

**PENNS GROVE-CARNEYS POINT
REGIONAL SCHOOL DISTRICT**

**Penns Grove-Carneys Point Regional School District
Board of Education
Penns Grove, Salem County
New Jersey**

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

Annual Comprehensive

Financial Report

of the

Penns Grove-Carneys Point Regional School District

Board of Education

Penns Grove, New Jersey

For the Fiscal Year Ending June 30, 2024

Prepared by

Penns Grove-Carneys Point Regional School District

Board of Education

Finance Department

OUTLINE OF ACFR

INTRODUCTORY SECTION

	<u>Page</u>
Letter of Transmittal	1
Organizational Chart	2
Roster of Officials	3
Consultants and Advisors	4

FINANCIAL SECTION

Independent Auditor's Report	7-10
Required Supplementary Information – Part I Management’s Discussion and Analysis	12-19
Basic Financial Statements	
A. District-Wide Financial Statements:	
A-1 Statement of Net Position	22
A-2 Statement of Activities	23
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	25
B-2 Statement of Revenues, Expenditures and Changes in Fund Balance	26
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	27
Proprietary Funds:	
B-4 Statement of Net Position	28
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	29
B-6 Statement of Cash Flows	30
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	N/A
B-8 Statement of Changes in Fiduciary Net Position	N/A
Notes to the Financial Statements	32-59
Required Supplementary Information – Part II	
C. Budgetary Comparison Schedules:	
C-1 Budgetary Comparison Schedule - General Fund	62-74
C1a Combining Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	N/A
C-1b Community Block Development Grant (CDBG) – Budget and Actual	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	75
Notes to Required Supplementary Information-Part II	
C-3 Budget-to-GAAP Reconciliation	76

OUTLINE OF ACFR

Required Supplementary Information – Part III	<u>Page</u>
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1/L- Schedule of the District's Proportionate Share of the Net Pension Liability	77
L-2 Schedule of District Contributions	78
M. Schedules Related to Accounting and Reporting for OPEB (GASB 75)	
M-1 Schedule of the Schedule of Changes in the State's Total OPEB Liability and Related Ratios (TPAF and PERS)	79
 Notes to Required Supplementary Information - Part III	 80
 Other Supplementary Information	
D. School Level Schedules:	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund – Schedule of Expenditures Allocated by Resource Type – Actual	N/A
D-3 Blended Resource Fund – Schedule of Blended Expenditures – Budget and Actual	N/A
D-4 Schedule of DEOA Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues and Expenditures, Special Revenue Fund – Budgetary Basis	83-85
E-2 Schedule(s) of Preschool Education Aid Expenditures – Preschool-All Programs- Budgetary Basis	86
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	88
F-2 Summary Schedule of Revenues and Expenditures	89
F-2a Schedule of Project Revenues and Expenditures-Auditorium & Lab Renovation	90
F-2b Schedule of Project Revenues and Expenditures-Lafayette-Pershing Site Expansion	91
G. Proprietary Funds	
Enterprise Fund:	
G-1 Combining Statement of Net Position	See B-4
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	See B-5
G-3 Combining Statement of Cash Flows	See B-6
Internal Service Fund:	
G-4 Combining Statement of Net Position	N/A
G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	N/A
G-6 Combining Statement of Cash Flows	N/A

OUTLINE OF ACFR

Other Supplementary Information-(Continued)

Page

H.	Fiduciary Funds:	
H-1	Combining Statement of Fiduciary Net Position	N/A
H-2	Combining Statement of Changes in Fiduciary Net Position	N/A
I.	Long-Term Debt:	
I-1	Schedule of Serial Bonds	95
I-2	Schedule of Obligations Under Capital Leases	N/A
I-3	Budgetary Comparison Schedule Debt Service Fund	96

STATISTICAL SECTION (Unaudited)

Introduction to the Statistical Section

Financial Trends

J-1	Net Position by Component	98
J-2	Changes in Net Position	99-100
J-3	Fund Balances - Governmental Funds	101
J-4	Changes in Fund Balances - Governmental Funds	102
J-5	General Fund Other Local Revenue by Source	103

Revenue Capacity

J-6	Assessed Value and Estimated Actual Value of Taxable Property	104-105
J-7	Direct and Overlapping Property Tax Rates	106-107
J-8	Principal Property Taxpayers	108-109
J-9	Property Tax Levies and Collections	110

Debt Capacity

J-10	Ratios of Outstanding Debt by Type	111
J-11	Ratios of General Bonded Debt Outstanding	112
J-12	Direct and Overlapping Governmental Activities Debt	113
J-13	Legal Debt Margin Information	114

Demographic and Economic Information

J-14	Demographic and Economic Statistics	115
J-15	Principal Employers	116

Operating Information

J-16	Full-time Equivalent District Employees by Function/Program	117
J-17	Operating Statistics	118
J-18	School Building Information	119
J-19	Schedule of Required Maintenance Expenditures by School Facility	120
J-20	Insurance Schedule	121

OUTLINE OF ACFR

SINGLE AUDIT SECTION		<u>Page</u>
K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	123-124
K-2	Report on Compliance For Each Major Program and Report on Internal Control Over Compliance Required by <i>Uniform Guidance</i> and <i>New Jersey OMB's circular 15-08</i>	125-127
K-3	Schedule of Expenditures of Federal Awards, Schedule A	128
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	129
K-5	Notes to the Schedules of Awards and Financial Assistance	130-131
K-6	Schedule of Findings and Questioned Costs	132-135
K-7	Summary Schedule of Prior Audit Findings	136

Introductory Section

Penns Grove – Carneys Point Regional School District

ADMINISTRATIVE OFFICES

100 IONA AVENUE

PENNS GROVE, NJ 08069-2057

ZENAIDA COBIAN, ED.D.
SUPERINTENDENT OF SCHOOLS
(856) 299-4250, EXT. 1120
zcobian@pgcpschools.org
FAX: (856) 299-7921

CHRISTOPHER DESTRATIS
SCHOOL BUSINESS ADMINISTRATOR
(856) 299-4250, EXT. 1111
cdestratis@pgcpschools.org
FAX: (856) 299-5226

January 14, 2025

Honorable President and Members
of the Board of Education
Penns Grove-Carneys Point Regional School District
County of Salem
Penns Grove, New Jersey 08069-2057

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Penns Grove-Carneys Point Regional School District for the fiscal year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Penns Grove-Carneys Point Regional School District. 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, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2024, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The Annual Comprehensive Financial Report is presented in four sections as follows:

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Our Mission – Building a School Community of Leaders and Achievers

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Single Audit Section:

The School District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*". Information related to this Single Audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

Penns Grove-Carneys Point Regional School District is an independent reporting entity within the criteria adopted by the GASB Statement No. 14. All funds of the District are included in this report. The Penns Grove-Carneys Point Regional School District Board of Education and all its schools constitute the District's reporting entity.

General

The School District, serving Penns Grove and Carneys Point, was formed pursuant to Chapter 13 of Title 18A of New Jersey Statutes, which authorizes two or more municipalities to create a regional school district upon the approval of the voters of each of said municipalities. The School District is one of "all purpose" in that it was organized for all of the school purposes of the municipalities included within such regional districts.

The School District is geographically conterminous with Penns Grove and Carneys Point, which are located in Salem County in the southwestern part of the State, approximately 10 miles from Wilmington and 30 miles from Philadelphia.

Facilities

The School District operates five schools: Lafayette-Pershing Schools (Pre-school through Kindergarten), Field Street School (Grades 1 through 3), Paul W. Carleton (Grades 4 through 5), Penns Grove Middle School (Grades 6 through 8), Penns Grove High School (Grades 9 through 12), and an administrative office building.

Staff

The faculty and staff for the School District consists of a superintendent, a business administrator, ten directors/supervisors, five principals, three assistant principals and a staff of 212 teachers/professional positions serving a total enrollment of 2,171 students, as of June, 2024. The School District has had full academic accreditation. The business of the School District by the Board, consisting of nine members: five members from the Township of Carneys Point, the more populace of the constituent municipalities, and four members from the Borough of Penns Grove.

In addition to the teaching/professional staff, the School District employs 41 instructional and non-instructional aides, 22 cafeteria workers, 24 full-time secretaries, 29 maintenance/custodial staff, and 4 technology staff.

ECONOMIC CONDITION AND OUTLOOK

Within the District are several large industries which provide tax ratable properties and jobs to the municipalities. We are not aware of any major changes at this time that would significantly impact School District enrollment.

MAJOR INITIATIVES

1. District Statement of Priorities

- Maintaining Our School System

The Penns Grove- Carneys Point Regional School District is committed to improving the achievement gap by addressing disparities in its educational outcomes among different groups, based on race, socioeconomic status, language proficiency, and other identified factors. To accelerate learning, the district focuses on strategies that include providing effective teaching practices, meaningful student-centered opportunities for engagement, parent and community engagement, early childhood education, addressing implicit bias, and individualized support through equitable funding. The district will continue to work with staff to ensure that the physical school environment is clean, safe, welcoming, accessible, and culturally responsive for all students. For SEL/behavior support and to ensure the safety of our students and staff, the district will maintain the protocols that support their mental health with the implementation of the social and emotional learning programs, SILAS (Acct #- ESSER III 20-491- \$18,345.00) and TeacherCoach (Acct #-ESSER 20-487- 200-300, \$24,000). At the middle school, the district is implementing (ChanceLight) Ombudsman Learning Program (Acct #: 11-190-100-320 \$334,180) and looks to continue the Achieve Beyond High School program for at-risk high school students to complete the NJDOE-mandated requirements for graduation, and extended day tutoring programs (Acct#: Title I 20-231-100-200).

