30,346)	1,100,441	1,062,083	38,358

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Resource Room/Resource Center:					
Salaries of Teachers	4,546,226	(10,104)	4,536,122	4,457,308	78,814
Other Salaries for Instruction	213,898	400,058	613,956	598,889	15,067
General Supplies	33,025	(1,040)	31,985	29,239	2,746
Textbooks	300	3,353	3,653	2,812	841
Total Resource Room/Resource Center	4,793,449	392,267	5,185,716	5,088,248	97,468
Preschool Disabilities - Full-Time:					
Salaries of Teachers	257,545	(15,098)	242,447	217,143	25,304
Other Salaries for Instruction	256,095	21,230	277,325	274,095	3,230
General Supplies	875	31,271	32,146	31,795	351
Total Preschool Disabilities - Full-Time	514,515	37,403	551,918	523,033	28,885
TOTAL SPECIAL EDUCATION - INSTRUCTION	7,174,019	474,311	7,648,330	7,457,234	191,096
Basic Skills/Remedial - Instruction					
Salaries of Teachers	261,768	(30,362)	231,406	229,530	1,876
Other Salaries for Instruction	200	(100)	100	67	33
Other Purchased Services (400-500 series)	12,323	-	12,323	12,266	57
General Supplies	274,291	(30,462)	243,829	241,863	1,966
Total Basic Skills/Remedial - Instruction	548,582	(60,824)	487,758	483,726	4,032
Bilingual Education - Instruction:					
Salaries of Teachers	962,403	6,589	968,992	944,090	24,902
Other Salaries for Instruction	11,925	14,710	26,635	21,014	5,621
General Supplies	22,779	-	22,779	7,860	14,919
Total Bilingual Education - Instruction	997,107	21,299	1,018,406	972,964	45,442

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
School-Spon. Occurricular Actvs. - Inst.					
Salaries	372,119	-	372,119	308,249	63,870
Purchased Services (300-500 series)	20,850	-	20,850	3,256	17,594
Supplies and Materials	31,900	4,089	35,989	28,771	7,218
Other Objects	775	-	775	290	485
Transfers to Cover Deficit (Custodial Funds)	6,000	-	6,000	-	6,000
Total School-Spon. Occurricular Actvs. - Inst. School-Spon. Athletics - Inst.	431,644	4,089	435,733	340,566	95,167
Salaries	794,161	4,035	798,196	773,044	25,152
Purchased Services (300-500 series)	164,893	(5,386)	159,507	137,155	22,352
Supplies and Materials	66,000	(1,008)	64,992	63,791	1,201
Other Objects	16,450	479	16,929	16,326	603
Transfers to Cover Deficit (Custodial Funds)	90,000	-	90,000	90,000	-
Total School-Spon. Athletics - Inst. Before/After School Programs - Inst.	1,131,504	(1,880)	1,129,624	1,080,316	49,308
Salaries	89,525	(25)	89,500	71,543	17,957
Total Before/After School Programs - Inst. TOTAL INSTRUCTION	89,525	(25)	89,500	71,543	17,957
Undistributed Expenditures - Instruction:	31,693,321	924,696	32,618,017	31,667,732	950,285
Tuition to Other LEAs Within the State - Regular	60,000	(10,000)	50,000	-	50,000
Tuition to Other LEAs Within the State - Special	369,822	20,921	390,743	390,715	28
Tuition to CSSD & Regional Day Schools	-	-	-	-	-
Tuition to County Vocational School Districts - Regular	597,294	-	597,294	516,180	81,114
Tuition to County Vocational School Districts - Special	202,950	-	202,950	124,877	78,073
Tuition to Private Schools for the Disabled - Within State	2,963,423	(117,454)	2,845,969	2,416,548	429,421
Tuition to Private Schools for the Disabled - Outside State	-	-	-	-	-
State Facilities	-	-	-	-	-
Total Undistributed Expenditures - Instruction: Undistributed Expend. - Attend. & Social Work	4,193,489	(106,533)	4,086,956	3,448,320	638,636
Salaries	92,706	3,453	96,159	96,159	-
Other Purchased Services (400-500 series)	200	(100)	100	-	100
Total Undistributed Expend. - Attend. & Social Work Undist. Expend. - Health Services	92,906	3,353	96,259	96,159	100
Salaries	423,255	(6,785)	416,470	403,488	12,982
Unused Vacation Pay to Term/Retired Staff	-	-	-	-	-
Purchased Professional and Technical Services	115,000	159,467	274,467	264,766	9,701
Supplies and Materials	14,808	1,286	16,094	13,256	2,838
Other Objects	-	-	-	-	-
Total Undistributed Expenditures - Health Services	553,063	153,968	707,031	681,510	25,521

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Undist. Expend. - Speech, OT, PT & Related Serv.					
Salaries	1,073,864	(2,000)	1,073,864	1,072,614	1,250
Purchased Professional - Educational Services	209,900	81,560	291,460	245,316	46,144
Supplies and Materials	12,373	1,900	14,273	11,263	3,010
Other Objects	600	-	600	375	225
Total Undist. Expend. - Speech, OT, PT & Related Serv.	1,298,737	81,460	1,380,197	1,329,568	50,629
Undist. Expend. - Other Support Serv. Students - Extr. Serv.					
Salaries	909,399	(426,161)	483,238	432,376	50,862
Total Undist. Expend. - Other Support Serv. Students - Extr. Serv.	909,399	(426,161)	483,238	432,376	50,862
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	1,363,134	233,198	1,596,332	1,230,038	366,294
Salaries of Secretarial and Clerical Assistants	147,072	-	147,072	147,072	-
Other Purchased Services (400-500 series)	3,800	(770)	3,030	402	2,628
Supplies and Materials	64,220	966	65,186	57,441	7,745
Other Objects	11,500	-	11,500	10,674	826
Total Undist. Expend. - Other Supp. Serv. Students - Reg.	1,589,726	233,394	1,823,120	1,445,627	377,493
Undist. Expend. Child Study Teams					
Salaries of Other Professional Staff	1,847,859	(4,181)	1,843,678	1,788,135	55,543
Salaries of Secretarial and Clerical Assistants	183,746	(500)	183,246	182,655	591
Purchased Professional - Educational Services	36,500	1,834	38,334	35,671	2,663
Other Purchased Professional and Technical Services	54,276	18,125	72,401	63,021	9,380
Other Purchased Services (400-500 series)	10,400	1,664	12,064	11,930	134
Supplies and Materials	24,550	4,359	28,909	27,252	1,657
Other Objects	5,100	(1,680)	3,420	2,334	1,086
Total Undist. Expend. Child Study Teams	2,162,431	19,621	2,182,052	2,110,998	71,054
Undist. Expend. Imp. Of Instructional Services					
Salaries of Supervisor of Instruction	874,524	500	875,024	873,773	1,251
Salaries of Other Professional Staff	130,001	(11,001)	119,000	100,330	18,670
Salaries of Secretarial and Clerical Assistants	129,836	(1,125)	128,711	128,667	44
Purchased Professional Educational Services	10,000	-	10,000		10,000
Other Purchased Services (400-500 series)	24,550	26,833	51,383	27,571	23,812
Supplies and Materials	2,525	3,583	6,108	5,656	452
Other Objects	2,695	-	2,695	2,180	515
Total Undist. Expend. Imp. Of Instructional Services	1,174,131	18,790	1,192,921	1,138,177	54,744

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	528,931	-	528,931	528,931	-
Purchased Professional and Technical Services	3,750	-	3,750	3,750	-
Supplies and Materials	39,568	(1,550)	38,018	35,623	2,395
Other Objects	560	(30)	330	305	25
Total Undist. Expend. - Edu. Media Serv./Sch. Library	572,609	(1,580)	571,029	568,609	2,420
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Other Professional Staff	73,334	(7,334)	66,000	66,000	-
Salaries of Secretarial and Clerical Assistants	46,043	(4,500)	41,543	41,370	173
Other Salaries for Instruction	500	-	500	-	500
Purchased Professional - Educational Services	22,200	(750)	21,450	13,215	8,235
Other Purchased Services (400-500 series)	142,077	(12,584)	129,493	120,585	8,908
Total Undist. Expend. - Instructional Staff Training Serv.					
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	613,379	(19,568)	593,811	572,091	21,720
Legal Services	151,315	80,020	231,335	156,063	75,272
Audit Fees	51,000	-	51,000	39,500	11,500
Architectural/Engineering Services	251,315	(12,034)	239,281	13,688	225,593
Other Purchased Professional Services	88,000	10,250	98,250	47,867	50,383
Purchased Technical Services	28,000	8,350	36,350	35,321	1,029
Communications/Telephone	322,700	(2,006)	320,694	254,871	65,823
BOE Other Purchased Services	3,500	1,160	4,660	4,659	1
Misc. Purchased Services (400-500 series)	40,400	896	41,296	32,068	9,228
General Supplies	8,200	181	8,381	4,172	4,209
BOE In-House Training/Meeting Supplies	2,500	-	2,500	640	1,860
Miscellaneous Expenditures	39,500	-	39,500	37,906	1,594
BOE Membership Dues and Fees	500	-	500	-	500
Total Undist. Expend. - Supp. Serv. - General Admin.	1,600,309	67,249	1,667,558	1,198,846	468,712
Undist. Expend. - Support Serv. - School Admin.					

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Salaries of Principals/Assistant Principals	1,060,720	1,900	1,062,620	1,035,912	26,708
Salaries of Other Professional Staff	269,083	-	269,083	258,499	10,584
Salaries of Secretarial and Clerical Assistants	606,817	-	606,817	600,911	5,906
Other Purchased Services (400-500 series)	147,995	2,733	150,728	122,825	27,903
Supplies and Materials	50,587	6,182	56,769	47,468	9,301
Other Objects	32,200	(561)	31,639	20,757	10,882
Total Undist. Expend. - Support Serv. - School Admin.	2,167,402	10,254	2,177,656	2,086,372	91,284
Undistributed Expenditures - Central Services					
Salaries	517,844	8,798	526,642	480,372	46,270
Unused Vacation Pay to Term./Retired Staff	-	-	-	-	-
Purchased Professional Services	67,000	-	67,000	51,106	15,894
Purchased Technical Services	119,500	9	119,509	112,079	7,430
Misc. Purchased Services (400-500 series)	9,250	225	9,475	4,269	5,206
Supplies and Materials	17,900	4,626	22,526	16,526	6,000
Miscellaneous Expenditures	6,500	975	7,475	4,095	3,380
Total Undistributed Expenditures - Central Services	737,994	14,633	752,627	668,447	84,180
Undistributed Expenditures - Admin. Info. Tech.					
Salaries	837,385	-	837,385	745,775	91,610
Other Purchased Services (400-500 series)	94,508	26,011	120,519	34,869	85,650
Total Undistributed Expenditures - Admin. Info. Tech.	931,893	26,011	957,904	780,644	177,260
Undist. Expend. - Required Maintenance for School Facilities					
Salaries	401,600	8,565	410,165	7,835	730
Cleaning, Repair, and Maintenance Services	174,100	32,017	206,117	377,504	56,113
General Supplies	575,700	65,816	641,516	194,702	45,214
Total Undist. Expend. - Required Maintenance for School Facilities	1,151,400	106,398	1,257,798	580,041	102,057
Undist. Expend. - Custodial Services					
Salaries	2,965,169	(47,257)	2,917,912	2,753,253	164,659
Salaries of Non-Instructional Aides	75,763	5,034	80,797	60,996	17,801
Purchased Professional and Technical Services	22,500	700	23,200	22,907	293
Cleaning, Repair and Maintenance Services	174,300	20,075	194,375	148,927	45,448
Rental of Land, building Other than Lease Purchase Agreement	14,500	(4,762)	9,738	4,755	4,983
Lease Purchases Payments - Energy Savings Improvement Program	255,000	-	255,000	254,346	654
Other Purchased Property Services	264,000	(4,825)	259,175	238,336	20,839
Insurance	520,636	2,575	523,211	523,211	-
Miscellaneous Purchased Services	650	130	780	345	435
General Supplies	336,200	36,569	372,769	336,934	35,835
Energy (Natural Gas)	887,620	59,615	947,235	614,188	333,047
Energy (Electricity)	1,019,055	28,669	1,047,724	897,993	149,731
Other Objects	29,500	4,500	34,000	25,302	8,698
Total Undist. Expend. - Custodial Services	6,562,893	101,023	6,663,916	5,881,493	782,423