- Raising Standards and Expanding Opportunities

The construction and enhancement of the district's outdoor learning environments (Acct# ESSER III 20-487-400-731 \$3,000,000) will provide opportunities to release energy, use loud voices, play vigorously, and engage in messy projects outdoors through exploration of the plants and animals in their local ecosystem. Research has helped us identify many other benefits of outdoor learning environments, such as better physical health, numerous opportunities to strengthen motor skills, stress relief, greater visual-motor integration, greater creativity, stronger verbal and social skills, and increased attention and cognitive abilities. This impacts children's creative thinking, sense of competence, and motor skill development. Our Balanced Literacy Program scaffolds learning in reading, phonics, fluency, and vocabulary to access complex information in literacy text while incorporating the writing skills necessary to be successful writers across all content areas. Mathematics incorporates conceptual understanding and procedural fluency with active and personalized instructional lessons using a combination of application activities through small group instruction and web-based independent tasks. Web-based lessons are used to personalize instruction to address the needs of each learner at their proficiency level. Assessments are built at every level to provide strategic teaching interventions for students below level, at the level, and above level. A student-learning plan is developed based on the data obtained from formative and summative assessments. The district will adopt the 2023 NJSLs into the Math/ELA curriculum to meet the NJDOE mandate of September 2023 to ensure all students receive a high-quality education that prepares them for success in society. During the 2024-2025 school year, the district will continue to refine its special education and response to emotional needs. The district is in its

3rd year of implantation of NJTSS in consultation with LinkIt to elevate our multi-tiered system of support across the district and improve student achievement (Acct. # ESSER III 20-488-200-300 \$33,750.00). The district will continue to provide opportunities for our teachers to work collaboratively during PLC using the (Acct.# Title II: 20-270-200-300, \$64,800) Connected Action Roadmap (CAR) framework to develop standard-based instructional units and common assessments with NJPSA coaches. Data teams will conduct data analysis from, NJSLA, WIDA, LINKIT, and NWEA MAP benchmark assessments, running records, and anecdotal notes/observations to drive instruction. The NWEA MAP Benchmarks (Acct. #11-190-100-500) will be administered at each grade level, K-12, three times per year including the NWEA MAP Fluency assessment and dyslexia screener for grades K-2. We also continue administering Reading Records at the elementary levels and Level Sets using Achieve 3000 at the middle and high school levels. These subscriptions will be renewed for SY 24-25. The Penns Grove school district will continue to facilitate activities to engage the school and community to improve the school climate and culture. Data drive decisions around school climate are ensured through the use of the New Jersey School Climate Improvement Platform. The comprehensive survey instrument helps our schools understand their school climate needs and strengths from the perspectives of students, families, and staff. The district will utilize funds to support PBIS and Anti-Bullying programs (Acct # Title IV: 20-280-100-800, \$15,000).

- Building Professionalism

To build professionalism, professional learning will be relevant and rigorous based on areas of data analysis, NJ Learning Standards, assessment, and best practices in classroom instruction. PD will focus on: (Acct.# 11-000-223-500 {out-district}; 11-000-223-300 {in-district}) High-quality instructional planning through the collaborative work of Professional Learning Communities (PLCs) and CAR (Title II). Effective Use of Technology related to instructional technology/software available in the district (i.e. Achieve 3000, LinkIt Data Lockers) Additional professional learning opportunities for elementary teachers to support the fourth year of implementation for My View, the district's elementary ELA core program focusing on Literacy. Provide foundational reading professional development for teachers through Orton-Gillingham or Lexia LETRS. Training will provide teachers with a comprehensive knowledge of literacy and the science of reading. (ESSER III Acct# 20-487-200-300 \$108,324) Provide teachers with math-centered professional development through OG Academic Math Goal: Equip teachers with the skills needed to teach math instruction through a concrete-representational-abstract (CRA) approach, a research-proven approach for struggling learners (ESSER III Acct# 20-487-200-300 \$85,600) Building capacity for addressing Social Emotional Learning across the district as well as tending to the social-emotional well-being of staff and students We are enhancing teacher efficacy in creating trauma-informed and culturally responsive classrooms through out of district workshops. Professional teaching capacity will continue to be evaluated through the Danielson Framework for Teaching. To support the ongoing communication and collaboration on the New Jersey Student Learning Standards, the OnCourse Curriculum Builder Platform is used to develop, update, and revise the K-12 curriculum guides. The OnCourse SGO Program will provide increased alignment of assessments to curricular goals for benchmarking student progress and house the district's evaluations. (Acct.# 11-190-100-500 \$31,000) The district continues to provide coaching and mentoring training using services from, NJPSA Rowan University, Rutgers University, or Salem Community College.

- Protecting Our Investment (Capital & Maintenance Projects/Capital Reserve)

The district is planning several Capital Projects for 2024-2025 at a total budget of 3.4 million. Projects include technology infrastructure upgrades for firewall, (12-000-252-732) switches, and

Our Mission – Building a School Community of Leaders and Achievers

cabling (12-000-400-450), maintenance vehicles (12-000-262-730), High School gym floor (12-000-400-450), Lafayette-Pershing parking lot repair (12-000-400-450), and Middle School vestibule (12-000-400-450).

- Planning for the Future

The district is responsive to the changes in our community needs as well as options to accommodate increased enrollment across the district of our ESL/Bilingual population. The District has moved from self-contained ESL and Bilingual classes to Bilingual Tutorial classes in grades K-2, Sheltered Instruction in grades K-12, and High-Intensity ESL in grades 9-12. Professional Development in Sheltered Instruction practices All staff have received initial Sheltered Instruction training to assist their Multilingual Learners (MLs) in the general English classroom setting (Title III 20-241-200-500). Dr. Hoffman from Rowan University has provided individual coaching for teachers in grades K-3 and will continue coaching in grades 4-8 in the spring (Title II Acct.# 20-270-200-300. Over the next 1-2 years, all teachers will complete the Stockton University 15-hour SEI training online to build their capacity to enhance the linguistic skills of their ML students. The process began in the 2022-2023 school year. The district plans to continue working with Dr. Hoffman to move the district forward in this area (Acct #: Title III: 20-241-200-300, \$ 5,375). The district will pilot and purchase ESL programs and resources. New ESL materials have been purchased for grades 1-8 that include decodable readers and online and print workbooks to enhance students' language skills and vocabulary across content areas (ELA, Math, Science, and Social Studies). Kindergarten ESL is currently piloting the GrapeSEED English program for the remainder of the school year (Acct # 20-241-100-600-Title III: \$5,100) for possible implementation during the 2024-2025 school year. The administrative team will continue to collaborate, articulate, and brainstorm for long-term academic achievement to increase the graduating rate and post-secondary options. The Early College program in our high school is currently operating with 4 cohorts with approximately 110 students enrolled. The district will continue the collaboration with the Salem County Community College, providing extended days (Acct #: 20-231-100-300, \$51,250) and summer school programs (ESSER III Acct# 20-287-100-100, \$ 35,775.52).

2. Core Curriculum Content Standards

Briefly describe new programs or enhancements to existing programs that will ensure the implementation of the New Jersey Student Learning Standards in the 2025-2025 school year.

Content Standards & New Programs/Enhancements

Math

The district will allocate funds to support the audit and revision of the Kindergarten through grade 12 mathematics curriculum (Acct.#:11-000-221-104, \$9,300) which is necessary to ensure the inclusion of the released 2023 NJSLS-mandated initiatives, as well as, 21st-century skills to differentiate the individual needs of our diverse learners through research-based best practices. The Penns Grove-Carneys Point School District will allocate funds to support the content area of mathematics to increase student academic achievement by delivering high-quality instruction rooted in the New Jersey Student Learning Standards for mathematics. The district will continue to use NJSLS-aligned enVisionmath2.0 (Savvas Realize) for grades K through 5 as their core instructional resource. Grades 6 through 12 will continue to use Reveal (McGraw Hill) in SY 24-25. The district has been using Glencoe Math Accelerated (McGraw Hill) for 7th grade Honors Math since SY 21-22 and will continue to offer this advanced course in 7th grade. The district plans to continue IXL, ALEKS, Moby Max, and APEX

intervention program subscriptions that will be covered through equitable distributed Title I allocations. These programs will continue to be used within our tiered systems of support and are used for supplemental math resources in grades K through 12. IXL offers individualized, standards-based academic support as well as targeted assistance for students directly aligned to their NWEA MAP RIT score. Grades 6 through 12 will use ALEKS in SY 24-25 as a supplemental resource to their math curriculum. ALEKS offers support for course-specific content aligned to NJSLS as well as individualized learning paths for targeted assistance. Moby Max will be used in SY 24-25 as a tier II and III intervention for students whose skill level is far below grade level. APEX provides targeted tutorials to support students' learning. In addition, the district plans to continue their BrainPop, BrainPop Jr., and BrainPop ELL subscriptions for grades K through 5.