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Undist. Expend. - Care and Upkeep of Grounds:					
Salaries	135,781	(5,000)	130,781	128,204	2,577
Cleaning, Repair, and Maintenance Services	18,300	(6,000)	12,300	4,150	8,150
General Supplies	56,000	(610)	55,390	30,552	24,838
Total Undist. Expend. - Care & Upkeep of Grounds	210,081	(11,610)	198,471	162,906	35,565
Security:					
Salaries	370,816	16,321	387,137	375,624	11,513
Purchased Professional and Technical Services	103,500	25,903	129,403	-	129,403
General Supplies	3,500	-	3,500	476	3,024
Total Undist. Expend. - Oper. & Maint. Of Plant	477,816	42,224	520,040	376,100	143,940
Undist. Expend. - Student Transportation Serv.	7,826,490	238,035	8,064,525	7,000,540	1,063,985
Salaries of Non-Instructional Aides	116,303	(8,733)	107,570	104,955	2,615
Sal. For Pup. Trans. (Bet. Home and School) - Regular	1,788,765	(48,228)	1,740,537	1,681,827	58,710
Sal. For Pup. Trans. (Bet. Home and School) - Special	446,801	(86,138)	360,663	346,895	13,748
Sal. For Pup. Trans. (Other than Bet. Home and School)	65,000	(36,168)	28,832	26,161	2,671
Other Purchased Professional and Technical Services	221,960	25,380	247,340	247,087	253
Cleaning, Repair and Maintenance Services	410,000	78,346	488,346	468,865	19,481
Lease Purchase Payments - School Buses	175,000	(19,212)	155,788	155,788	-
Contract Services - Aid in Lieu Payments - Non Public	212,576	25,200	237,776	237,776	-
Contract Services - (Between Home and School) - Vendors	508,000	20,000	528,000	528,000	-
Contract Services - (Between Home and School) - Joint Agreements	5,000	433	5,433	5,433	-
Contract Services (Special Ed Students)- Vendors	135,000	62,000	197,000	155,967	41,033
Misc. Purchased Serv. - Transportation	110,526	(7,633)	102,893	75,668	27,225
General Supplies	4,000	-	4,000	2,225	1,775
Transportation Supplies	204,500	75,149	279,649	279,162	487
Other Objects	11,000	-	11,000	8,413	2,587
Total Undist. Expend. - Student Transportation Serv.	4,414,431	80,576	4,494,807	4,324,222	170,585

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
UNALLOCATED BENEFITS					
Group Insurance	9,000	-	9,000	5,501	3,499
Social Security Contributions	1,189,110	751	1,189,861	1,053,724	136,137
Other Retirement Contributions - PERS	1,465,053	-	1,465,053	1,354,096	110,957
Other Retirement Contributions - ERIP	19,950	-	19,950	19,489	461
Other Retirement Contributions - Regular	115,500	-	115,500	96,409	19,091
Workmen's Compensation	824,602	-	824,602	736,892	87,710
Health Benefits	14,909,799	(247,990)	14,661,809	13,028,689	1,633,120
Tuition Reimbursement	165,000	1,406	166,406	166,284	122
Other Employee Benefits	345,300	259	345,559	271,424	74,135
TOTAL UNALLOCATED BENEFITS	19,043,314	(245,574)	18,797,740	16,732,508	2,065,232
On-behalf TPAF Pension (non-budgeted)	-	-	-	12,629,011	(12,629,011)
On-behalf TPAF NCGI Premium (non-budgeted)	-	-	-	144,027	(144,027)
On-behalf TPAF Post Retirement Medical (non-budgeted)	-	-	-	3,476,354	(3,476,354)
On-behalf TPAF Long-Term Disability Contrib. (non-budgeted)	-	-	-	4,523	(4,523)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	2,515,423	(2,515,423)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	18,769,338	(18,769,338)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	19,043,314	(245,574)	18,797,740	35,501,846	(16,704,106)
TOTAL UNDISTRIBUTED EXPENDITURES	49,410,401	1,54,712	49,565,113	62,932,845	(13,367,732)
TOTAL GENERAL CURRENT EXPENSE	81,103,722	1,079,408	82,183,130	94,600,577	(12,417,447)

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures - School Administration	53,991	353,120	407,111	405,367	1,744
Undistributed Expenditures - Req. Maintenance for School Fac.	-	8,325	8,325	8,325	-
Undistributed Expenditures - Care and Upkeep of Grounds	50,000	-	50,000	-	50,000
Undistributed Expenditures - Student Trans.-Non-Inst. Equip.	10,000	-	10,000	-	10,000
School Buses - Regular	984,372	984,372	984,372	980,911	3,461
Total Equipment	<u>113,991</u>	<u>1,345,817</u>	<u>1,459,808</u>	<u>1,394,603</u>	<u>65,205</u>
Facilities Acquisition and Construction Services					
FA & CS Architecture and Engineering Services	-	72,780	72,780	32,463	40,317
Construction Services	323,500	1,190,270	1,513,770	739,418	774,352
Assessment for Debt Service on SDA Funding	60,092	-	60,092	60,092	-
Total Facilities Acquisition and Construction Services	<u>383,592</u>	<u>1,263,050</u>	<u>1,646,642</u>	<u>831,973</u>	<u>814,669</u>
TOTAL CAPITAL OUTLAY	<u>497,583</u>	<u>2,608,867</u>	<u>3,106,450</u>	<u>2,226,576</u>	<u>879,874</u>
SPECIAL SCHOOLS					
Summer School - Instruction					
Salaries of Teachers	179,773	(31,909)	147,864	147,864	-
Other Salaries for Instruction	162,173	(59,492)	102,681	102,681	-
Purchased Professional and Technical Services	5,750	(427)	5,323	5,323	-
General Supplies	7,400	(4,139)	3,261	3,261	-
Total Summer Schools - Instruction	<u>355,096</u>	<u>(95,967)</u>	<u>259,129</u>	<u>259,129</u>	<u>-</u>
TOTAL SPECIAL SCHOOLS	<u>355,096</u>	<u>(95,967)</u>	<u>259,129</u>	<u>259,129</u>	<u>-</u>
Transfer of Funds to Charter Schools	460,990	40,503	501,493	501,493	-
TOTAL EXPENDITURES	<u>82,417,391</u>	<u>3,632,811</u>	<u>86,050,202</u>	<u>97,587,775</u>	<u>(11,537,573)</u>
Over (Under) Expenditures	<u>(3,983,142)</u>	<u>(3,115,882)</u>	<u>(7,099,024)</u>	<u>1,835,582</u>	<u>8,934,606</u>

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Other Financing Sources (Uses):					
Capital Reserve - Transfer to Capital Project Fund		(1,824,960)	(1,824,960)	(1,824,960)	95,155
Unemployment Reserve-Net				95,155	
Total Other Financing Sources (Uses)	0	(1,824,960)	(1,824,960)	(1,729,805)	95,155
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(3,983,142)	(4,940,842)	(8,923,984)	105,777	9,029,761
Fund Balance, July 1				21,540,843	
Fund Balance, June 30	<u>\$ (3,983,142)</u>	<u>\$ (4,940,842)</u>	<u>\$ (8,923,984)</u>	<u>\$ 21,646,620</u>	<u>\$ 9,029,761</u>
Recapitulation of excess (deficiency) of revenues under expenditures:					
Adjustment for prior year encumbrances				(2,490,882)	-
Increase in Capital Reserve - Principal		(2,490,882)	(2,490,882)	3,000,000	3,000,000
Increase in Maintenance Reserve - Principal				750,000	750,000
Increase in Capital Reserve - Interest	500		500	290,585	290,085
Increase in Maintenance Reserve - Interest	300		300	300	-
Increase in Restricted Fund Balance-Unemployment				95,155	95,155
Budgeted withdrawal from Capital Reserve	(130,000)	(2,449,960)	(2,449,960)	(130,000)	-
Budgeted withdrawal from Maintenance Reserve	(3,853,942)		(3,853,942)	1,040,379	4,894,521
Budgeted Fund Balance	<u>(3,983,142)</u>	<u>(4,940,842)</u>	<u>(8,923,984)</u>	<u>105,777</u>	<u>9,029,761</u>
Total					
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				6,610,060	
Maintenance Reserve				2,732,264	
Excess Surplus - Designated for Subsequent Year's Expenditures				4,300,349	
Excess Surplus - Current Year				4,334,300	
Unemployment Compensation				620,668	
Committed Fund Balance:				1,200,906	
Year End Encumbrances				-	
Assigned Fund Balance:				1,848,073	
Designated for Subsequent Year's Expenditures				21,646,620	
Unassigned Fund Balance				(550,737)	
Reconciliation to Governmental Funds Statements (GAAP):				\$ 21,095,883	
Last State Aid Payment not recognized on GAAP basis					
Fund Balance per Governmental Funds (GAAP)					

OCEANTOWNSHIP, NEW JERSEY SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	\$ 1,219,944	47,331	\$ 1,267,175	\$ 1,647,745	\$ 380,570
State Sources	4,485,408	570,826	5,056,234	4,870,205	(186,029)
Federal Sources	1,727,635	777,964	2,505,599	2,354,539	(150,860)
Total Revenues	7,432,687	1,346,121	8,778,808	8,872,489	95,681
EXPENDITURES:					
Instruction					
Salaries of Teachers	2,044,963	32,942	2,077,905	2,050,204	47,701
Other Salaries for Instruction	589,215	19,504	608,719	579,208	29,511
Purchased Professional - Educational Services	141,671	188,384	330,055	262,686	67,369
Other Purchased Professional Services	904,911	300,860	1,205,771	1,168,128	37,643
Tuition	694,616	294,300	988,916	988,916	-
General Supplies	335,855	85,216	419,071	215,875	203,196
Textbooks	54,922	7,802	62,724	62,520	204
Other Objects	-	-	-	-	-
Total Instruction	4,764,153	929,008	5,693,161	5,307,337	385,624
Support Services					
Salaries	752,723	(27,740)	724,983	713,752	11,231
Personal Services - Employee Benefits	1,132,665	240,751	1,373,416	1,371,304	2,112
Purchased Professional - Educational Services	382,244	53,122	435,366	446,060	(10,694)
Purchased Property Services	10,000	(9,459)	541	-	541
Other Purchased Services	190,000	(129,398)	60,602	36,623	23,979
General Supplies	22,364	20,340	42,704	41,050	1,654
Other Objects	-	2,014	2,014	1,292	622
Scholarships Awarded	-	-	-	16,294	(16,294)
Student Activities	-	-	-	474,306	(474,306)
Total Support Services	2,489,996	149,630	2,639,626	3,100,781	(461,155)
Facilities Acquisition and Construction Services:					
Buildings	-	-	-	-	-
Instructional Equipment	178,538	219,728	398,266	398,266	-
Non-Instructional Equipment	-	-	-	44,207	3,548
Total Facilities Acquisition and Construction Services	178,538	267,483	446,021	442,473	3,548
Total Expenditures	7,432,687	1,346,121	8,778,808	8,850,791	(71,983)
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ 21,698	\$ 21,698
Fund Balance, July 1,				440,984	
Fund Balance, June 30,				462,682	
Reconciliation:					
Restricted:					
Scholarship				42,387	
Student Activities				420,095	
Total Fund Balance				462,682	

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information - Part II
For the Fiscal Year Ended June 30, 2024

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

		General Fund	Special Revenue Fund
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule	[C-1]&[C-2]	\$ 99,423,358	\$ 8,872,489
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Add Prior Year Encumbrances			2,573,179
Less Current Year Encumbrances			(469,592)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		556,583	245,430
			\$ -
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(550,737)	(330,538)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	\$ 99,429,204	\$ 10,890,968
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	\$ 97,587,775	\$ 8,850,791
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.			
Add Prior Year Encumbrances			2,573,179
Less Current Year Encumbrances			(469,592)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	\$ 97,587,775	\$ 10,954,378

**REQUIRED SUPPLEMENTARY
INFORMATION - PART III**

TOWNSHIP OF OCEAN, NEW JERSEY SCHOOL DISTRICT
Schedules of Required Supplementary Information
Schedule of District's Proportionate Share of Net Pension Liability - PERS
*Last 10 Fiscal Years**

Fiscal Year Ending June30,	District's Proportion Share of the Net Pension Liability (Asset)	District's Proportion Share of the Net Pension Liability (Asset)	District's Covered Payroll -PERS Employee's	District's Proportion Share of the Net Pension Liability (Asset) as a percentage of its Covered Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2015	0.10342794%	\$19,364,539	\$7,306,958	265.02%	52.08%
2016	0.10492447%	\$23,553,440	\$7,219,151	326.26%	47.93%
2017	0.10384950%	\$31,008,009	\$7,130,014	434.89%	40.14%
2018	0.10469619%	\$24,637,193	\$7,335,862	335.85%	48.10%
2019	0.10583713%	\$20,447,449	\$7,224,113	283.04%	40.45%
2020	0.10384950%	\$18,524,738	\$7,287,888	254.19%	42.04%
2021	0.10416102%	\$16,538,314	\$7,533,520	219.53%	42.90%
2022	0.10469490%	\$12,402,681	\$7,644,565	162.24%	52.08%
2023	0.10053210%	\$15,171,677	\$7,857,907	193.08%	62.91%
2024	0.10101103%	\$14,630,816	\$7,664,302	190.90%	65.23%

TOWNSHIP OF OCEAN, NEW JERSEY SCHOOL DISTRICT
Schedules of Required Supplementary Information
Schedule of District's Contributions - PERS
*Last 10 Fiscal Years**