Science

The district continues to use Mystery Science, an inquiry-based and NJSLS Science-aligned program that serves as the foundation for our K-5 curriculum. Consumable materials continue to be replenished annually as needed. In grades 6 through 8, the district implements the NJSLS Science-aligned curriculum offered through OpenSciEd. Consumable materials continue to be replenished annually for the science kits to support the OpenSciEd curriculum as needed. In SY 22-23, specific high school science courses adopted texts offered through McGraw Hill to use as a supplemental resource for classroom teachers. The use of McGraw Hill for AP Chemistry, Environmental Science, and Botany will continue in SY 24-25. For these courses, as well as all other science courses for grades 9 through 12, consumable materials continue to be replenished annually as needed. The audit and revision of the Kindergarten through grade 12 science curriculum are necessary to ensure the inclusion of the crosscutting concepts outlined in the Next Generation Science Standards, interdisciplinary practices, New Jersey Grades K-5 Model Curriculum Framework, as well as mandated initiatives such as the inclusion of Social Emotional Learning Competencies and other learning standards. (Acct.#:11-000-221-104, \$9,300)

English Language Arts

In anticipation of the implementation of updated ELA NJSLS, curriculum revisions are taking place to align to these standards (Acct.#:11-000-221-104 \$15,641.00). Teachers in grades K-12 have been working with coaches from New Jersey Principals and Supervisors Association with the Connected Action Roadmap process since SY 21-22. This coaching will continue for grades K-5 in SY 24-25. The Creative Curriculum will continue to be implemented in Pre-Kindergarten classrooms to provide authentic learning tasks as part of the NJGROW and NJKEA Early Childhood Initiative from the NJDOE. Reading Horizons is currently being implemented in grades K-3 to improve word study/phonics, handwriting, and spelling instruction. The staff has continued to receive professional development and individual coaching/modeling on these core instructional programs. The district continues to use MyView materials for literacy instruction in grades K-5 and Actively Learn in grades 6-12 to support a novel-based study curriculum. We also use Lexia, Core 5 in grades K-5, and Lexia PowerUp in grades 6-8 to supplement literacy instruction and mitigate gaps in literacy skills. We used Lexia English for our ELL population for grades 6-12. (Acct# Title I- 20-231-100-600, \$57,562). Also, Achieve 3000 & Actively Learn is used in grades 6-12 (Acct#: Title I- 20-231-100-600, \$54,150) to increase students' Lexile levels and support English language arts. In the 24-25 SY, the district will provide professional development to teachers in grades K-5 to build a comprehensive knowledge of literacy and the science of reading. Additionally, the district will be investigating intervention programs and providing resources to teachers to implement programs and best practices aligned with the NJTSS process. Staff will also continue professional development for Sheltered Instruction practices to serve our multilingual learners and purchase resources to supplement our language acquisition programs. In

an effort to expand the accessibility of culturally relevant and diverse literature, books will be purchased for classroom and school libraries. Also, Newsela will be purchased and implemented to provide current, nonfiction articles to supplement ELA curriculum resources. The Targeted Assistance Program provides course time in addition to the general education course in grades 3-12 to target skill deficiencies.

Social Studies

Social Studies teachers have been working with coaches from the New Jersey Principals and Supervisors Association with the Connected Action Roadmap process, creating a curriculum aligned to the new standards and legislative requirements inclusive of Social Studies. A curricular focus will be enriching courses to foster global and culturally aware citizens by including multicultural voices, experiences, and societal contributions from minority figures. We will make additional purchases to support the curriculum, including Social Studies-related mentor texts, texts to support the Amistad and Holocaust and other state mandates, online resources, and primary source materials. The district will work on creating an African American History elective course to add to course offerings for social studies. Also, we enhanced our dual credit agreements with Salem Community College. Making adjustments to lessons, activities, and resources, so it is possible we will need to purchase additional resources in 24-25 to support these revisions.

Career Readiness, Life Literacies and Key Skills

Introductory career readiness, life literacy, and skills lessons are embedded throughout the district's K-8 curriculum. The high school utilizes Naviance (Title IV-ACCT#: 20-280-100-600 \$13,403), the college planning and career assessment tool, along with 21st-century learning stations to align student strengths and interests to make informed decisions about their future. Additionally, the Early College High School (ECHS) program was added to Penns Grove High School in the 2020/2021 school year. It allows students to complete college-level courses through Salem Community College while meeting high school graduation requirements by following a sequence of dual-credit courses in their selected program of study as part of their regular school day at Penns Grove High School. Next year, the district will extend the ECHS Program (Acct # Title IV \$ 43,701) offerings to students, in grades 9 through 12. Furthermore, Project Lead The Way (PLTW) courses have been added to the Engineering Academy (Acct # 61-990-100-100-HS-0, \$59,300). Introduction to Engineering was added in 2019 and Civil Engineering and Architecture and Principles of Engineering were added in 2020. These courses are dual credit courses that bring the Engineering Academy students closer to meeting Associate Degree requirements; promoting equity through achievement. Penns Grove High School will conduct Teen Mental Health First Aid (tMHFA) training for 11th-grade students beginning in the Spring of 2024. Teen Mental Health First Aid is an evidence-based training that teaches teens how to identify, understand, and respond to signs of mental health and substance use challenges in their friends and peers. The evidence-based curriculum is designed to be delivered in six 45-minute interactive Health classroom sessions. In addition, The Penns Grove - Carneys Point Regional School District has partnered with SILAS Solutions to provide social-emotional learning to all students within the district. SiLAS is a SEL program that supports the latest in game-based learning through the use of avatars and animation capabilities. The curriculum provides students with an engaging research-based program rooted in evidence-based practices and aligned with CASEL's five social competencies. The Penns Grove - Carneys Point Regional School District applied to be a part of the DREAMS Project for the 2024-2025 school year. The DREAMS project is a partnership between the New Jersey Department of Education (NJDOE) and the New Jersey Department of Children and Families (NJDCF) whereby individual schools will receive trauma-

informed and healing-centered training and support, including training in the Nurtured Heart Approach. The DREAMS Project provides an opportunity for educators to learn strategies for implementing trauma-informed supports in schools and receive guidance on how to establish safe, welcoming, and relationship-centered learning environments and practices for all students that provide structure, help mitigate the effects of any trauma or adversity a student may be facing, and support positive growth.

Visual and Performing Arts

A considerable amount of time and collaboration is placed on creating a curriculum aligned to the new standards and legislative requirements inclusive of Visual and Performing Arts. This year VPA teachers in grades 6-12 started working with coaches from New Jersey Principals and Supervisors Association with the Connected Action Roadmap process which will continue into the 24-25 SY. In the 23-24 SY, the district welcomed a Dance teacher for grades 9-12, thus expanding the arts elective offerings. VPA teachers will be provided with professional development opportunities and articulation opportunities to support them in light of the changes to our curriculum for dance and theater. Interdisciplinary connections will continue by presenting visual and performing art shows to the staff, students, and community. Visual and Performing Arts students will enter competitions, showcase events, and perform at community events. As the teachers continue to implement the lessons from the Dance resources, the district may need to purchase supplies to support those lessons. Field experience will be offered beyond the school day field trips to professional theatrical performances (20-290-XXX-XX-XX \$40,000). In addition, we are looking into opportunities for dual credit agreements with colleges for dance courses.

Health and Physical Education

Penns Grove Carneys Point Regional School District continues to revise the Comprehensive Health and Physical Education curricula. This year Physical Education and Health teachers in grades 6-12 started working with coaches from New Jersey Principals and Supervisors Association with the Connected Action Roadmap process which will continue into the 24-25 SY. A considerable amount of time and collaboration has been placed on creating a curriculum aligned to the new standards and legislative requirements inclusive of Comprehensive Health and Physical Education courses. The district will continue to provide Adaptive Physical Education for students with physical handicaps, offering an alternative custom education for students with special needs. Funds continue to be allocated to maintain a robust physical education program with additional supplies, resources, and PD. In grades 9-12 health instruction will include a focus on student mental health with Mental Health First Aid training provided to students in grade 11.

World Languages

Penns Grove Carneys Point Regional School District continues to revise the World Language curricula to align with the 2020 New Jersey Student Learning Standards. The World Language teachers continue to use Chromebooks and Google Classroom as digital tools in their instruction. This provides students with access to culturally authentic materials (allowing students to hear native speakers, view native-speaking countries, and vicariously and virtually experience cultural events). The World Language teachers meet to articulate and share best practices they are using in their classrooms. In addition, efforts will continue to increase student participation in the Seal of Biliteracy (Acct.# 11-000-218-390, \$1,000.00) and for students to take level 3 and 4 courses. The district has increased recruitment efforts for World Language and ESL/bilingual teachers through the increase of acceptance of practicum placements with Rowan University,

Our Mission – Building a School Community of Leaders and Achievers

advertisement through various job recruitment platforms, ex: NJschools.com, and attendance at career fairs. However, the district has contracted with Language Learning Network for the 2023-2024 school year (Acct# 11-190-100-300-DW \$350,000) To mitigate the shortage of language teachers throughout the district and will continue in 2024-2025 pending the inability to hire the needed teachers.

Computer Science and Design Thinking

The ongoing alignment of our curriculum to the 2020 version of the New Jersey Student Learning Standards -Computer Science and Design Thinking (8.1 & 8.2) along with NJSLs-Life Literacies and Key Skills (9.4) is necessary to ensure student learning experiences produce computationally literate creators who can address real-world problems and design creative solution. Ensuring that our K through grade 12 curriculum remains in sync with these standards requires a comprehensive audit and revision of all curriculum components, guaranteeing that our instructional materials and approaches equip students with the skills needed to tackle real-world challenges and conceive creative solutions. The AP Computer Science course teaches topics such as programming, algorithms, big data, digital privacy and security, and the societal impacts of computing. Additionally, the STREAM teacher builds critical thinking skills as part of hands-on projects through the use of the Engineering Design Process. Teachers will continue to receive professional development in specific content areas connected to the implementation of standard 8. All classroom teachers continue to use Chromebooks and Google Suite as digital tools in their instruction. The Penns Grove-Carneys Point School District will continue to empower and encourage students to use technology (Chromebooks, digital platforms, etc.). Classrooms district-wide are equipped with Promethean boards. Enrichment classrooms will be using blended learning programs to expand course remediation through APEX (Acct # Title 1-20-231-100-200, \$29,379). Students in grades K through 12 are exposed to technological literacy through the adoption of the NJSLs- Life Literacy and Key Skills (9.4). These standards are strategically embedded into the K through 12 content area curriculum. These standards, along with NJSLs- Computer Science and Design Thinking (8.1 & 8.2), are taught throughout grade-level, content-specific curricula in the form of lesson activities, research assignments, primary and secondary resource analysis, and project-based learning opportunities. Integration of 21st-century learning with cloud-based applications is used for student collaboration and formative assessments. Teachers utilize resources such as the Google suite, web quests, Desmos, online progress monitoring tools, etc. to support the inclusion of technological literacy into the curriculum. The audit and revision of the Kindergarten through grade 12 curriculum is necessary to ensure student learning experiences continue to be infused with a variety of technological resources. Additionally, in SY 24-25, the district will continue to offer an Information Technology course. Online benchmark assessments are used to model statewide assessments. The district has assessed its technological literacy news for SY 2024-25 and has budgeted accordingly for the addition of new devices and various instructional equipment.

INTERNAL ACCOUNTING CONTROLS

Management of the 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 and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statements in conformity with general 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 delivered; and (2) the valuation of costs and benefits require 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 evaluations by the district management.

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

BUDGETARY CONTROLS

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

ACCOUNTING SYSTEM AND REPORTS

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

OTHER INFORMATION

INDEPENDENT AUDIT

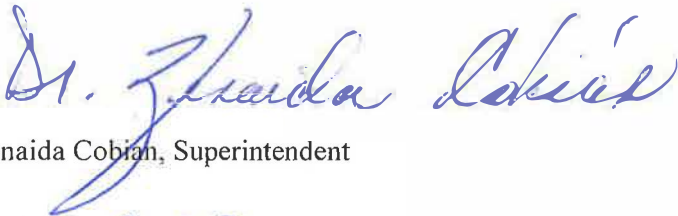
State statutes require an annual audit by independent certified public accountants. The accounting firm of Ardito & Company LLC, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting 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.

ACKNOWLEDGEMENTS

We would like to express our appreciation to the members of the Penns Grove-Carneys Point Regional 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,

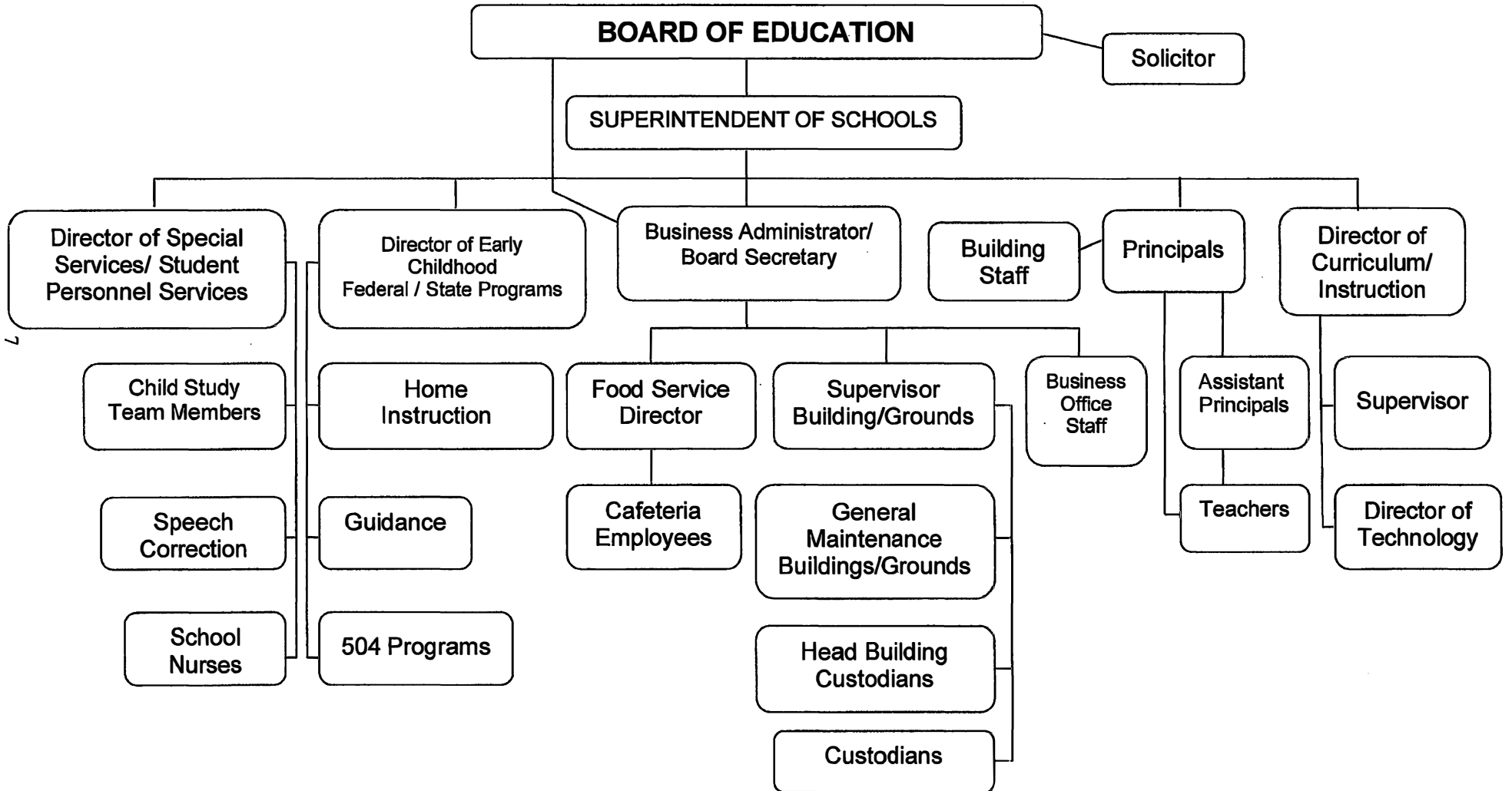
A handwritten signature in blue ink that reads "Dr. Zenaida Cobian". The signature is fluid and cursive.

Zenaida Cobian, Superintendent

A handwritten signature in blue ink that reads "Christopher DeStratis". The signature is fluid and cursive.

Christopher DeStratis, School Business Administrator/Board Secretary

Penns Grove – Carneys Point Regional School District



**PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
BOARD OF EDUCATION**

ROSTER OF OFFICIALS

June 30, 2024

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Shameka Turner, President	2025
John L. Ashcraft, Vice President	2026
Renee L. Rasin	2026
Nicolas J. Simmens	2025
Casey Stefanski	2024
Norma Alestock	2024
Vicki Smith	2025
Marcia Smith	2024
Joseph M. Tighe, Sr.	2024

Other Officials

Dr. Zenaida Cobian, Superintendent

Christopher DeStratis, School Business Administrator

Mark G. Toscano, Esq. - Solicitor

**PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
BOARD OF EDUCATION**

CONSULTANTS AND ADVISORS

ARCHITECT

Garrison Architects
1400F Commerce Parkway
Mount Laurel, New Jersey 08054

AUDIT FIRM

Ardito & Company LLC
1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825

ATTORNEY

Mark. G. Toscano, Esq.
Comegno Law Group, P.C.
521 Pleasant Valley Ave.
Moorestown, New Jersey 08057

BOND COUNSEL

McManimon & Scotland and Baumann, LLC

One Riverfront Plaza, 4th Floor
Newark, NJ 07102

FISCAL AGENT

Depository Trust

Chase Manhattan Bank N.A.
55 Water Street
New York, New York 10041

OFFICIAL DEPOSITORIES

Pennsville National Bank

PO Box 345
Pennsville, New Jersey 08070

Fulton Bank of New Jersey

221 Shell Road
Carneys Point, New Jersey 08069

FINANCIAL ADVISORS

Phoenix Advisors, LLC

4 West Park Street
Bordentown, New Jersey 08505

Financial Section

Independent Auditor's Report



ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192
908-996-4711 Fax: 908-996-4688
e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Penns Grove-Carneys Point Regional School District
County of Salem
Penns Grove, New Jersey 08069

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the government activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Penns Grove-Carneys Point Regional School District Board of Education, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Penns Grove-Carneys Point Regional School District Board of Education, 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 Opinions

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

-Continued-

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

-Continued-

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Penns Grove-Carneys Point Regional School District Board of Education's basic financial statements. The combining and individual non-major fund financial statements, long-term debt schedules, and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, long-term debt schedules, and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

-Continued-

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

Other Reporting Required by Government Auditing Standards

In accordance with ***Government Auditing Standards***, we have also issued our report dated December 16, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** the District's internal control over financial reporting and compliance.