<u>Fiscal Year</u> <u>Ending June30,</u>	<u>Contractually</u> <u>Required</u> <u>Contribution</u>	<u>Contributions in</u> <u>Relation to the</u> <u>Contractually</u> <u>Required</u> <u>Contributions</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>District's PERS</u> <u>Covered-</u> <u>Employee</u> <u>Payroll</u>	<u>Contributions as</u> <u>a Percentage of</u> <u>PERS Covered-</u> <u>Employee Payroll</u>
2015	852,645	(852,645)		\$7,306,958	11.67%
2016	902,069	(902,069)		7,219,151	12.50%
2017	930,106	(930,106)		7,130,014	13.04%
2018	980,468	(980,468)		7,335,862	13.37%
2019	1,032,967	(1,032,967)		7,224,113	14.30%
2020	1,000,040	(1,000,040)		7,287,888	13.72%
2021	1,036,384	(1,036,384)		7,533,520	14.73%
2022	1,226,099	(1,226,099)		7,644,565	16.04%
2023	1,267,758	(1,267,758)		7,857,907	16.13%
2024	1,350,041	(1,350,041)		7,664,302	17.61%

TOWNSHIP OF OCEAN, NEW JERSEY SCHOOL DISTRICT
Schedules of Required Supplementary Information
Schedule of District's Proportionate Share of Net Pension Liability - TPAF
Last 10 Fiscal Years*

Fiscal Year Ending June 30,	District's Proportion Share of the Net Pension Liability (Asset)	State's Proportion Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability Associated with the District (Asset)	District's Covered Payroll - TPAF Employee's	District's Proportion Share of the Net Pension Liability (Asset) as a percentage of its Covered Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2015	0.0000000000%	0.3000810200%	\$ 160,666,363	\$ 30,953,607	0.00%	33.64%
2016	0.0000000000%	0.3042984900%	\$ 192,329,639	31,415,277	0.00%	28.71%
2017	0.0000000000%	0.3120932900%	\$ 245,512,453	31,553,108	0.00%	22.33%
2018	0.0000000000%	0.3073114900%	\$ 207,200,489	31,635,815	0.00%	25.41%
2019	0.0000000000%	0.3049740000%	\$ 194,017,908	31,717,809	0.00%	26.49%
2020	0.0000000000%	0.2983911500%	\$ 183,125,465	31,228,688	0.00%	26.96%
2021	0.0000000000%	0.2941761300%	\$ 193,711,441	32,374,498	0.00%	24.60%
2022	0.0000000000%	0.2883588268%	\$ 138,629,050	34,351,416	0.00%	35.52%
2023	0.0000000000%	0.2882686777%	\$ 148,725,381	34,738,303	0.00%	32.29%
2024	0.0000000000%	0.2948637888%	\$ 150,476,863	34,277,279	0.00%	31.49%

TOWNSHIP OF OCEAN, NEW JERSEY SCHOOL DISTRICT
Note to Required Schedules of Supplementary Information - Part III
For the fiscal year ended June 30, 2024

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was no change in the discount rate from 7.00%.

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

None

Change in assumptions

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was no change in the discount rate from 7.00%.

TOWNSHIP OF OCEAN, NEW JERSEY SCHOOL DISTRICT
Schedule of Required Supplementary Information
Schedule of Changes in the District's Proportionate Share of the State OPEB Liability
Last 10 Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service Costs	\$ 6,112,667	\$ 7,694,368	\$ 8,936,123	\$ 5,129,804	\$ 5,040,013	\$ 5,677,198	\$ 6,834,986
Interest on Total OPEB Liability	\$ 6,109,467	\$ 4,515,913	\$ 5,137,522	4,986,697	6,152,717	6,608,440	5,624,888
Changes in Benefit Terms			\$ (210,796)				
Changes in Assumptions	349,648	(45,712,599)	195,387	41,179,643	2,075,561	(17,901,608)	(22,869,891)
Gross Benefit Payments	(4,762,429)	(4,473,146)	(4,046,928)	(3,924,877)	(4,273,184)	(4,171,344)	
Differences Between Actual and Expected Experience	(4,898,791)	10,190,712	(37,533,934)	38,742,667	(25,915,094)	(12,377,049)	(4,126,607)
Contribution from the Member	158,564	143,501	0	118,957	126,669	144,168	151,915
Net Changes in total Share of OPEB Liability	<u>3,067,126</u>	<u>(27,641,250)</u>	<u>(27,522,626)</u>	<u>86,232,091</u>	<u>(16,793,318)</u>	<u>(22,120,197)</u>	<u>(14,383,709)</u>
Total OPEB Liability - Beginning	<u>170,404,736</u>	<u>198,046,986</u>	<u>225,437,271</u>	<u>139,205,180</u>	<u>155,998,498</u>	<u>178,118,695</u>	<u>192,502,404</u>
Total OPEB Liability - Ending	<u>\$ 173,471,862</u>	<u>\$ 170,404,736</u>	<u>\$ 197,914,645</u>	<u>\$ 225,437,271</u>	<u>\$ 139,205,180</u>	<u>\$ 155,998,498</u>	<u>\$ 178,118,695</u>
District's Proportionate Share of OPEB Liability							
State's Proportionate Share of OPEB Liability	<u>173,471,862</u>	<u>170,404,736</u>	<u>197,914,645</u>	<u>225,437,271</u>	<u>139,205,180</u>	<u>155,998,498</u>	<u>178,118,695</u>
Total OPEB Liability - Ending	<u>\$ 173,471,862</u>	<u>\$ 170,404,736</u>	<u>\$ 197,914,645</u>	<u>\$ 225,437,271</u>	<u>\$ 139,205,180</u>	<u>\$ 155,998,498</u>	<u>\$ 178,118,695</u>
District's Covered Employee Payroll	<u>\$ 41,941,581</u>	<u>\$ 42,596,210</u>	<u>\$ 41,895,981</u>	<u>\$ 39,908,018</u>	<u>\$ 38,516,576</u>	<u>\$ 38,941,922</u>	<u>\$ 38,971,677</u>
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%

Notes to Schedule:

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

* GASB requires that ten years of information be presented. However, since fiscal year 2018 was the first year of GASB 75 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

Other Supplementary Information

SPECIAL REVENUE FUND

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2024

Total Brought Forward (Ex. E-1a)	Title I 22-24		Title II 23-24		Title III Part A 23-24		Title III Part A 22-23		Title III Immigrant		I.D.E.A. Basic 23-24		I.D.E.A. Basic 22-23		L.D.E.A. Preschool		ARP L.D.E.A. Basic		Totals 2024
	\$		\$		\$		\$		\$		\$		\$		\$		\$		
Local Sources	1,647,745																		1,647,745
State Sources	4,870,205	1,133	117,429	3,445	35,254	93	6,051	1,133,972	7,888		47,481	1,485						4,870,205	
Federal Sources	495,549																		495,549
Total Revenues	7,013,499	1,133	117,429	3,445	35,254	93	6,051	1,133,972	7,888	47,481	1,485	1,133,972	7,888	47,481	1,485	47,481	1,485	8,872,489	
EXPENDITURES:																			
Instruction:																			
Salaries of Teachers	1,659,679		55,818		21,496		5,621												1,659,679
Other Salaries for Instruction	579,208																		579,208
Purchased Professional - Educational Services	42,398																		42,398
Purchased Professional and Technical Services	193,241																		193,241
Other Purchased Professional Services	1,138,795		25,888	3,445															1,168,128
Tuition	-															47,481			47,481
General Supplies	215,825																		215,825
Textbooks	62,520																		62,520
Other Objects	-																		-
Total Instruction	3,891,716	1,133	81,706	3,445	21,496	93	5,621	941,455	7,888	47,481	1,485	941,455	7,888	47,481	1,485	47,481	1,485	5,307,537	
Support services:																			
Salaries of Supervisors	300,042																		300,042
Other Salaries for Instruction	413,710																		413,710
Personal Services - Employee Benefits	1,136,109	1,133	35,723		13,758	93	430					192,537	7,888						1,371,304
Purchased Professional - Educational Services	230,650																		230,650
Purchased Professional and Technical Services	35,633																		35,633
Other Purchased Professional Services	34,586																		34,586
General Supplies	1,392																		1,392
Travel	16,294																		16,294
Scholarships Awarded	474,306																		474,306
Student Activities	-																		-
Total support services	2,657,612	1,133	35,723	-	13,758	93	430	192,537	7,888	-	1,485	192,537	7,888	-	1,485	-	1,485	3,100,781	
Facilities acquisition and const. serv.:																			
Facilities	-																		-
Instructional Equipment	398,266																		398,266
Non-instructional Equipment	44,207																		44,207
Total facilities acquisition and const. serv.	442,473	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	442,473	
Total Expenditures	6,991,801	1,133	117,429	3,445	35,254	93	6,051	1,133,972	7,888	47,481	1,485	1,133,972	7,888	47,481	1,485	47,481	1,485	8,850,791	
Excess (Deficiency) of Revenues Over (Under) Expenditures	21,698																		21,698
Fund Balance, July 1	440,984																		440,984
Fund Balance, June 30	462,682																		462,682

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2024

	NJ Non-Public Nursing Aid	NJ Non-Public Textbook Aid	NJ Non-Public Security Aid	NJ Non-Public Technology Aid	NJ Nonpublic Auxiliary Services Chapter 192		NJ Nonpublic Handicapped Services Chapter 193		Total Carried Forward
					Compassionate	ESL	Supplemental Instruction	Classification	
REVENUES									
Local Sources	140,270	62,520	244,961	52,971	479,749	2,801	212,114	50,964	1,390,734
State Sources									\$
Federal Sources									
Total Revenues	140,270	62,520	244,961	52,971	479,749	2,801	212,114	50,964	1,390,734
EXPENDITURES									
Instruction:									
Salaries of Teachers									
Other Salaries for Instruction									
Purchased Professional - Educational Services	140,270		244,961	52,971	479,749	2,801	212,114	50,964	1,134,973
Other Purchased Professional and Technical Services									
Tuition									
General Supplies		62,520							62,520
Textbooks									
Other Objects									
Total Instruction	140,270	62,520	244,961	52,971	479,749	2,801	212,114	50,964	1,390,734
Support services:									
Salaries of Supervisors									
Other Salaries for Instruction									
Personal Services - Employee Benefits									
Purchased Professional - Educational Services									
Other Purchased Professional and Technical Services									
General Supplies									
Travel									
Scholarships Awarded									
Student Activities									
Total support services									
Facilities acquisition and const. serv.:									
Building									
Instructional Equipment									
Non-Instructional Equipment									
Total facilities acquisition and const. serv.									
Total Expenditures	140,270	62,520	244,961	52,971	479,749	2,801	212,114	50,964	1,390,734
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Preschool Education Aid Revenue and Expenditures
Budgetary Basis
Year Ended June 30, 2024

	Original Budget	Budget Transfers	Budget	Actual	Variance
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 1,351,210	\$ (15,255)	\$ 1,335,955	\$ 1,315,301	\$ 20,654
Other Salaries for Instruction	589,214	15,255	604,469	574,958	29,511
Purchased Professional Educational Services	4,000	0	4,000	-	4,000
Other Purchased Services (400-500 series)	15,000	0	15,000	3,822	11,178
Tuition to Other LEAs Within the State - Regular	-	0	-	-	-
General Supplies	205,000	0	205,000	182,311	22,689
Other Objects	-	0	-	-	-
Total instruction	2,164,424	0	2,164,424	2,076,392	88,032
Support services:					
Salaries of Program Directors	119,140	0	119,140	119,140	-
Salaries of Supervisors of Instruction	171,330	(1,748)	169,582	165,902	3,680
Salaries of Other Professional Staff	81,684	(39,311)	42,373	42,060	313
Salaries of Sect. And Clerical Assistants	31,678	0	31,678	30,078	1,600
Other Salaries	129,421	2,188	131,609	129,259	2,350
Salaries of Community Parent Involvement Spec.	65,490	(900)	64,590	64,090	500
Salaries of Facilitator/Coach	153,980	(4,487)	149,493	146,705	2,788
Salaries of Master Teachers	-	0	-	-	-
Personal Services - Employee Benefits	988,322	0	988,322	988,322	-
Purchased Educational Services - Contracted Pre-K	223,741	1,259	225,000	225,000	-
Purchased Professional - Educational Services	-	0	-	-	-
Cleaning, Repair, and Maintenance Services	10,000	(9,459)	541	-	541
Other Purchased Professional Services	190,000	(162,435)	27,565	18,006	9,559
Travel	-	1,904	1,904	1,392	512
General Supplies	10,000	0	3,261	3,261	-
Total support services	2,174,786	(212,989)	1,955,058	1,933,215	21,843
Facilities acquisition and cont. serv:					
Instructional equipment	178,538	219,728	398,266	398,266	-
Noninstructional Equipment	-	0	-	-	-
Total Facilities acquisition and cont. serv.	178,538	219,728	398,266	398,266	-
Contribution to Charter Schools					
Transfer to General Fund	-	-	-	-	-
Total Expenditures	\$ 4,517,748	\$ 6,739	\$ 4,517,748	\$ 4,407,873	\$ 109,875

CALCULATION OF BUDGET & CARRYOVER

Total 2023-24 PreK/ECPA Aid Allocation	\$ 3,339,121
Add: Actual PreK/BCPA Aid Carryover June 30, 2023	196,096
Add: Budgeted Transfer From General Fund	1,114,844
Total Funds Available for 2023-24 Budget	4,650,061
Less: 2023-24 Budgeted PreK/BCPA (Including prior year budgeted carryover)	(4,517,748)
Available & Unbudgeted Funds as of June 30, 2024	132,313
Add: June 30, 2024 Unexpended PreK Aid	109,875
2024- Actual Carryover - PreK Aid	\$ 242,188
2023-24 PreK Aid Carryover Budgeted in 2025-FY	\$ 132,313