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey

December 16, 2024

Anthony Ardito

Anthony Ardito

Certified Public Accountant

Licensed Public School Accountant No. 2369

ARDITO & COMPANY LLC

Frenchtown, New Jersey

December 16, 2024

**Required Supplementary Information -
Part I**

Management's Discussion and Analysis

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

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

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

Financial Highlights

Key financial highlights for 2024 are as follows:

- ◆ In total, Net Position increased \$9,432,482 which represents a 70.7% increase from 2023.
- ◆ General revenues accounted for \$12,231,830 in revenue or 20.5% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$47,451,700 or 79.5% of total revenues of \$59,683,530.
- ◆ Total assets of governmental activities increased by \$4,478,825, as cash and cash equivalents increased by \$2,015,418, receivables decreased by \$1,473,099, and capital assets increased by \$3,569,584.
- ◆ The School District had \$50,251,048 in expenses; \$47,451,700 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$12,231,830 were also available to provide for these programs.
- ◆ Among major funds, the General Fund had \$56,364,409 in revenues and \$52,438,119 in expenditures. The General Fund's surplus balance increased \$3,926,290 over 2023, which compares favorably to the budgeted decrease of \$3,103,610.

Using this Generally Accepted Accounting Principals Report (GAAP)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Penns Grove-Carneys Point Regional School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail.

For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Penns Grove-Carneys Point Regional School District, the General Fund is by far the most significant fund.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

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

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2024?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 25. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

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

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you 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 School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's Net Position for 2024 compared to 2023.

	<u>2024</u>	<u>2023</u>
Table 1		
Net Position		
Assets		
Current and Other Assets	\$ 31,401,433	\$ 30,492,192
Capital Assets	<u>15,351,062</u>	<u>11,781,478</u>
Total Assets	<u>46,752,495</u>	<u>42,273,670</u>
 Deferred Outflows of Resources	 <u>1,481,708</u>	 <u>1,015,918</u>
 Liabilities		
Long-Term Liabilities	4,619,567	4,956,504
Other Liabilities	<u>19,810,704</u>	<u>22,691,173</u>
Total Liabilities	<u>24,430,271</u>	<u>27,647,677</u>
 Deferred Inflows of Resources	 <u>1,023,490</u>	 <u>2,203,951</u>
 Net Position		
Invested in Capital Assets, Net of Debt	11,511,062	7,491,478
Restricted	16,926,444	14,812,066
Unrestricted	<u>(5,657,064)</u>	<u>(8,955,584)</u>
Total Net Position	<u>\$ 22,780,442</u>	<u>\$ 13,347,960</u>

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

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

Total assets of governmental activities increased by \$4,478,825, as cash and cash equivalents increased by \$2,015,418, receivables decreased by \$1,473,099, and capital assets increased by \$3,569,584.

The cash increase was due to excess of budgeted revenues over expenditures of \$4.3 million less payment for prior year payables of \$1.9 million.

Receivables decreased due to collection of prior year tax levies and covid federal grants that were spent in the prior year. Capital Assets increased due to capital improvements, net of depreciations expense.

Table 2 shows the changes in Net Position from fiscal year 2023.

Table 2
Changes in Net Position

	<u>2024</u>	<u>2023</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 851,022	\$ 987,421
Operating Grants and Contributions	46,600,678	46,855,355
General Revenues:		
Property Taxes	11,391,025	11,401,824
Investment Earnings	487,586	176,805
Other	<u>353,219</u>	<u>234,562</u>
Total Revenues	<u>59,683,530</u>	<u>59,655,967</u>
Program Expenses		
Instruction	24,442,776	22,142,517
Support Services:		
Pupils and Instructional Staff	8,021,754	10,217,652
General Administration, School Administration, Business	5,392,555	4,515,125
Operations and Maintenance of Facilities	5,526,142	5,067,283
Pupil Transportation	3,882,649	3,539,936
Business-Type Activities	1,688,384	1,465,400
Interest, Fiscal Charges, and Unallocated Depreciation	<u>1,296,788</u>	<u>779,204</u>
Total Expenses	<u>50,251,048</u>	<u>47,727,117</u>
Increase in Net Position	<u>\$ 9,432,482</u>	<u>\$ 11,928,850</u>

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

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

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval in the form of ballot questions. Property taxes made up 23.6% percent of budgeted revenues for governmental activities for the Penns Grove-Carneys Point Regional School District for the fiscal year 2024.

Instruction comprises 48.6% of district expenses. Support services expenses make up 45.4% of the expenses.

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 compared to 2023. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

	Total Cost of <u>Services 2024</u>	Net Cost of <u>Services 2024</u>	Total Cost of <u>Services 2023</u>	Net Cost of <u>Services 2023</u>
Instruction	\$ 24,442,776	\$ 961,631	\$ 22,142,517	\$ (1,266,428)
Support Services:				
Pupils and Instructional Staff	8,021,754	(1,342,602)	10,217,652	(1,596,105)
General Admin., School Admin., Business	5,392,555	821,984	4,515,125	855,055
Operation and Maintenance of Facilities	5,526,142	842,345	5,067,283	959,621
Pupil Transportation	3,882,649	591,828	3,539,936	670,379
Business-Type Activities	1,688,384	(372,626)	1,465,400	(430,564)
Interest and Fiscal Charges	1,296,788	1,296,788	779,204	692,383
Total Expenses	<u>\$ 50,251,048</u>	<u>\$ 2,799,348</u>	<u>\$ 47,727,117</u>	<u>\$ (115,659)</u>

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

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

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

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

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

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

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

Business-type activities includes expenses related to activities provided by the School District which are designed to provide for students to participate in food service and for providing academic and technical needs for high school students..

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

The dependence upon tax revenues is apparent. Over 23.5% of expenditures are supported with tax revenues. The community, as a whole, is the provides significant support for the Penns Grove-Carneys Point Regional School District.

The School District's Funds

Information about the School District's major funds starts on page 26. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other sources of \$62,516,769 and expenditures of \$58,473,487. The General Fund's surplus balance increased \$3,926,290 over 2023, which compares favorably to the budgeted decrease of \$3,103,610.

General Fund Budgeting Highlights

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

During the course of the fiscal 2024 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

For the General Fund, budget basis revenue and other financing sources, excluding on-behalf payments, was \$47,975,613, \$262,222 over original budgeted estimates of \$47,713,391. This difference was due primarily to an increase in non-budgeted miscellaneous revenues, which included interest earned and homeless tuition.

General fund revenues exceeded expenditures by \$4,333,001. Again this surplus compares to a budgeted deficit of \$3,103,610. The budgeted deficit was reduced due to under spending of the operating budget in the areas of Instruction, Related Service, Plant Maintenance, Tuition, and Benefits, as well as miscellaneous revenue increases as noted in the preceding paragraph.

Overall general fund balance (budget basis) was \$20,220,318, and amounts ear-marked and reserved for future purposes were \$19,259,797, creating a surplus in unreserved fund balance of \$960,521. This is the maximum unreserved amount allowed by law. Management believes the district can maintain unreserved fund balances at or near the statutory maximum level.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

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

Capital Assets

At the end of the fiscal year 2024, the School District had \$15,185,394 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2024 balances compared to 2023.

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

	<u>2024</u>	<u>2023</u>
Buildings and Improvements	11,940,573	8,748,528
Machinery and Equipment	<u>3,244,821</u>	<u>2,745,754</u>
Totals	<u>\$ 15,185,394</u>	<u>\$ 11,494,282</u>

Overall capital assets increased \$3,691,112 from fiscal year 2023 to fiscal year 2024.

\$4,544,171 in Capital improvements were purchased during fiscal year 2024 and consisted of security upgrades, and other various improvements and equipment.

Debt Administration

At June 30, 2024, the School District had \$11,457,567 as outstanding long term debt. Of this amount, \$3,840,000 is for bonds payable, \$6,478,000 is for grant anticipation notes, and \$1,139,567 is for compensated absences.

At June 30, 2024, the School District's overall legal debt margin was \$29,170,856 and the unvoted debt margin was the same.

For the Future

The Penns Grove-Carneys Point Regional School District is in good financial condition presently. A major concern is the lack of enrollment growth of the District as state aid is based on enrollment. This places an increased reliance on local property taxes. However, future finances are not without challenges as the budget costs continue to grow.

The Penns Grove-Carneys Point Regional School District ratable base has decreased almost 12% over the last ten years placing a larger burden on current taxpayers to foot the tax bills.

In conclusion, the Penns Grove-Carneys Point Regional School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

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

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Mr. Christopher Destratis, School Business Administrator/Board Secretary at Penns Grove-Carneys Point Regional School District, 100 Iona Ave., Penns Grove, NJ 08069 or visit our website at www.pgcpschools.org.