CAPITAL PROJECTS FUND

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Fiscal Year Ended June 30, 2024

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations June 30, 2024
			Prior Years	Current Year	
Ocean Township Elementary School Roof Replacement	5/14/2024	1,421,600		456,219	965,381
Wayside Elementary School Roof Replacement	5/14/2024	1,620,000		783,902	836,098
Totals		\$ 3,041,600	\$ -	\$ 1,240,121	\$ 1,801,479

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

Revenues and Other Financing Sources:

State Sources - SDA Grant	\$ 1,216,640
Total Revenues	1,216,640

Expenditures:

Construction Services	1,240,121
Total Expenditures	1,240,121

Excess (Deficiency) of revenues over (under) expenditures	(23,481)
---	----------

Other Financing Sources/(uses):

Transfer From Capital Reserve (General Fund)	1,824,960
Total Other Financing Sources	1,824,960

Excess (Deficiency) of revenues over (under) expenditures	1,801,479
---	-----------

Fund Balance - Beginning	-
--------------------------	---

Fund Balance - Ending	\$ 1,801,479
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OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Roof Replacement at Ocean Township Elementary School
From Inception and for the Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources - SDA Grant		\$ 1,216,640	\$ 568,640	\$ 568,640
Transfer from capital reserve	-	1,824,960	852,960	852,960
Total Revenues	<u>-</u>	<u>3,041,600</u>	<u>1,421,600</u>	<u>1,421,600</u>
Expenditures and Other Financing Uses:				
Architectural/Engineering services			-	
Purchased professional and technical services			-	
Construction services		456,219	456,219	456,219
General Supplies			-	
Equipment			-	
Other Objects			-	
Transfer to Debt Service Fund			-	
Total Expenditures	<u>-</u>	<u>456,219</u>	<u>456,219</u>	<u>456,219</u>
Excess (Deficiency) of revenues over (under) expenses and other financing uses	<u>\$ -</u>	<u>\$ 2,585,381</u>	<u>\$ 965,381</u>	<u>\$ 965,381</u>

Additional Project Information:

Project Number	
Grant Date/Letter of Notification	
Bond Authorization/Referendum Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Project Authorized Cost	\$1,421,600
Additional Authorized Cost	\$0
Revised Authorized Cost	\$1,421,600
Percentage Increase Over	
Original Authorized Cost	0%
Percentage Completion	32%

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Roof Replacement at Wayside Elementary School
From Inception and for the Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources - SDA Grant		\$ 648,000	648,000	\$ 648,000
Transfer from capital reserve		972,000	972,000	972,000
Total Revenues	-	<u>1,620,000</u>	<u>1,620,000</u>	<u>1,620,000</u>
Expenditures and Other Financing Uses:				
Architectural / Engineering services			-	
Purchased professional and technical services			-	
Construction services		783,902	783,902	783,902
Transfer to Debt Service Fund			-	
Total Expenditures	-	<u>783,902</u>	<u>783,902</u>	<u>783,902</u>
Excess (Deficiency) of revenues over (under) expenses	\$ -	<u>\$ 836,098</u>	<u>\$ 836,098</u>	<u>\$ 836,098</u>

Additional Project Information:

Project Number	
Grant Date/Letter of Notification	
Bond Authorization/Referendum Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Project Authorized Cost	\$1,620,000
Additional Authorized Cost	\$0
Revised Authorized Cost	\$1,620,000
Percentage Increase Over	
Original Authorized Cost	0%
Percentage Completion	48%

LONG-TERM DEBT

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Long-Term Debt
Schedule of Bonds Payable
Year Ended June 30, 2024

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance July 1, 2023	Issued	Retired	Balance June 30, 2024
2015 Referendum	15-Feb-15	\$ 28,944,000	3/15/2025	1,335,000	3.000%	\$ 20,765,000		\$ 1,290,000	\$ 19,475,000
			3/15/2026	1,380,000	3.000%				
			3/15/2027	1,430,000	3.000%				
			3/15/2028	1,480,000	3.000%				
			3/15/2029	1,530,000	3.000%				
			3/15/2030	1,585,000	3.000%				
			3/15/2031	1,640,000	3.000%				
			3/15/2032	1,695,000	3.000%				
			3/15/2033	1,755,000	3.125%				
			3/15/2034	1,820,000	3.125%				
			3/15/2035	1,880,000	3.250%				
			3/15/2036	1,945,000	3.250%				
						\$ 20,765,000	\$ -	\$ 1,290,000	\$ 19,475,000
Grand Total						\$ 20,765,000	\$ -	\$ 1,290,000	\$ 19,475,000

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
General Long-Term Debt Account Group
Statement of Obligations Under Capital Leases
For the Fiscal Year Ended June 30, 2024

Series	Interest Rate	Amount of Orig. Issue	Amount Outstanding July 1, 2023	Issued	Retired	Amount Outstanding June 30, 2024
Energy Saving Improvement Project	2.610%	3,433,934	1,479,867		217,179	1,262,688
Districtwide Copy Machines	Various	137,725	-	98,957	41,261	57,696
Buses	2.898%	782,739	580,495		138,965	441,530
			<u>\$ 2,060,362</u>	<u>\$ 98,957</u>	<u>\$ 397,405</u>	<u>\$ 1,761,914</u>

OCEAN TOWNSHIP, NEW JERSEY SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,492,372		\$ 1,492,372	\$ 1,492,372	\$ -
State Sources:					
Debt Service Aid Type II	434,610		434,610	434,610	-
Total - State Sources	434,610	-	434,610	434,610	-
Total Revenues	1,926,982	-	1,926,982	1,926,982	-
EXPENDITURES:					
Regular Debt Service:					
Interest	636,982		636,982	636,981	1
Redemption of Principal	1,290,000		1,290,000	1,290,000	-
Total expenditures	1,926,982	-	1,926,982	1,926,981	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	1	1
Other Financing Sources:					
Operating Transfers In:					
Transfer from Other Funds					-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	-	-	-	1	1
Fund Balance, July 1			-	132	132
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 133	\$ 133

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

Financial Trends

- J-1 Net Assets/Position by Component
- J-2 Changes in Net Assets/Position
- J-3 Fund Balances - Governmental Funds
- J-4 Changes in Fund Balances - Governmental Funds
- J-5 General Fund Other Local Revenue by Source

Revenue Capacity

- J-6 Assessed Value and Estimated Actual Value of Taxable Property
- J-7 Direct and Overlapping Property Tax Rates
- J-8 Principal Property Taxpayers
- J-9 Property Tax Levies and Collections

Debt Capacity

- J-10 Ratios of Outstanding Debt by Type
- J-11 Ratios of General Bonded Debt Outstanding
- J-12 Direct and Overlapping Governmental Activities Debt
- J-13 Legal Debt Margin Information

Demographic and Economic Information

- J-14 Demographic and Economic Statistics
- J-15 Principal Employers

Operating Information

- J-16 Full-time Equivalent District Employees by Function/Program
- J-17 Operating Statistics
- J-18 School Building Information*
- J-19 Schedule of Allowable Maintenance Expenditures by School Facility
- J-20 Insurance Schedule

STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time.	J-1 to J-5
Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.	J-6 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 to J-15
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.	

OCEAN TOWNSHIP SCHOOL DISTRICT
Net Position by Component
Last Ten Fiscal Years
Accrual Basis of Accounting
Unaudited

	Fiscal year ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities			(restated)							
Invested in capital assets, net of related debt	\$ 1,851,705	\$ 1,897,901	\$ 3,982,607	\$ 10,878,904	\$ 12,849,190	\$ 14,571,110	\$ 16,089,062	\$ 17,914,152	\$ 19,230,398	\$ 23,788,495
Restricted	33,319,170	24,916,071	10,800,884	5,532,025	7,078,899	10,200,395	12,924,802	16,201,897	19,998,941	22,062,841
Unrestricted	(21,706,190)	(22,387,040)	(24,236,674)	(26,300,884)	(26,550,959)	(26,117,261)	(24,525,270)	(19,706,949)	(18,472,798)	(16,925,829)
Total governmental activities net position	\$ 13,464,685	\$ 4,425,932	\$ (9,453,133)	\$ (9,889,955)	\$ (6,622,870)	\$ (1,345,756)	\$ 4,488,594	\$ 14,409,100	\$ 20,756,541	\$ 28,925,507
Business-type activities										
Invested in capital assets, net of related debt	\$ 47,283	\$ 39,095	\$ 30,906	\$ 23,259	\$ 17,868	\$ 12,478	\$ 6,406	\$ 296,586	\$ 354,085	\$ 471,697
Unrestricted	25,142	51,636	90,561	130,924	258,675	386,815	382,526	594,195	772,220	599,126
Total business-type activities net position	\$ 72,425	\$ 90,731	\$ 121,467	\$ 154,183	\$ 276,543	\$ 399,293	\$ 388,932	\$ 890,781	\$ 1,126,305	\$ 1,070,823
District-wide										
Invested in capital assets, net of related debt	\$ 1,898,988	\$ 1,936,996	\$ 4,013,513	\$ 10,902,163	\$ 12,867,058	\$ 14,583,588	\$ 16,095,468	\$ 18,210,738	\$ 19,584,483	\$ 24,260,192
Restricted	33,319,170	24,916,071	10,800,884	5,532,025	7,078,899	10,200,395	11,469,888	16,201,897	19,998,941	22,062,841
Unrestricted	(21,681,048)	(22,335,404)	(24,146,113)	(26,169,960)	(26,292,284)	(25,730,446)	(22,687,830)	(19,112,754)	(17,700,578)	(16,326,703)
Total district-wide net position	\$ 13,537,110	\$ 4,517,663	\$ (9,331,716)	\$ (9,735,772)	\$ (6,346,327)	\$ (946,463)	\$ 4,877,526	\$ 15,299,881	\$ 21,882,846	\$ 29,996,330

Source: District records

Note: GASB 68 was implemented during the 2015 fiscal year, which required restatement of beginning net position of (\$18,257,948). This amount is not reflected in the June 30, 2014 net position above.

Note: The years 2016 and 2017 were restated due to a revaluation of capital assets.

OCEAN TOWNSHIP SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years
Accrual Basis of Accounting
Unaudited

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
Instruction										
Regular	\$ 37,890,451	\$ 40,532,362	\$ 45,892,122	\$ 45,781,920	\$ 40,219,547	\$ 36,527,743	\$ 44,071,466	\$ 25,108,795	\$ 26,885,387	\$ 26,731,268
Special education	10,042,126	11,419,006	12,793,370	13,834,752	12,419,261	11,968,267	13,898,598	7,693,427	7,378,982	7,457,234
Other special education	2,304,209	2,531,521	3,029,437	2,621,320	2,651,234	2,419,379	2,785,244	1,403,322	1,150,566	1,214,827
Other instruction	1,721,308	1,831,733	1,809,805	1,825,577	1,798,851	1,808,874	1,734,041	1,365,921	1,416,427	1,492,425
Support Services										
Instruction	4,211,098	4,319,884	4,420,757	3,480,737	4,052,082	4,668,511	5,078,332	3,195,891	3,626,157	3,448,320
Student & instruction-related services	10,997,582	11,863,986	13,544,050	14,068,119	13,079,032	12,710,658	15,221,877	9,575,592	10,899,184	11,402,074
School administrative services	3,494,178	3,750,253	4,023,127	2,917,325	2,541,108	2,333,637	3,795,704	2,196,019	2,193,911	2,086,372
General administrative services	739,030	639,274	1,097,739	2,036,664	1,919,850	2,120,913	1,208,255	1,367,620	1,413,330	900,401
Central services and administrative information technology	1,933,809	1,855,649	2,113,122	2,166,689	2,099,998	2,148,660	1,478,781	1,471,926	1,471,926	1,449,091
Plant operations and maintenance	7,662,856	7,627,965	7,510,703	7,639,931	7,534,832	7,150,169	7,560,920	6,368,884	6,880,172	7,000,540
Pupil transportation	3,904,511	3,998,919	4,076,488	4,418,551	4,613,008	4,239,783	4,011,922	5,109,430	4,329,922	4,324,222
Personal Services-employee benefits										
Special Schools	207,251	227,710	223,586	239,036	273,088	271,731	212,830	35,282,020	26,799,989	24,906,564
Charter schools	15,745	25,462	-	43,098	147,800	285,494	142,235	307,813	428,211	501,493
Non-depreciable capital assets										
Interest on long-term debt	674,061	1,127,442	939,956	918,227	854,701	791,717	728,250	688,349	60,092	624,081
Unallocated Depreciation										
Total governmental activities expenses	\$ 85,798,215	\$ 91,741,166	\$ 101,474,272	\$ 101,991,945	\$ 93,814,392	\$ 89,445,536	\$ 102,790,946	\$ 103,129,815	\$ 97,588,052	\$ 96,467,570
Business-type activities:										
Food service	1,229,862	1,129,632	1,089,540	1,132,300	1,023,704	841,880	1,948,920	2,033,160	1,159,825	1,420,185
Total business-type activities expense	\$ 1,229,862	\$ 1,129,632	\$ 1,089,540	\$ 1,132,300	\$ 1,023,704	\$ 841,880	\$ 1,948,920	\$ 2,033,160	\$ 1,159,825	\$ 1,420,185
Total district expenses	\$ 87,028,077	\$ 92,870,798	\$ 102,563,812	\$ 103,124,245	\$ 94,838,096	\$ 90,287,416	\$ 104,739,866	\$ 105,162,975	\$ 98,747,877	\$ 97,887,755
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ 273,485	\$ 292,954	\$ 138,091	\$ 233,095	\$ 310,487	\$ 243,678	\$ 169,845	\$ 3,413,970	\$ 3,037,830	\$ 8,735,618
Support services	65,142	19,248	282,979	272,332	285,444	118,251	308,225	7,005,856	8,433,928	8,433,928
Special schools			35,804	41,499	102,755	130,427	-	10,419,826	11,471,758	11,471,758
Personal Services-employee benefits										
Operating grants and contributions	16,411,370	20,327,982	27,188,389	27,313,539	20,483,014	17,071,672	29,891,770	7,005,856	8,433,928	8,735,618
Total governmental activities program revenues	\$ 16,749,997	\$ 20,640,184	\$ 27,645,263	\$ 27,860,465	\$ 21,191,700	\$ 17,564,028	\$ 30,369,840	\$ 10,419,826	\$ 11,471,758	\$ 8,735,618
Business-type activities:										
Charges for services:										
Food service	600,395	560,319	543,772	582,923	575,561	394,145	6,980	12,590	475,950	513,668
Operating grants and contributions	607,213	587,619	576,504	582,093	570,503	570,485	1,931,580	2,386,970	919,399	851,035
Total business-type activities program revenues	\$ 1,207,608	\$ 1,147,938	\$ 1,120,276	\$ 1,165,016	\$ 1,146,064	\$ 964,630	\$ 1,938,560	\$ 2,401,560	\$ 1,395,349	\$ 1,364,703
Total district program revenues	\$ 17,957,605	\$ 21,788,122	\$ 28,765,539	\$ 29,025,481	\$ 22,337,764	\$ 18,528,658	\$ 32,308,400	\$ 12,821,386	\$ 12,867,107	\$ 10,100,321
Net (Expense) Revenue										
Governmental activities	\$ (69,048,218)	\$ (71,100,982)	\$ (73,829,009)	\$ (74,131,485)	\$ (72,622,692)	\$ (71,881,508)	\$ (72,421,106)	\$ (92,709,989)	\$ (86,116,294)	\$ (87,731,952)
Business-type activities	(22,254)	18,306	30,736	32,716	122,360	122,750	(10,360)	368,400	235,524	(55,482)
Total district-wide net expense	\$ (69,070,472)	\$ (71,082,676)	\$ (73,798,273)	\$ (74,098,769)	\$ (72,500,332)	\$ (71,758,758)	\$ (72,431,466)	\$ (92,341,589)	\$ (85,880,770)	\$ (87,787,434)