Basic Financial Statements

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of Net Position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

STATEMENT OF NET POSITION

June 30, 2024

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Cash Equivalents	\$ 5,759,955	\$ 284,915	\$ 6,044,870
Receivables, Net	10,557,611	249,828	10,807,439
Interfund Receivable		2,594,933	2,594,933
Inventory		34,217	34,217
Restricted Assets:			
Capital Reserve Account - Cash	9,473,888		9,473,888
Maintenance Reserve Account - Cash	2,446,086		2,446,086
Capital Assets, Net (Note 5)	15,185,394	165,668	15,351,062
Total Assets	43,422,934	3,329,561	46,752,495
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows	1,481,708		1,481,708
LIABILITIES			
Accounts Payable	791,311	1,000	792,311
Premium on Grant Anticipation Note	39,645		39,645
Accrued Interest Payable	329,965		329,965
Due to Other Governments	23,818		23,818
Payroll Deductions and Withholdings Payable	281,519		281,519
Unemployment Claims Payable	-		-
Interfund Payable	2,594,933		2,594,933
Net Pension Liability (Note 8)	7,884,855		7,884,855
Unearned Revenue	1,002,248	23,410	1,025,658
Noncurrent Liabilities (Note 6):			
Due Within One Year	6,838,000		6,838,000
Due Beyond One Year	4,619,567		4,619,567
Total Liabilities	24,405,861	24,410	24,430,271
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows	1,023,490		1,023,490
NET POSITION			
Invested in Capital Assets, Net of Related Debt	11,345,394	165,668	11,511,062
Restricted for:			
Other Purposes	16,926,444		16,926,444
Unrestricted	(8,796,547)	3,139,483	(5,657,064)
Total Net Position	\$ 19,475,291	\$ 3,305,151	\$ 22,780,442

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

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	PROGRAM REVENUES			NET(EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Functions/Programs							
Governmental Activities:							
Instruction:							
Regular	\$ 18,094,858	\$ 140,806	\$ 17,960,027		\$ 5,975		\$ 5,975
Special Education	4,523,225	35,198	3,798,557		(689,470)		(689,470)
Other Special Instruction	1,219,050	9,486	1,023,745		(185,819)		(185,819)
Other Instruction	605,643	4,713	508,613		(92,317)		(92,317)
Support Services:							
Tuition	2,879,712	22,409	2,418,351		(438,952)		(438,952)
Student & Instruction Related Serv.	5,142,042	40,013	6,883,583		1,781,554		1,781,554
School Administrative Services	2,039,759	15,872	1,712,967		(310,920)		(310,920)
General and Business Admin. Serv.	3,352,796	26,090	2,815,642		(511,064)		(511,064)
Plant Operations and Maintenance	5,526,142	43,002	4,640,795		(842,345)		(842,345)
Pupil Transportation	3,882,649	30,213	3,260,608		(591,828)		(591,828)
Interest and charges on Long-term Debt	469,981				(469,981)		(469,981)
Unallocated Depreciation	826,807				(826,807)		(826,807)
Total Governmental Activities	48,562,664	367,802	45,022,888		(3,171,974)		(3,171,974)
Business-Type Activities:							
Food Service	1,641,959	111,184	1,577,790			\$ 47,015	47,015
Academy Program	46,425	372,036	-			325,611	325,611
Total Business-Type Activities	1,688,384	483,220	1,577,790	-	-	372,626	372,626
Total Primary Government	\$ 50,251,048	\$ 851,022	\$ 46,600,678		\$ (3,171,974)	\$ 372,626	\$ (2,799,348)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				\$ 10,900,000			\$ 10,900,000
Property Taxes, Levied for Debt Service				491,025			491,025
Investment Earnings				487,586			487,586
Miscellaneous Income				350,328	\$ 2,891		353,219
Transfers				-		-	-
Total General Revenues, Special Items, Extraordinary Items and Transfers				12,228,939	2,891		12,231,830
Change in Net Position				9,056,965	375,517		9,432,482
Net Position—Beginning				10,518,653	2,929,634		13,448,287
Prior Period Adjustment (Note: 20)				(100,327)	-		(100,327)
Net Position—Beginning (As Restated)				10,418,326	2,929,634		13,347,960
Net Position—Ending				\$ 19,475,291	\$ 3,305,151		\$ 22,780,442

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

FUND FINANCIAL STATEMENTS

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

BALANCE SHEET
GOVERNMENTAL FUNDS
 June 30, 2024

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Cash Equivalents	\$ 17,595,723	\$ 62,613	\$ 21,593	\$ 17,679,929
Receivables from Other Governments	448,682	2,543,061	7,279,894	10,271,637
Other Receivables	277,293	8,681		285,974
Interfund Receivables	1,958,261	1,766,006	2,141	3,726,408
TOTAL ASSETS	\$ 20,279,959	\$ 4,380,361	\$ 7,303,628	\$ 31,963,948
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 168,571	\$ 622,740		\$ 791,311
Amount Due to State		23,818		23,818
Grant Anticipation Note			\$ 6,478,000	6,478,000
Premium on Grant Anticipation Note			39,645	39,645
Payroll Deductions and Withholdings Payable	266,861			266,861
Unemployment Compensation Claims Payable	-			-
Interfund Payable	3,135,214	2,892,137	308,648	6,335,999
Deferred Revenue	4,481	997,767		1,002,248
Total Liabilities	3,575,127	4,536,462	6,826,293	14,937,882
Fund Balances:				
<u>Restricted for:</u>				
Maintenance Reserve	2,446,086			2,446,086
Capital Reserve Account	9,473,888			9,473,888
Excess Surplus	2,648,056			2,648,056
Excess Surplus - Designated for Subs. Years	1,578,466			1,578,466
Unemployment Compensation	240,000			240,000
Capital Projects Fund			477,335	477,335
Student Activities		62,613		62,613
<u>Assigned to:</u>				
Year-End Encumbrances	2,873,301			2,873,301
<u>Unassigned:</u>				
General Fund	(2,554,965)			(2,554,965)
Special Revenue Fund		(218,714)		(218,714)
Total Fund Balances	16,704,832	(156,101)	477,335	17,026,066
TOTAL LIABILITIES AND FUND BALANCE	\$ 20,279,959	\$ 4,380,361	\$ 7,303,628	\$ 31,963,948

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$20,324,859 and the accumulated depreciation is \$5,139,465. \$ 15,185,394

Deferred Outflows related to pension contributions subsequent to the Net Pension Liability measurement date and other deferred items are not current financial resources and therefore are not reported in the fund statements. (See Note 8) 1,481,708

Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund statements. (See Note 8) (1,023,490)

Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 8) (7,884,855)

Accrued Interest on Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the fund statements (see Note 6) (329,965)

Long-term liabilities, including Bonds payable and Compensated Absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 6) (4,979,567)

Net Position of governmental activities (Exhibit A-1) \$ 19,475,291

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

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

Exhibit B-2

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local sources:					
Local Tax Levy	\$ 10,900,000			\$ 491,025	\$ 11,391,025
Tuition	367,802				367,802
Miscellaneous	506,089	\$ 242,760	\$ 89,065		837,914
Total - Local Sources	<u>11,773,891</u>	<u>242,760</u>	<u>89,065</u>	<u>491,025</u>	<u>12,596,741</u>
State Sources	44,537,174	2,178,876			46,716,050
Federal Sources	53,344	3,150,634			3,203,978
Total Revenues	<u>56,364,409</u>	<u>5,572,270</u>	<u>89,065</u>	<u>491,025</u>	<u>62,516,769</u>
EXPENDITURES					
Current:					
Regular Instruction	11,800,269	2,231,512			14,031,781
Special Education Instruction	3,514,128				3,514,128
Other Special Instruction	947,089				947,089
Other Instruction	470,529				470,529
Support services and undistributed costs:					
Tuition	2,237,270				2,237,270
Student and Instruction Related Services	4,088,243	2,565,351			6,653,594
School Administrative Services	1,584,704				1,584,704
Other Administrative Services	2,604,813				2,604,813
Plant Operations and Maintenance	4,293,302				4,293,302
Pupil Transportation	3,016,460				3,016,460
Unallocated Benefits	16,087,356				16,087,356
Transfer to Charter School	603,301				603,301
Debt Service:					
Principal				360,000	360,000
Interest and Other Charges				131,025	131,025
Capital Outlay	1,190,655	747,480			1,938,135
Total Expenditures	<u>52,438,119</u>	<u>5,544,343</u>	<u>-</u>	<u>491,025</u>	<u>58,473,487</u>
Excess (Deficiency) of Revenues Over Expend.	<u>3,926,290</u>	<u>27,927</u>	<u>89,065</u>	<u>-</u>	<u>4,043,282</u>
Net Change in Fund Balances	3,926,290	27,927	89,065	-	4,043,282
Fund Balance—July 1	12,778,542	(184,028)	388,270	-	12,982,784
Prior Period Adjustment	-	-			-
Fund Balance—July 1 (Restated)	<u>12,778,542</u>	<u>(184,028)</u>	<u>388,270</u>	<u>-</u>	<u>12,982,784</u>
Fund Balance—June 30	<u>\$ 16,704,832</u>	<u>\$ (156,101)</u>	<u>\$ 477,335</u>	<u>-</u>	<u>\$ 17,026,066</u>

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

**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) \$ 4,043,282

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	\$ (826,807)	
	Net Book Value of Fixed Asset Disposals	(26,252)	
	Capital Outlays	<u>4,544,171</u>	3,691,112

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period. 1,271,924

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of Net Position and is not reported in the statement of activities. 360,000

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. This is the amount by which the prior year's amount of interest accrual exceeds the current year's amount. (286,290)

In the statement of activities, compensated absences is accrued regardless of when paid. In the governmental funds, compensated absences are reported when paid. This is the amount by which the current year's compensated absence payments exceed the current year's amount earned. (23,063)

Change in Net Position of Governmental Activities (Exhibit A-2) \$ 9,056,965

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

**STATEMENT OF PROPRIETARY NET POSITION
PROPRIETARY FUNDS**

June 30, 2024

	Business-Type Activities - Enterprise Funds		
	Food Service	Academy Program	Totals
ASSETS			
Current assets:			
Cash and Cash Equivalents	\$ 284,915		\$ 284,915
Accounts Receivable	249,828		249,828
Interfund Accounts Receivable	796,812	\$ 1,798,121	2,594,933
Inventories	34,217	-	34,217
Total Current Assets	1,365,772	1,798,121	3,163,893
Noncurrent Assets:			
Furniture, Machinery and Equipment	698,540	55,395	753,935
Less Accumulated Depreciation	(532,872)	(55,395)	(588,267)
Total Noncurrent Assets	165,668	-	165,668
Total Assets	1,531,440	1,798,121	3,329,561
LIABILITIES			
Current liabilities:			
Accounts Payable	-	1,000	1,000
Deferred Revenue	23,410	-	23,410
Total Current Liabilities	23,410	1,000	24,410
Total Liabilities	23,410	1,000	24,410
NET POSITION			
Invested in Capital Assets Net of Related Debt	165,668	-	165,668
Unrestricted	1,342,362	1,797,121	3,139,483
Total Net Position	\$ 1,508,030	\$ 1,797,121	\$ 3,305,151

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

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

	Business-type Activities - Enterprise Fund		
	Food Service	Academy Program	Total Enterprise
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable	\$ 111,184		\$ 111,184
Program Income		\$ 372,036	372,036
Miscellaneous Income	2,891	-	2,891
Total Operating Revenues	<u>114,075</u>	<u>372,036</u>	<u>486,111</u>
 Operating Expenses:			
Cost of Sales - Reimbursable Programs	890,277	-	890,277
Cost of Sales - Non-reimbursable Programs	106,397	-	106,397
Salaries	570,129	4,800	574,929
Benefits	13,156		13,156
Purchased Services	-	36,627	36,627
Cleaning, Repair and Maintenance Services	30,472	4,998	35,470
Depreciation	31,528	-	31,528
Total Operating Expenses	<u>1,641,959</u>	<u>46,425</u>	<u>1,688,384</u>
 Operating Income (Loss)	<u>(1,527,884)</u>	<u>325,611</u>	<u>(1,202,273)</u>
 Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	49,542	-	49,542
Federal Sources:			
National School Lunch Program	911,316	-	911,316
National School Breakfast Program	368,105	-	368,105
National School Snack Program	31,909	-	31,909
Fresh Fruit and Vegetable Program	35,481	-	35,481
Summer Food Service Program for Children (SFSP)	10,241	-	10,241
Supply Chain Assistance	53,717	-	53,717
Local Food for Schools Cooperative Agreement Program	3,422	-	3,422
P-EBT Administrative Cost Reimbursement	3,256	-	3,256
Food Distribution Program	110,801	-	110,801
Total Nonoperating Revenues (Expenses)	<u>1,577,790</u>	<u>-</u>	<u>1,577,790</u>
 Income (Loss) Before Contributions and Transfers	49,906	325,611	375,517
 Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	49,906	325,611	375,517
 Net Position—Beginning	1,458,124	1,471,510	2,929,634
Prior Period Adjustment (Note: 20)	<u>-</u>	<u>-</u>	<u>-</u>
Net Position—Beginning (As Restated)	1,458,124	1,471,510	2,929,634
 Total Net Position—Ending	<u>\$1,508,030</u>	<u>\$ 1,797,121</u>	<u>\$ 3,305,151</u>

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

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds		
	<u>Food Service</u>	<u>Academy Program</u>	<u>Total Enterprise</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 114,075	\$ 372,036	\$ 486,111
Payments to Employees	(583,285)	(5,800)	(589,085)
Payments to Suppliers	(920,750)	(41,625)	(962,375)
Net Cash Provided by (used for) Operating Activities	<u>(1,389,960)</u>	<u>324,611</u>	<u>(1,065,349)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	42,749		42,749
Federal Sources	1,242,047		1,242,047
Operating Subsidies and Transfers from Other Funds	(28,584)	(324,611)	(353,195)
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>1,256,212</u>	<u>(324,611)</u>	<u>931,601</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(133,748)	-	(133,748)
Balances—Beginning of Year	<u>418,663</u>	<u>-</u>	<u>418,663</u>
Balances—End of Year	<u>\$ 284,915</u>	<u>-</u>	<u>\$ 284,915</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:			
Operating Income (Loss)	\$ (1,527,884)	\$ 325,611	\$ (1,202,273)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation and Net Amortization	31,528	-	31,528
Federal Commodities	110,801		110,801
(Increase) Decrease in Accounts Receivable	-	-	-
(Increase) Decrease in Inventories	(13,727)	-	(13,727)
Increase (Decrease) in Accounts Payable	9,322	(1,000)	8,322
Total Adjustments	<u>137,924</u>	<u>(1,000)</u>	<u>136,924</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (1,389,960)</u>	<u>\$ 324,611</u>	<u>\$ (1,065,349)</u>

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

Notes to Financial Statements

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (Statement No.34). This Statement provided for the most significant change in financial reporting in over twenty years and included a phased-in implementation period (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments). The District was not required to implement the new model until the 2003-2004 school year.

In addition, the School District has implemented GASB Statement No.37, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus, Statement No.38, Certain Financial Statement Note Disclosures, Statement No.40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No.3, and Statement 44, Economic Condition Reporting: The Statistical Section (GASB 44), an amendment of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles is found in the Introduction, a revised statistical section in the Outline of the ACFR, GASB Statement No. 45, Other Post-retirement Employee Benefits, GASB No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and GASB No. 63 and 65, Deferred Outflows and Inflows and Net Position, and Items Previously Reported as Assets and Liabilities, GASB No. 68, Accounting for Pensions, an amendment of GASB No. 27, GASB No. 75, Accounting for OPEB, GASB 84, Fiduciary Activities, GASB 87, Leases, GASB 96, Subscriptions, GASB 98, Annual Comprehensive Financial Report, and GASB 100, Accounting Changes and Error Corrections. The implementation of these statements did not effect net position balances as previously reported for the fiscal year ended June 30, 2023.

A. Reporting Entity:

The Penns Grove-Carneys Point Regional School District is a Type II district located in the County of Salem, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-12. The Penns Grove-Carneys Point Regional School District had an approximate enrollment at June 30, 2024, of 2,171 students.

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

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

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

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting:

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

Basis of Presentation

District-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees and charged to external parties. The statement of net position presents the financial condition of the governmental and business-type activity of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the School District.

Fund Financial Statements: During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category—*governmental and proprietary*—are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No.34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

GOVERNMENTAL FUNDS

The District reports the following governmental funds:

General Fund - The General Fund is the general operating fund of the District and is used to account for all expendable 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.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

GOVERNMENTAL FUNDS (Continued)

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted to expenditures for specified purposes.

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

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

PROPRIETARY FUNDS

The District reports the following proprietary fund:

Enterprise (Food Service) Fund - This Enterprise Fund accounts for all revenues and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the 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.

Academy Fund - This Enterprise Fund accounts for the financial transactions related to providing academic and technical needs for high school students.

Basis of Accounting

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

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

District-wide and Proprietary Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year.

The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an “accounts receivable”. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

C. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11. In addition, transfers are also covered by changes in N.J.A.C.6A:23A-2.3, that can require approval through the state department. All budget amendments/transfers must be approved by School Board resolution and are subject to transfer limitations and approvals per P.L. 2004, c.73(S-1701).

All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year). Appropriations, except remaining project appropriations, encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Budgets/Budgetary Control (Continued):

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

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 recognize encumbrances as expenditures. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

D. Encumbrance Accounting:

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

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

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

E. Assets, Liabilities and Equity:

Cash and Cash Equivalents:

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

Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Inventories:

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method.

Allowance for Uncollectible Accounts:

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

Capital Assets:

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The School District does not possess any infrastructure. The capitalization threshold used by school districts in the State of New Jersey is \$2,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method under the half-year convention over the following estimated useful lives:

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

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

Compensated Absences:

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

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

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

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments. Salary related payments for the employer's share of social security and medicare taxes, as well as pension contributions, are included.

For the District-wide Statements, the entire compensated absence liability is reported 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.

Deferred Revenue:

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes that were received as of June 30, 2024, but which were levied to finance subsequent fiscal years operations, have been recorded as deferred revenue. Grants and entitlement received before the eligible requirements are met are also recorded as deferred revenue.

Accrued Liabilities and Long-Term Obligations:

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

Net Position:

Net Position 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 balance of any borrowing 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 School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted Net Position are available.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Fund Balance Reserves:

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances, capital reserve, and maintenance reserve.