OCEAN TOWNSHIP SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years
Accrual Basis of Accounting
Unaudited

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position										
Governmental activities										
Property taxes levied for general purposes, net	\$ 58,643,552	\$ 60,221,552	\$ 61,425,948	\$ 62,765,948	\$ 64,307,696	\$ 65,573,829	\$ 66,718,681	\$ 67,852,899	\$ 69,229,978	\$ 71,317,208
Taxes levied for debt service	3,025,857	2,246,346	3,501,658	2,160,996	2,751,686	2,739,488	2,716,435	2,675,888	1,818,839	1,492,372
Federal and state aid not restricted	8,170,339	8,302,180	8,416,244	8,494,157	8,380,488	8,328,016	7,708,526	30,473,534	20,072,893	20,985,023
Investment earnings	10,300	89,927	25,179	95,283	233,879	228,763	16,603	-	-	-
Transfers	20,858	-	-	-	-	-	-	-	-	-
Miscellaneous income	211,544	228,156	117,262	178,326	216,028	288,526	283,378	1,219,453	1,342,025	2,106,315
Total governmental activities	70,082,460	71,088,161	73,486,291	73,694,710	75,889,777	77,158,622	77,443,623	102,221,774	92,463,735	95,900,918
Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	-	-	-	-	-	-	-	-	-	-
Total district-wide	\$ 70,082,460	\$ 71,088,161	\$ 73,486,291	\$ 73,694,710	\$ 75,889,777	\$ 77,158,622	\$ 77,443,623	\$ 102,221,774	\$ 92,463,735	\$ 95,900,918
Change in Net Position										
Governmental activities	\$ 1,034,242	\$ (12,821)	\$ (342,718)	\$ (436,775)	\$ 3,267,085	\$ 5,277,114	\$ 5,022,517	\$ 9,511,785	\$ 6,347,441	\$ 8,168,966
Business-type activities	(22,254)	18,306	30,736	32,715	122,360	122,750	(10,360)	368,400	235,524	(55,482)
Total district	\$ 1,011,988	\$ 5,485	\$ (311,982)	\$ (404,059)	\$ 3,389,445	\$ 5,399,864	\$ 5,012,157	\$ 9,880,185	\$ 6,582,965	\$ 8,113,484

Note: Prior to FY 2022 personal services employee benefits and unallocated depreciation was allocated to instruction and support services

Source: District records

OCEAN TOWNSHIP SCHOOL DISTRICT
Fund Balances-Governmental Funds
Last Ten Fiscal Years
Modified Accrual Basis of Accounting
Unaudited

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Reserved	\$ 6,123,377	\$ 5,117,680	\$ 5,105,507	\$ 5,210,074	\$ 7,041,912	\$ 10,200,394	\$ 13,174,593	\$ 15,263,551	\$ 19,557,825	\$ 19,798,547
Unreserved	364,431	247,902	242,073	63,177	(88,916)	(75,994)	(95,474)	2,221,597	1,426,435	1,297,336
Total general fund	\$ 6,487,808	\$ 5,365,582	\$ 5,347,580	\$ 5,273,251	\$ 6,952,996	\$ 10,124,400	\$ 13,079,119	\$ 17,485,148	\$ 20,984,260	\$ 21,095,883
All Other Governmental Funds										
Reserved	\$ 22,089,092	\$ 18,613,673	\$ 798,529	\$ 53,915	\$ -	\$ -	\$ 347,934	\$ 402,030	\$ 440,984	\$ 462,682
Unreserved:										
Special revenue fund	-	-	-	-	-	(65,204)	(137,228)	(212,207)	(245,430)	(330,538)
Capital projects fund	5,106,702	1,184,718	4,896,847	246,473	36,986	-	-	-	-	1,801,479
Debt service fund	-	-	21,562	21,563	1	1	1	-	132	133
Total all other governmental funds	\$ 27,195,794	\$ 19,798,391	\$ 5,716,938	\$ 321,951	\$ 36,987	\$ (65,203)	\$ 210,707	\$ 189,823	\$ 195,686	\$ 1,933,756

Source: District records

OCEAN TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances-Governmental Funds
Last Ten Fiscal Years
Modified Basis of Accounting
Unaudited

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax levy	\$ 61,669,419	\$ 62,467,898	\$ 64,927,606	\$ 64,926,944	\$ 67,059,382	\$ 68,313,317	\$ 69,435,116	\$ 70,528,787	\$ 71,046,817	\$ 72,809,580
Tuition charges	65,142	19,248	138,091	233,095	310,487	118,251	169,845	226,119	97,632	214,196
Transportation fee	-	15,938	35,804	41,499	102,755	130,427	55,709	147,855	195,387	96,100
Interest earnings	31,159	89,927	65,917	95,283	233,879	228,763	16,603	18,331	208,751	764,585
Miscellaneous	426,357	480,347	400,091	443,050	496,029	488,775	544,966	1,248,861	2,547,302	2,556,921
State sources	15,438,917	16,788,459	17,778,805	20,193,940	20,641,162	21,491,646	24,037,242	30,517,217	31,256,182	32,090,201
Federal sources	1,774,391	1,733,629	1,823,755	1,839,188	1,824,905	1,868,222	2,487,286	3,358,473	2,804,008	4,932,211
Total revenue	79,405,385	81,595,446	85,170,069	87,772,999	90,668,599	92,639,401	96,746,767	106,045,643	108,158,079	113,463,794
Expenditures										
Instruction:										
Regular instruction	22,675,022	22,811,686	22,700,708	22,999,240	22,495,108	22,223,282	23,537,863	25,180,610	26,763,380	26,823,858
Special education instruction	5,855,639	6,249,695	6,104,371	6,837,150	6,843,019	6,969,798	7,197,179	7,693,427	7,378,982	7,457,234
Other special instruction	1,321,236	1,359,701	1,422,138	1,231,576	1,191,662	1,360,980	1,360,951	1,321,465	1,150,566	1,214,827
Other instruction	1,335,311	1,418,439	1,356,764	1,350,530	1,344,459	1,353,019	1,290,174	1,365,921	1,416,427	1,492,425
Support Services:										
Instruction	4,211,098	4,319,884	4,420,757	3,480,737	4,052,082	4,668,511	5,078,332	3,195,891	3,626,157	3,448,320
Student & inst. related services	6,691,253	6,781,825	6,929,989	7,221,656	7,382,372	7,609,774	7,899,000	9,575,592	10,750,731	11,402,024
General & business administrative services	1,054,071	985,129	1,187,648	1,075,568	1,089,835	1,058,674	1,055,439	1,361,403	1,407,113	1,198,846
School administrative services	2,191,915	2,224,084	2,135,743	2,066,597	2,008,350	2,004,905	2,157,208	2,164,595	2,157,810	2,086,372
Central services	813,562	689,750	706,557	711,319	686,612	715,993	685,790	686,769	675,910	668,447
Administrative information technology	600,211	601,763	679,446	696,270	742,095	778,153	933,972	792,012	796,016	780,644
Plant operations and maintenance	6,050,497	6,542,703	6,290,964	6,426,803	6,354,390	5,967,578	6,566,961	6,588,798	6,836,471	7,000,540
Pupil transportation	3,210,016	3,309,599	3,326,902	3,582,846	3,780,708	3,365,342	3,204,476	4,006,529	3,969,742	4,324,222
Unallocated benefits	19,408,640	21,158,651	23,449,483	25,872,166	26,509,581	26,588,577	28,759,023	31,609,787	33,083,767	35,501,846
Administrative costs	-	-	-	-	-	-	386	-	-	-
Special Schools	207,251	227,710	223,586	239,036	273,088	271,731	212,830	242,959	256,402	259,129
Transfer to Charter Schools	15,745	25,462	-	43,098	147,800	285,494	142,235	307,813	428,211	501,493
Capital outlay	4,774,762	8,999,641	14,665,669	6,007,343	1,008,175	1,182,416	917,255	2,282,194	1,532,594	5,622,048
Debt service:										
Principal	2,745,000	1,265,000	2,599,000	2,400,000	2,440,000	2,470,000	2,515,000	2,535,000	1,744,870	1,290,000
Interest and other charges	469,214	1,169,218	1,069,949	1,008,188	939,923	877,164	813,897	750,029	677,955	636,981
Total expenditures	83,630,443	90,139,900	99,269,674	93,249,923	89,289,259	89,751,341	94,327,971	101,660,794	104,653,104	111,709,256
Excess (Deficiency) of revenues over (under) expenditures	(4,225,058)	(8,544,454)	(14,099,605)	(5,476,924)	1,379,340	2,888,060	2,418,796	4,384,849	3,504,975	1,754,538

OCEAN TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances-Governmental Funds
Last Ten Fiscal Years
Modified Basis of Accounting
Unaudited

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Other Financing sources (uses)										
Capital leases (non-budgeted)	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ 137,725	\$ -	\$ -	\$ -	\$ -
Proceeds from bonds	28,944,000	-	2,650,000	-	-	-	-	-	-	-
Payments to refunding bond escrow	-	-	(2,650,000)	-	-	-	-	-	-	-
Sale of assets	-	24,825	-	7,608	15,441	43,429	-	-	-	-
Unemployment reserve-net	20,859	-	40,738	10,478	1,800	282	-	-	-	95,155
Transfers in	(20,858)	-	(40,738)	(10,478)	(1,800)	(282)	-	-	-	1,824,960
Transfers out	-	-	-	-	-	-	-	-	-	(1,824,960)
Total other financing sources (uses)	30,144,001	24,825	(40,738)	7,608	15,441	181,154	-	-	-	95,155
Net change in fund balances	\$ 25,918,943	\$ (8,519,629)	\$ (14,099,455)	\$ (5,469,316)	\$ 1,394,781	\$ 3,069,214	\$ 2,418,796	\$ 4,384,849	\$ 3,504,975	\$ 1,849,693
Debt service as a percentage of noncapital expenditures	4.08%	3.00%	4.34%	3.91%	3.83%	3.78%	3.56%	3.31%	2.35%	1.82%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

OCEAN TOWNSHIP SCHOOL DISTRICT
General Fund-Other Local Revenue by Source
Last Ten Fiscal Years
Modified Accrual Basis of Accounting
Unaudited

Description	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Sale of energy and utility rebates	\$ 4,480	\$ -	\$ 6,898	\$ 2,410	\$ -	\$ 3,000	\$ 28,448	\$ 228,771	\$ 154,656	\$ 62,594
Grants and Donations	25,000	1,620	-	-	-	333,514	193,610	25,070	45,883	17,073
Facility charge	273,485	277,016	282,979	272,332	295,444	40,508	6,703	93,966	-	113,101
Prior-year insurance refunds	-	41,466	-	720	560	30,958	66,667	-	-	-
Prior-year miscellaneous refunds	31,424	95,136	6,681	12,934	33,146	10,962	10,962	63,773	63,773	63,773
Sponsorship	25,800	23,100	25,100	23,600	16,500	10,500	7,600	10,500	14,600	11,100
Sale of assets	-	-	-	7,608	925	523	-	85,779	17,467	21,280
Tuition	65,142	19,248	138,091	233,095	310,487	118,251	21,115	-	-	-
Transportation fees	17,718	15,938	35,804	41,499	102,755	114,127	55,709	-	-	-
Interest	10,301	13,907	25,179	84,805	232,079	228,481	16,603	18,331	-	290,885
Cancellation of prior year checks	-	-	22,996	-	15,085	-	28,745	-	-	-
OTEA/OT	-	-	-	-	17,851	-	-	-	-	-
Shared services	30,090	27,529	47,447	110,740	105,619	47,177	60,842	5,750	10,250	13,250
Spartan Football Club Stipend	-	-	-	-	-	12,500	-	-	170,000	-
Advertising- School Buses	-	-	-	-	6,300	2,100	-	-	-	-
Rental Fees	-	-	-	-	-	-	-	101,495	257,994	269,258
Miscellaneous	18,360	14,480	7,990	12,706	4,599	5,545	25,782	275,817	105,632	120,557
Total other local revenue	\$ 501,800	\$ 529,440	\$ 599,165	\$ 802,449	\$ 1,141,350	\$ 947,184	\$ 522,786	\$ 845,479	\$ 840,255	\$ 919,098

Source: District Records

OCEAN TOWNSHIP SCHOOL DISTRICT
Assessed Value and Estimated Actual Value of Taxable Property - Township of Ocean
 Last Ten Years
Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qualified Farm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax Exempt Property	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
2015	84,178,000	3,382,560,000	1,111,900	4,700	573,206,000	-	151,604,900	4,192,655,500	-	3,785,482	4,196,450,982	4,539,382,409	1.431
2016	71,704,300	3,397,753,500	1,074,900	3,800	583,675,400	-	163,311,500	4,217,523,400	-	3,628,655	4,221,152,055	4,673,821,521	1.458
2017	71,984,400	3,897,335,500	1,273,700	3,900	631,943,700	-	218,542,400	4,821,083,600	-	4,034,953	4,825,118,553	4,759,112,032	1.323
2018	75,981,300	4,082,025,000	1,294,200	4,100	584,516,000	-	236,536,800	4,980,357,400	-	4,022,460	4,984,379,860	4,888,118,749	1.324
2019	79,745,200	4,326,880,300	1,311,000	4,100	608,674,920	-	242,693,900	5,259,309,420	213,680	4,064,174	5,263,159,914	5,269,784,142	1.286
2020	75,553,700	4,549,307,800	6,357,900	4,100	626,777,020	-	251,064,000	5,509,064,520	213,680	4,113,022	5,512,963,862	5,431,068,013	1.249
2021	75,277,000	4,723,221,400	6,344,800	4,100	631,128,957	1,744,600	262,583,600	5,700,304,457	421,743	4,345,832	5,704,228,546	5,647,489,912	1.227
2022	80,392,800	5,616,407,500	6,666,600	4,100	643,946,657	1,744,600	276,377,300	6,625,540,557	421,743	4,765,890	6,629,884,704	6,433,018,954	1.068
2023	87,295,000	6,725,858,090	7,420,500	2,600	667,100,357	1,744,600	303,043,100	7,792,464,247	421,743	5,121,851	7,797,164,355	7,875,448,424	0.915
2024	123,628,200	7,357,460,800	8,366,800	4,200	737,820,757	4,811,400	470,671,100	8,703,185,000	421,743	6,372,297	8,709,135,554	8,636,775,604	0.855

Source: New Jersey's Monmouth County Board of Taxation Website

Notes: Real property is required to be assessed at some percentage of true value (fair or market value) established by the County Board of Taxation.

Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment.

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

^b Tax rates are per \$100.

OCEAN TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Per \$100 of Assessed Valuation
Last Ten Years
Unaudited

Township of Ocean

Fiscal Year Ended June 30,	Township of Ocean Board of Education Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct School Tax Rate	Township of Ocean	Monmouth County	
2015	1.361	0.070	1.431	0.493	0.326	2.250
2016	1.396	0.062	1.458	0.493	0.328	2.279
2017	1.252	0.071	1.323	0.442	0.286	2.051
2018	1.280	0.044	1.324	0.428	0.287	2.039
2019	1.233	0.053	1.286	0.415	0.285	1.986
2020	1.199	0.050	1.249	0.415	0.276	1.940
2021	1.180	0.047	1.227	0.415	0.272	1.914
2022	1.027	0.041	1.068	0.370	0.250	1.688
2023	0.892	0.023	0.915	0.332	0.243	1.490
2024	0.837	0.018	0.855	0.306	0.229	1.390

Source: Borough Tax Collector

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

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.

OCEAN TOWNSHIP SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago
Unaudited

	2023	
	Taxable Assessed Value	% of Total District Net Assessed Value
Woodshire Apartments	\$ 85,331,800	1.71%
Seaview Acquisition LLC	69,770,837	1.40%
Continental Land Developers, LLC	37,994,000	0.76%
West Park Gardens NJ, LP	32,212,700	0.65%
Cold Indian Spring Corp	31,664,200	0.64%
Primrose Estates, LLC	28,385,600	0.57%
Sunset Arcadia Center Inc	24,715,100	0.50%
Westwood Oaks Associates	20,000,000	0.40%
Continental Enterprise Apart, LLC	18,091,400	0.36%
Hollywood Golf Club	18,030,300	0.36%
TOTAL	\$ 366,195,937	7.35%

	2015	
	Taxable Assessed Value	% of Total District Net Assessed Value
Seaview Square, LLC c/o Linque Management	\$ 60,000,000	1.40%
Woodshire Apartments	48,393,500	1.13%
Ocean Seniors, LLC	23,987,300	0.56%
Westwood Oaks Associates	23,107,100	0.54%
Sears Roebuck & Co.	22,517,600	0.52%
Cold Indian Springs Corp	20,046,600	0.47%
Gold Enterprises c/o Salem Management	19,222,700	0.45%
Continental Land Developers, LLC	16,453,000	0.38%
Hollywood Golf Club	15,398,300	0.36%
Sunset Arcadia Center, Inc.	11,970,000	0.28%
TOTAL	\$ 261,096,100	6.09%

Source: Municipal Tax Assessor

Note: Values are assessed at January 1 of the audit year.

OCEAN TOWNSHIP SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Years
Unaudited

Collected within the Fiscal Year of the Levy ^a

Fiscal Year Ended June,	Total Tax Levy for the Fiscal Year	Amount	Percentage of Levy	Collections in Subsequent Years
2015	61,669,419	61,669,419	100.00%	-
2016	62,467,898	62,467,898	100.00%	-
2017	64,927,606	64,927,606	100.00%	-
2018	64,926,944	64,926,944	100.00%	-
2019	67,059,382	67,059,382	100.00%	-
2020	68,313,317	68,313,317	100.00%	-
2021	69,435,116	69,435,116	100.00%	-
2022	70,528,777	70,528,777	100.00%	-
2023	71,048,817	71,048,817	100.00%	-
2024	72,809,580	72,809,580	100.00%	-

Source: District records including the Certificate and Report of School Taxes (A4F form) from Municipal Tax Assessor.

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

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

OCEAN TOWNSHIP SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Governmental Activities

Year Ended June 30,	General Obligation Bonds	Capital Leases	Total District	Percentage of Personal Income ^a	Per Capita ^a
2015	38,564,000	4,146,230	42,710,230	2.24%	1,566
2016	37,299,000	3,523,750	40,822,750	2.10%	1,498
2017	34,870,000	3,081,295	37,951,295	1.88%	1,425
2018	32,470,000	2,675,426	35,145,426	1.65%	1,311
2019	30,030,000	2,256,278	32,286,278	1.46%	1,209
2020	27,560,000	2,207,040	29,767,040	1.30%	1,120
2021	25,045,000	1,992,444	27,037,444	1.09%	1,008
2022	22,510,000	2,448,943	24,958,943	0.95%	894
2023	20,765,000	2,184,617	22,949,617	N/A	825
2024	19,475,000	1,761,914	21,236,914	N/A	764

Source: District records

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

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

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

OCEAN TOWNSHIP SCHOOL DISTRICT
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Township of Ocean

Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property ^a	Net Bonded Debt Per Capita ^b
2015	37,297,867	-	37,297,867	0.89%	1,382.22
2016	36,068,208	-	36,068,208	0.85%	1,339.28
2017	33,794,526	-	33,794,526	0.70%	1,268.85
2018	32,470,000	-	32,470,000	0.65%	1,210.89
2019	30,030,000	-	30,030,000	0.57%	1,124.80
2020	27,560,000	-	27,560,000	0.50%	1,036.83
2021	25,045,000	-	25,045,000	0.44%	933.78
2022	22,510,000	-	22,510,000	0.34%	806.46
2023	20,765,000	-	20,765,000	0.27%	746.57
2024	19,475,000	-	19,475,000	0.22%	700.64

Sources: Assessed valuations were provided by the Abstract of Ratables, Monmouth County Board of Taxation. School district population data was provided by school district officials.

Note: Details regarding the District's outstanding debt can be found in the Notes to the Basic Financial Statements.

a See Exhibit J-6 for property tax data.

b Population data can be found in Exhibit J-14.

OCEAN TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
For the Year Ended December 31, 2023
Unaudited

	Debt Outstanding	Estimated Percentage Applicable ^a	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Township of Ocean	\$ 39,158,235	100.00%	\$ 39,158,235
Monmouth County General Obligation Debt	1,491,912,711	3.525%	52,594,976
Other debt			-
Subtotal overlapping debt			91,753,211
Ocean Township School District Direct Debt			20,765,000
Total Direct and Overlapping Debt			\$ 112,518,211

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

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. 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.

OCEAN TOWNSHIP SCHOOL DISTRICT
Legal Debt Margin Information
For The Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2022

Equalized valuation basis	
2023	\$ 8,636,775,604
2022	7,875,448,424
2021	6,433,018,954
	<u>\$ 22,945,242,982</u>

Average equalized valuation of taxable property

\$ 7,648,414,327

Debt limit (4% of average equalization value)

305,936,573 ^a

Total Net Debt Applicable to Limit

19,475,000

Legal debt margin

\$ 286,461,573

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 146,622,630	\$ 124,268,127	\$ 192,172,462	\$ 163,570,407	\$ 171,887,912	\$ 182,585,747	\$ 193,942,214	\$ 212,072,485	\$ 245,314,431	\$ 286,461,573
Total net debt applicable to limit	38,564,500	37,299,000	34,870,000	32,470,000	30,030,000	27,560,000	25,045,000	22,510,000	20,765,000	19,475,000
Legal debt margin	\$ 108,058,130	\$ 86,969,127	\$ 157,302,462	\$ 131,100,407	\$ 141,857,912	\$ 155,025,747	\$ 168,897,214	\$ 189,562,485	\$ 224,549,431	\$ 266,986,573
Total net debt applicable to the limit as a percentage of debt limit	26.30%	30.01%	18.15%	19.85%	17.47%	15.09%	12.91%	10.61%	8.46%	6.80%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation as posted on the Monmouth County Board of Taxation Website.

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

**OCEAN DISTRICT SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Years
*Unaudited***

Township of Ocean

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2015	26,984	1,909,549,744	70,766	4.30%
2016	26,931	1,967,955,894	73,074	3.90%
2017	26,634	2,020,881,384	75,876	3.50%
2018	26,815	2,125,061,935	79,249	3.20%
2019	26,698	2,196,444,460	82,270	8.90%
2020	26,581	2,288,384,871	86,091	8.90%
2021	26,821	2,470,723,699	92,119	6.40%
2022	27,912	2,634,362,472	94,381	3.20%
2023	27,814	N/A	N/A	3.50%
2024	27,796	N/A	N/A	N/A

Sources:

- a** Population information provided by the NJ Dept. of Labor and Workforce Development. Estimate is based on July 1 of the audit year.
- b** Personal income has been estimated based upon the municipal population and per capita personal income presented.
- c** Per capita personal income by municipality not available. The Per Capita Personal Income amounts presented represent the figures available for Monmouth County, NJ as provided by the State of New Jersey, Department of Education, Division of Finance.
- d** Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

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

**OCEAN TOWNSHIP SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago
*Unaudited***

TOWNSHIP OF OCEAN

Employer	2024		2015	
	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment
N/A	N/A		N/A	

N/A - At the time of the completion of the ACFR, this information was not available.

OCEAN TOWNSHIP SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years
Unaudited

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Instruction:										
Regular	267.4	267.9	265.4	256.0	255.0	256.0	257.0	252.0	257.0	262.0
Special education	126.4	133.5	142.4	141.2	138.3	130.0	131.7	131.0	131.0	134.0
Other special education	20.5	25.0	25.0	21.0	18.5	25.0	25.0	31.0	37.0	37.0
Other instruction	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Support Services:										
Student and instruction related services	97.0	93.0	103.0	105.0	101.8	91.0	87.8	102.0	94.0	91.0
General administration	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
School administration services	25.0	25.0	24.0	23.0	23.0	23.0	27.0	25.0	25.0	25.0
Central services	8.0	8.0	8.0	8.0	7.0	7.0	7.0	7.0	7.0	7.0
Administrative information technology	11.0	11.0	11.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Plant operations and maintenance	61.5	62.0	61.0	63.5	67.0	53.0	51.0	51.0	51.0	51.0
Pupil transportation	45.0	45.0	44.0	44.0	46.0	42.0	36.0	36.0	38.0	40.0
Total	671.8	680.4	693.8	684.7	679.6	650.0	645.5	658.0	663.0	670.0

Source: District records.

OCEAN TOWNSHIP SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years
Unaudited

Pupil/Teacher Ratio

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio				Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School					
2015	3,750	76,176,388	20,314	6.18%	367	10.3:1	9.2:1	11.2:1	3,726	3,571	#REF!	95.84%	
2016	3,655	78,706,041	21,534	6.01%	370	9.9:1	8.6:1	11.3:1	3,629	3,485	-2.60%	96.03%	
2017	3,584	80,935,056	22,582	4.87%	369	9.8:1	8.6:1	10.9:1	3,560	3,410	-1.90%	95.79%	
2018	3,514	83,834,392	23,857	5.65%	364	9.8:1	8.6:1	10.7:1	3,485	3,335	-2.11%	95.70%	
2019	3,426	84,901,161	24,781	3.87%	355	9.5:1	9.3:1	10.2:1	3,400	3,243	-2.44%	95.38%	
2020	3,305	85,221,761	25,786	4.06%	411	7.5:1	8.4:1	8.4:1	3,253	3,148	-4.32%	96.77%	
2021	3,274	90,081,819	27,514	6.70%	416	7.3:1	8.1:1	8.4:1	3,251	3,094	-0.06%	95.17%	
2022	3,196	94,181,396	29,469	7.11%	426	7.0:1	7.9:1	8.2:1	3,203	3,081	-1.48%	96.19%	
2023	3,137	100,697,685	32,100	8.93%	428	6.5:1	7.8:1	8.2:1	3,187	2,976	-0.50%	93.38%	
2024	3,145	104,160,227	33,119	3.17%	428	6.5:1	7.8:1	8.2:1	3,187	2,976	0.00%	93.38%	

Sources: District Records

Note: Enrollment based on annual October district count.

^a Operating expenditures equal total governmental expenditures less debt service and capital outlay.

^b Teaching staff includes only full-time equivalents of certificated staff.

^c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

OCEAN TOWNSHIP SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
Unaudited

District Building	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Elementary										
Wanamassa Elementary School										
Square feet	59,580	59,580	59,580	59,580	80,529	80,529	80,529	80,529	80,529	80,529
Capacity (students)	477	477	477	477	477	477	477	477	477	477
Enrollment	318	295	315	309	316	305	325	328	322	357
Ocean Township Elementary School										
Square feet	76,160	76,160	76,160	76,160	77,797	77,797	77,797	77,797	77,797	77,797
Capacity (students)	609	609	609	609	609	609	609	609	609	609
Enrollment	419	411	386	426	396	366	380	390	385	392
Wayside Elementary School										
Square feet	147,375	147,375	147,375	147,375	96,987	96,987	96,987	96,987	96,987	96,987
Capacity (students)	713	713	713	713	713	713	713	713	713	713
Enrollment	677	660	652	606	585	566	570	569	574	590
Middle School										
Ocean Township Intermediate School										
Square feet	257,400	257,400	257,400	257,400	231,031	231,031	231,031	231,031	231,031	231,031
Capacity (students)	1,951	1,951	1,951	1,951	1,951	1,951	1,951	1,951	1,951	1,951
Enrollment	1,135	1,081	1,075	1,053	1,050	1,029	977	950	889	860
High School										
Ocean Township High School										
Square feet	200,215	200,215	200,215	200,215	224,295	224,295	224,295	224,295	224,295	224,295
Capacity (students)	1,326	1,326	1,326	1,326	1,326	1,326	1,326	1,326	1,326	1,326
Enrollment	1,201	1,208	1,156	1,120	1,079	1,039	1,022	1,008	967	946

Number of Schools at June 30, 2024

Elementary = 3
 Middle = 1
 High = 1

Source: District records

Note: Increases in square footage and capacity are the results of additions. Enrollment is based on the annual October district count.

OCEAN TOWNSHIP SCHOOL DISTRICT
General Fund
Schedule of Allowable Maintenance Expenditures by School Facilities
Last Ten Fiscal Years
Unaudited

Undistributed Expenditures - Required Maintenance for School Facilities 11-000-261-XXX	Gross Square Footage	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School facilities											
Ocean Township Elementary School	77,797	\$ 122,247	\$ 100,822	\$ 128,875	\$ 120,169	\$ 97,900	\$ 87,684	\$ 173,340	\$ 103,286	\$ 51,870	\$ 63,500
Ocean Township High School	224,295	423,187	319,849	270,142	323,544	298,983	287,527	456,594	297,781	149,547	183,075
Ocean Township Intermediate School	231,031	324,327	322,773	274,200	288,107	294,184	285,759	441,068	306,724	154,038	188,573
Wanamassa Elementary School	80,529	77,613	76,277	76,810	114,669	97,457	87,965	171,393	106,913	53,692	65,730
Wayside Elementary School	96,987	155,759	158,277	157,805	141,516	104,926	115,700	195,879	128,763	64,665	79,163
Total School Facilities		<u>1,103,133</u>	<u>977,998</u>	<u>907,832</u>	<u>988,005</u>	<u>893,450</u>	<u>864,635</u>	<u>1,438,274</u>	<u>943,467</u>	<u>473,812</u>	<u>580,041</u>
Grand Total		<u>\$ 1,103,133</u>	<u>\$ 977,998</u>	<u>\$ 907,832</u>	<u>\$ 988,005</u>	<u>\$ 893,450</u>	<u>\$ 864,635</u>	<u>\$ 1,438,274</u>	<u>\$ 943,467</u>	<u>\$ 473,812</u>	<u>\$ 580,041</u>

Source: District Records

Required maintenance, defined in N.J.A.C. 6:24, The Educational Facilities Construction and Financing Act, includes expenditures for systems warranty purposes that are approved for repairs and replacements for the purpose of keeping a school facility open, comfortable and safe for use or in its original condition, include repairs and replacements to a school facility's heating, lighting, ventilation, security and other fixtures to keep the facility or fixtures in effective working condition. Required maintenance includes periodic or occasional inspection; adjustment, lubrication, and cleaning (non-janitorial) of buildings or fixtures; replacement of parts; and other actions to assure

OCEAN TOWNSHIP SCHOOL DISTRICT
 Insurance Schedule
 06/30/24
 Unaudited

	Coverage	Deductible/ Self-Insured Retention
Through the New Jersey Schools Insurance Group:		
Property coverage- Real and personal		
Limit of Liability, per Occurrence	\$ 350,000,000	\$ 5,000
Electronic Data Processing Equipment		
Limit of Liability, per Occurrence	Included in Property Limit	
Equipment Breakdown		
Limit of Liability, per Loss	\$ 100,000,000	\$ 25,000
Crime		
Public Employee Dishonesty	\$ 1,000,000	\$ 1,000
Theft, Disappearance and Destruction- Money and Securities	\$ 25,000	\$ 500
Theft, Disappearance and Destruction- Money Orders and Counterfeit Paper Currency	\$ 100,000	\$ 500
Forgery or Alteration	\$ 250,000	\$ 1,000
Computer Fraud	\$ 1,000,000	\$ 1,000
Comprehensive General Liability		
Limit of Liability, per Occurrence	\$ 11,000,000	\$ -
Automobile		
Liability- any Auto		
Bodily Injury and Property Damage		
Limit of Liability, per Accident	\$ 11,000,000	\$ -
Terrorism, per Occurrence/Annual NJSIG Aggregate	\$ 1,000,000	\$ -
Physical Damage- Scheduled Vehicles only		
Comprehensive, Collision and Hired Car Physical Damage	\$ -	\$ 1,000
Workers' Compensation		
Workers' compensation		
Limit of Liability	Statutory	\$ -
Employers Liability/Occupational Disease		
Limit of Liability, per Occurrence	\$ 3,000,000	\$ -
School Leaders Errors and Omissions Liability		
Limit of Liability, Each Policy Period	\$ 11,000,000	\$ -
Each Claim	\$ -	\$ 20,000
Bonds:		
Treasurer	\$ 375,000	\$ -
Business Administrator	\$ 385,000	\$ -
Through Federal Insurance Company:		
Supplemental Indemnity Program- Workers Comp Supplement		
Limit of Liability, per Accident	\$ 130,000	\$ - (\$2,500 per week, benefit period 1 year/7 day elimination period)
Through Catlin Insurance Company Incorporated:		
Student Accident- Basic		
Total Benefit Maximum for all Accidental Medical		
School Coverage	\$ 25,000	\$ -
Sports Coverage	\$ 25,000	\$ -
Accidental Death and Dismemberment		
Accidental Death	\$ 25,000	\$ -
Accidental Single Dismemberment	\$ 25,000	\$ -
Accidental Double Dismemberment	\$ 50,000	\$ -
Through United States Fire Insurance Company:		
Student Accident- Catastrophic		
Accident Death Benefit, per Occurrence Annually	\$ 10,000	\$ -
Benefit Period of Ten Years with a Maximum Benefit Amount	\$ 5,000,000	\$ 25,000
Through National Union Fire Insurance Company of Pittsburgh, PA:		
Crisis Management		
Expenses, Each Insured Event	\$ 1,000,000	\$ -
Judgements, Each Insured Event	\$ 1,000,000	\$ -
Death or Dismemberment, Each Insured Event	\$ 2,500,000	\$ -
Death or Dismemberment, Each Insured Person	\$ 250,000	\$ -
Disappearance, Each Insured Event	\$ 250,000	\$ -
Disappearance, Each Insured Person	\$ 250,000	\$ -
Threat, Each Insured Event	\$ 250,000	\$ -
Through Beazefey Insurance Company, Inc.		
Cyber Liability		
Aggregate Sublimit of Liability	\$ 2,000,000	\$50,000 as long as all security controls are in place otherwise \$250,000
Through Ascot Insurance Company		
Environmental		
Policy Aggregate Limit	\$ 11,000,000	\$ 50,000
Through Aspen Specialty Insurance Company		
Demolition and Rebuild following an Active Assailant Incident		
Policy Aggregate Limit	\$ 10,000,000	\$ -
Through Lloyd's Insurance Company		
Terrorism		
Policy Aggregate Limit	\$ 100,000,000	\$ -

SINGLE AUDIT SECTION



WIELKOTZ & COMPANY L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education Township of Ocean School District, in the County of Monmouth, New Jersey, 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 20, 2024.

Internal Control Over Financial Reporting

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



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

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

Compliance and Other Matters

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

We noted certain matters that were required to be reported to the Board of Education of the Township of Ocean School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated December 20, 2024.

Purpose of this Report

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



Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816



WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 20, 2024





WIELKOTZ & COMPANY LLC

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INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY UNIFORM GUIDANCE AND N.J. OMB CIRCULAR 15-08

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Board of Education of the Township of Ocean School District in the County of Monmouth, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Township of Ocean Board of Education’s major federal and state programs for the year ended June 30, 2024. The Township of Ocean Board of Education’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 Township of Ocean Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major 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; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and N.J. OMB Circular 15-08. Our



responsibilities under those standards and the Uniform Guidance and N.J. OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Township of Ocean Board of Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Township of Ocean Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Township of Ocean Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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


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

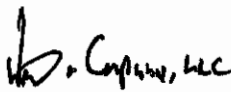
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Honorable President and
Members of the Board of Education

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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 N.J. OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.


Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816


WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 20, 2024

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

Federal Grant/Pass-Through Grant/Program Title	Federal AL Number	Federal FAIN Number	Program or Award Amount	From	To	Balance at June 30, 2023	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balances at June 30, 2024		MEMO Cumulative Total Expenditures
											(Accounts Receivable)	Deferred Revenue	
U.S. Department of Education													
General Fund:													
Medical Assistance Program (SMA)	95.178	2305NSMAP	88,120	7/1/2023	6/30/2024	-	-	88,120	(88,120)	-	-	-	88,120
Total General Fund													
U.S. Department of Education													
Passed-through State Department of Education													
Special Revenue Fund:													
Title I													
Title I	84.010	S010A200030	520,835	7/1/2023	9/30/2024	(202,289)	-	280,830	(304,759)	6,078	(221,939)	-	504,759
Title II, Part A	84.367A	S010A190030	483,797	7/1/2023	9/30/2024	(93,467)	-	197,345	(1,134)	-	(59,643)	-	203,423
Title II, Part A	84.367A	S067A200029	125,296	7/1/2023	9/30/2024	(53,467)	-	37,786	(11,429)	10,090	(3,445)	-	117,429
Title III	84.365	S067A190030	35,254	7/1/2023	9/30/2024	(17,193)	-	46,822	(3,254)	-	(15,905)	-	57,092
Title III	84.365	S065A190030	41,952	7/1/2023	9/30/2024	(2,463)	-	19,349	(6,051)	-	(93)	-	35,254
Title III Immigrant	84.365A	S065A200030	5,051	7/1/2023	9/30/2024	(87,944)	-	6,051	(1,133,972)	1,594	(218,173)	-	17,285
Title III Immigrant	84.365A	S065A200030	31,078	7/1/2023	9/30/2024	(7,888)	-	2,463	(6,051)	-	(6,051)	-	6,051
IDEA Part B, Basis Regular	84.027	H027A200100	1,156,778	7/1/2023	9/30/2024	(1,171)	-	915,799	(1,133,972)	-	(218,173)	-	1,133,972
IDEA Part B, Basis Regular	84.027	H027A200100	938,417	7/1/2023	9/30/2024	(87,944)	-	92,438	(7,888)	-	-	-	95,832
IDEA Part B, Preschool	84.173	H173A200114	47,481	7/1/2023	9/30/2024	(1,171)	-	47,481	(47,481)	-	-	-	47,481
ARP IDEA BASIC	84.047X	H027X210100	196,429	3/13/2020	9/30/2024	(365,069)	-	1,688,947	(1,838,990)	19,562	(517,650)	-	3,197
Total Special Revenue Fund													
U.S. Department of the Treasury													
Passed-through State Department of Education													
Special Revenue Fund:													
ARP ESSER	N/A	S625T210027	3,332,229	3/15/2020	9/30/2024	(2,225,471)	-	2,415,813	(605,098)	-	(114,756)	-	3,080,543
ARP Learning Acceleration	N/A	S425T210027	284,306	3/15/2020	9/30/2024	(9,330)	-	147,386	(338,201)	-	(50,745)	-	284,306
ARP Mental Health	N/A	S425T210027	45,000	3/15/2020	9/30/2024	(26)	-	27,950	(18,517)	-	-	-	27,950
ARP Beyond the School Day	N/A	S425T210027	40,000	3/15/2020	9/30/2024	(26)	-	26	-	-	(1,431)	-	40,000
ARP Homeless	N/A	S425T210027	28,922	4/23/2021	9/30/2024	(3,668)	-	3,668	-	-	-	-	28,922
ARP Summer	N/A	S425T210027	40,000	3/15/2020	9/30/2024	(2,051)	-	15,848	(15,848)	720	-	-	15,848
Peaks	84.048	V048A200030	17,454	7/1/2021	6/30/2022	(2,051)	-	15,634	(16,334)	-	-	-	15,634
Peaks	84.048	V048A200030	14,883	7/1/2022	6/30/2023	(2,300,479)	-	2,628,376	(492,549)	720	(166,932)	-	3,508,095
Total Special Revenue Fund													
U.S. Department of Agriculture													
Passed-through State Department of Education													
Enterprise Fund:													
Food Distribution Program	10.559	N/A	155,674	7/1/2023	6/30/2024	(39,223)	-	736,445	(819,248)	-	(122,020)	-	1,440,422
COVID-Supply Chain Assistance Award	10.555	N/A	81,880	7/1/2023	6/30/2024	(39,223)	-	431,523	(2,354,539)	20,232	(584,382)	-	5,732,325
School Breakfast Program	10.555	241N2304N1099	135,383	7/1/2023	6/30/2024	(7,196)	-	103,017	(135,383)	-	(30,566)	-	135,383
School Breakfast Program	10.555	231N2304N1099	118,509	7/1/2023	6/30/2024	(7,196)	-	7,196	-	-	(9,660)	-	118,509
National School Lunch Program	10.555	241N2304N1099	468,311	7/1/2023	6/30/2024	(32,027)	-	576,651	(468,311)	-	(9,660)	-	468,311
National School Lunch Program	10.555	231N2304N1099	502,665	7/1/2023	6/30/2024	(32,027)	-	32,027	-	-	-	-	502,665
Total Enterprise Fund													
Total Federal Financial Awards													

See accompanying Notes to the Schedules of Expenditures of Awards and Financial Assistance.

OCEAN TOWNSHIP SCHOOL DISTRICT
Schedule of State Financial Assistance
for the Fiscal Year Ended June 30, 2024

State Grant/Program Title	Grant or State Project Number	Program or Project Amount	Grant Period From To	Balance at June 30, 2023 (Amb. Receivable)	Due to Grantor	Overseer/ (Waiver) Amount	Cash Received	Expended/ Encumbrance	Adjustment/ (Repayment of) Balance	Encumbr. Receivable	Deficit Revenue	Due to Grantor	MEMO		
													Recovery	Encumbrance	
State Department of Education															
Gifted/Talented															
Special Education	24-495-034-5120-024	\$ 754,631	7/1/2023	630/0204			679,830	(54,631)					(74,701)	754,631	
Transportation Aid	24-495-034-5120-014	1,729,794	7/1/2023	630/0204			1,558,583	(179,780)					(171,281)	1,729,794	
Special Education Categorical Aid	24-495-034-5120-089	2,266,776	7/1/2023	630/0204			2,276,631	(2,256,770)					(230,125)	2,266,776	
Special Education	24-495-034-5120-084	552,339	7/1/2023	630/0204			497,708	(52,389)					(54,681)	552,339	
Special Education	24-100-034-5120-034	16,359	7/1/2023	630/0204			15,029	(1,629)						16,359	
Special Education	24-100-034-5120-034	1,316,489	7/1/2023	630/0204			1,316,489	(1,034,144)						1,316,489	
Non-Public Transportation Aid	24-495-034-5120-014	139,760	7/1/2023	630/0204	(1,316,489)		1,316,489	(139,760)						139,760	
Non-Public Transportation Aid	24-495-034-5120-014	105,347	7/1/2023	630/0203	(105,347)		105,347	(90,000)						105,347	
Student Mental Health	24-495-034-5120-161	500,000	7/1/2023	630/0204			500,000	(500,000)						500,000	
On-Behalf TPAF Pension	24-495-034-5120-024	12,629,011	7/1/2023	630/0204			12,629,011	(12,629,011)						12,629,011	
On-Behalf TPAF Pension	24-495-034-5120-024	6,475,554	7/1/2023	630/0204			6,475,554	(6,475,554)						6,475,554	
On-Behalf TPAF Long-Term Disability	24-495-034-5094-001	3,476,354	7/1/2023	630/0204			3,476,354	(4,523)						3,476,354	
Reimbursed TPAF Social Security Contrib.	24-495-034-5094-003	4,523	7/1/2023	630/0204			4,523	(4,523)						4,523	
Reimbursed TPAF Social Security Contrib.	24-495-034-5094-003	2,519,978	7/1/2023	630/0204	(2,519,978)		2,519,978	(2,519,978)						2,519,978	
Total General Fund							35,733,371	(36,024,031)					(590,236)	35,733,371	
Special Revenue Fund:															
NJ Nonpublic Aid	24-100-034-5120-064	62,724	7/1/2023	630/0204			62,724	(62,729)				204		62,729	
Nonpublic Aid	24-100-034-5120-064	64,614	7/1/2023	630/0204			64,614		116					64,614	
Nonpublic Aid	24-100-034-5120-070	143,400	7/1/2023	630/0204			143,400	(140,270)				3,100		140,270	
Nonpublic Services Aid	23-100-034-5120-070	120,848	7/1/2023	630/0204			120,848	(120,848)						120,848	
Nonpublic Services Aid	24-100-034-5120-070	51,165	7/1/2023	630/0204			51,165	(52,971)				194		52,971	
Technology Initiative	24-100-034-5120-070	24,675	7/1/2023	630/0204			24,675	(24,496)				14		24,496	
Technology Initiative	24-100-034-5120-069	479,749	7/1/2023	630/0204			479,749	(479,749)						479,749	
Auxiliary Services	24-100-034-5120-067	577,838	7/1/2023	630/0203			577,838	(577,838)				861		577,838	
Complementary Education	24-100-034-5120-067	3,662	7/1/2023	630/0204			3,662	(3,662)						3,662	
English as a Second Language	24-100-034-5120-067	3,007	7/1/2023	630/0205			3,007		942					3,007	
English as a Second Language	24-100-034-5120-066	144,384	7/1/2023	630/0204			144,384	(144,384)						144,384	
Supplemental Instruction	23-100-034-5120-066	117,374	7/1/2023	630/0203			117,374		694			13,713		116,680	
Supplemental Instruction	24-100-034-5120-066	235,877	7/1/2023	630/0204			235,877	(232,114)						232,114	
Connective Speech	24-100-034-5120-066	30,944	7/1/2023	630/0204			30,944	(30,944)						30,944	
Connective Speech	23-100-034-5120-066	115,000	7/1/2023	630/0204			115,000		7,086					115,000	
High Math Writing	24-495-034-5120-017	79,480	7/1/2023	630/0204			79,480	(79,480)				3,548		75,932	
Emergent Ops	24-495-034-5120-014	127,689	7/1/2023	630/0203	(63,844)		127,689	(127,689)						127,689	
Additional or Comp. Sp. Ed. and Related Services	24-495-034-5120-088	3,339,121	7/1/2023	630/0204			3,339,121	(3,339,121)						3,339,121	
Preschool Education Aid	24-495-034-5120-088	2,479,270	7/1/2023	630/0204			2,479,270	(2,479,270)						2,479,270	
Preschool Education Aid	24-495-034-5120-088	2,150,900	7/1/2021	630/0202			2,150,900	(2,150,900)						2,150,900	
Total Special Revenue Fund							4,620,038	(4,570,205)	12,762			18,116	(330,538)	4,620,038	
Debt Service Fund															
Debt Service Aid	24-495-034-5120-075	64,610	7/1/2023	630/0204			64,610	(64,610)						64,610	
Capital Projects Fund															
RDO Grant Ocean Township Elementary School	588,640												(182,488)	588,640	
RDO Grant Wynfield Elementary School	648,000												(313,651)	648,000	
Total Capital Projects Fund													(696,140)	1,296,640	
State Department of Agriculture															
Enterprise Fund:															
State School Lunch Program	24-100-010-0335-023	4,271	7/1/2023	630/0204			4,271	(4,271)						4,271	
State School Lunch Program	24-100-010-0335-023	3,065	7/1/2023	630/0204			3,065							3,065	
State School Lunch Program	24-100-010-0335-023	27,066	7/1/2023	630/0204			27,066	(27,066)						27,066	
State School Lunch Program	24-100-010-0335-023	20,914	7/1/2023	630/0203			20,914							20,914	
Total Enterprise Fund							35,294	(35,294)						35,294	
TOTAL STATE FINANCIAL ASSISTANCE							36,884,813	(36,856,702)	12,762			245,736	(881,270)	36,884,813	
Less On-Behalf TPAF Pension and Annuity Aid:															
On-Behalf TPAF Pension	12,629,011													12,629,011	
On-Behalf TPAF Pension	144,027													144,027	
On-Behalf TPAF Pension	3,476,354													3,476,354	
On-Behalf TPAF Long-Term Disability	4,523													4,523	
TOTAL FOR STATE FINANCIAL ASSISTANCE DETERMINATION							16,559,898	(16,602,970)	12,762			245,736	(881,270)	16,559,898	

See accompanying Notes to Schedule of Expenditures of Awards and Financial Assistance.

NOTE 1. GENERAL

The accompanying Schedules of Expenditures of Federal and State Awards present the activity of all federal and state award programs of the Board of Education, Ocean Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal 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 Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(D) and 1(E) to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$5,846 for the general fund, \$2,018,479 for the special revenue fund and \$782,030 for the capital projects fund. See C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board’s basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$88,120	\$26,029,897	\$26,118,017
Special Revenue Fund	4,844,091	4,409,054	9,253,145
Capital Projects Fund		1,216,640	1,216,640
Debt Service Fund		434,610	434,610
Food Service Fund	<u>819,248</u>	<u>31,787</u>	<u>851,035</u>
Total Financial Awards	<u>\$5,751,459</u>	<u>\$32,121,988</u>	<u>\$37,873,447</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

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

NOTE 6. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District’s financial statements and the amounts subject to State single audit and major program determination.

NOTE 7. INDIRECT COST RATE

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

NOTE 8. SCHOOLWIDE PROGRAM FUNDS

Schoolwide programs are not separate federal programs as defined in *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance); amounts used in schoolwide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditures of Federal Awards. The following funds by program are included in schoolwide programs in the school district:

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$505,892
Title II, Part A: Improving Teacher Quality State Grants	120,874
Title III, Part A	35,347
Title III, Immigration	<u>6,051</u>
Total	<u>\$668,164</u>

**OCEAN TOWNSHIP 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

Type of auditor's report issued: unmodified

Internal control over financial reporting:

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

Noncompliance material to basic financial statements noted? yes X no

Federal Awards

Internal Control over major programs:

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

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of the Uniform Guidance? yes X no

Identification of major programs:

<u>ALN Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027	H027A200100	I.D.E.A. Part B Basic
84.01	S010A200030	Title I

Dollar threshold used to distinguish between type A and type B programs: \$750,000
Auditee qualified as low-risk auditee? X yes no

**OCEAN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINANCIAL, FEDERAL AND STATE FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Section II - Financial Statement Findings

None

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

Not Applicable

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

Status of Prior Year Findings

There were no corrective action findings in the prior year.