Deferred Outflows and Deferred Inflows of Resources

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

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

Operating Revenues and Expenses:

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

Allocation of Indirect Expenses:

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

Extraordinary and Special Items:

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

Management Estimates:

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

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 2: CASH AND CASH EQUIVALENTS

Deposits:

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

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

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

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

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

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the district's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the municipality would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2024, all of the district's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The district does not have a policy for custodial credit risk.

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

	Cash and Cash <u>Equivalents (A-1)</u>
Checking and Money Market Accounts	<u>\$17,964,844</u>
	<u>\$17,964,844</u>

The carrying amount of the Board's cash and cash equivalents at June 30, 2024, was \$17,964,844 and the bank balance was \$20,046,854. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes. Of these bank balances, \$254,671 was covered by federal depository insurances and \$19,792,183 was covered by collateral pool.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 3: RECEIVABLES

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

	Governmental Fund Financial Statements	Government-Wide Financial Statements
State Aid	\$ 7,728,576	\$ 7,737,671
Federal Aid	2,543,061	2,783,794
Gross Receivable	<u>10,271,637</u>	<u>10,521,465</u>
Tuition Receivable	12,567	12,567
Homeless Aid	264,726	264,726
Local-Wellness Grant	8,681	8,681
Less: Allow. for Uncollectibles	-	-
Total Receivables, Net	<u>\$ 10,557,611</u>	<u>\$ 10,807,439</u>

Note 4: INVENTORY

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

Food & Supplies	<u>\$ 34,217</u>
-----------------	------------------

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996, as revised) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

Note 5: CAPITAL ASSETS

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

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
<i>Capital Assets Being Depreciated:</i>				
Buildings and Building Improvements	\$ 10,779,315	\$ 3,617,853	\$ (28,514)	\$ 14,368,654
Machinery and Equipment	5,217,480	926,318	\$ (187,593)	5,956,205
Total at Historical Cost	<u>15,996,795</u>	<u>4,544,171</u>	<u>(216,107)</u>	<u>20,324,859</u>
Less Accumulated Depreciation for:				
Building and Improvements	(2,030,787)	(399,556)	2,262	(2,428,081)
Equipment	(2,471,726)	(427,251)	187,593	(2,711,384)
Total Accumulated Depreciation	<u>(4,502,513)</u>	<u>(826,807)</u>	<u>189,855</u>	<u>(5,139,465)</u>
Total Capital Assets Being Depreciated, net of Accumulated Depreciation	<u>11,494,282</u>	<u>3,717,364</u>	<u>(26,252)</u>	<u>15,185,394</u>
Government Activity Capital Assets, Net	<u>\$ 11,494,282</u>	<u>\$ 3,717,364</u>	<u>\$ (26,252)</u>	<u>\$ 15,185,394</u>

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 5: CAPITAL ASSETS - (Continued)

On January 11, 2001, the NJ State Department of Education announced that effective July 1, 2001, the capitalization threshold used by school districts in the State of New Jersey is increased to \$2,000. The previous threshold was \$500. Applying the higher capitalization threshold retroactively (removal of old assets from the General Fixed Assets Account Group) will be permitted by the State regulations in situations where (1) the assets have been fully depreciated, or (2) the assets have exceeded their useful lives. The retirement of machinery and equipment is due to the retroactive application of the higher threshold of equipment capitalization. That is, the District has removed from their records assets with a historical cost greater than \$500 but not greater than \$2,000 that were fully depreciated or had exceeded their useful lives.

Depreciation expense was charged to functions as follows:

Unallocated	\$ 826,807
Total	<u>\$ 826,807</u>

During fiscal year 2024, the district conducted district-wide physical inventories of all identifiable capital assets. As a result book values that were unsubstantiated were eliminated from the detail records. Accordingly a prior period adjustment was required. See Note 20 for additional detail.

Note 6: LONG-TERM OBLIGATIONS

A. Long-Term Obligation Activity:

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

	Balance <u>7/1/2023</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>6/30/2024</u>	Amounts Due Within <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 4,200,000		(360,000)	\$ 3,840,000	\$ 360,000
Grant Anticipation Note	7,158,000	6,478,000	(7,158,000)	6,478,000	6,478,000
Other Liabilities:					
Compensated Absences Payable	1,116,504	23,063	-	1,139,567	
Total	<u>\$12,474,504</u>	<u>\$ 6,501,063</u>	<u>\$ (7,518,000)</u>	<u>\$ 11,457,567</u>	<u>\$ 6,838,000</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Grant anticipation notes, and compensated absences are liquidated by the general fund.

B. Bonds Payable Debt Service Requirements:

On February 18, 2016, the School District issued \$6,000,000 refunding school bonds at interest rates varying from 2.00% to 3.25%. The final maturity of the refunding bonds is March 1, 2035. Annual payments regarding bonds payable will be funded by property tax levies. The balance of this bond issue as of June 30, 2024 is \$3,840,000.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 6: LONG-TERM OBLIGATIONS (Continued)

Principal and Interest due on the outstanding bonds is as follows:

<u>Fiscal Year</u> <u>Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
6/30/25	\$ 360,000	\$ 120,225	\$ 480,225
6/30/26	360,000	109,425	469,425
6/30/27	360,000	98,625	458,625
6/30/28	360,000	87,825	447,825
6/30/29	360,000	77,025	437,025
Thereafter	<u>2,040,000</u>	<u>232,200</u>	<u>2,272,200</u>
Total Bond Debt Service	<u>\$ 3,840,000</u>	<u>\$ 725,325</u>	<u>\$ 4,565,325</u>

C. Grant Anticipation Note Payable:

The District entered into a short-term Grant Anticipation Note on July 5, 2023 in the amount of \$6,478,000. The interest rate on the note is 4.5% and there is a note premium of \$39,645. The note provides temporary financing of past construction projects of which New Jersey SDA grants have not yet been collected. On July 2, 2024 the note and accrued interest was paid and renewed in the amount of \$6,478,000 due on July 2, 2025 at an interest rate of 5.0%.

Note 7: CONTINGENT LIABILITIES

GRANT PROGRAMS

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

LITIGATION

The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts' attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

Note 8: 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 Pension and Benefits, PO Box 295, Trenton, New Jersey, 08625 or on the internet at <http://www.state.nj.us/treasury/pensions/annrprts.shtml>.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 8: PENSION PLANS (Continued)

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, 100% of 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.

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

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

The employer contributions for the district are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the district (employer) is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the district (employer) does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the district. However, the state's portion of the net pension liability that was associated with the district was \$69,194,602 as measured on June 30, 2023 and \$70,441,527 measured on June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense and related revenue of \$1,699,910 for support provided by the State. The measurement period for the pension expense and revenue reported in the district's financial statements (A-2) at June 30, 2024 is based upon changes in the collective net pension liability with a measurement period of June 30, 2022 through June 30, 2023. Accordingly, the pension expense and the related revenue associated with the support provided by the State is based upon the changes in the collective net pension liability between July 1, 2022 and June 30, 2023.

Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 8: PENSION PLANS (Continued)

	<u>6/30/2023</u>	<u>6/30/2024</u>
Collective deferred outflows of resources	\$4,996,491,160	\$2,498,730,891
Collective deferred inflows of resources	\$19,532,696,776	\$14,719,080,314
Collective net pension liability (Nonemployer-State of New Jersey)	\$51,594,415,806	\$51,032,669,551
State's portion of the net pension liability that was associated with the district	\$70,441,527	\$69,194,602
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	0.136529%	0.135589%

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

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.

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.0% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic 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:

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 8: PENSION PLANS (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	28.00%	8.98%
Non-US devel.markets equit	12.75%	9.22%
International Small Cap Equ	1.25%	9.22%
Emerging markets equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yeild	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash equivalents	2.00%	3.31%
US Treasuries	4.00%	3.31%
Risk mitigation	3.00%	6.21%

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

Sensitivity of the State's net pension liability to changes in the discount rate - Since the District has no proportionate share of the net pension liability because of the special funding situation, the district would not be sensitive to any changes in the discount rate. The following presents the State's net pension liability measured as of June 30, 2023, calculated using the discount rate shown above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>Current</u>	
<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>

State's Collective Net Pension Liability	\$ 60,267,919,597	\$ 51,109,961,824	\$ 43,396,784,734
--	-------------------	-------------------	-------------------

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>. The plan fudiciary net position as of June 30, 2023 was \$27,130,181,268.

Amortization of Deferred Outflows and Inflows of Resources - Amount reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amooents) related to pensions will be recognized in the state's pension expense as follows:

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 8: PENSION PLANS (Continued)

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

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2023 are as follows:

Service cost	\$1,364,281,690
Interest on total pension liability	5,268,967,929
Member contributions	(933,033,324)
Administrative expense	13,581,904
Expected investment return net of investment expenses	(1,703,986,173)
Pension expense related to specific liabilities of individual employers	(449,590)
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	195,761,712
Changes in assumptions	(3,048,968,450)
Difference between projected and actual investment earnings on pension plan investments	<u>99,467,335</u>
Total pension expense	<u>\$1,255,623,033</u>

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.

Summary of Significant Accounting Policies - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 8: PENSION PLANS (Continued)

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

At June 30, 2024, the District reported a liability of \$7,884,855 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The total pension liability for the June 30, 2022 valuation was determined by an experience study for the period July 1, 2018 to June 30, 2021. The District's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2023 and 2022. At June 30, 2023, the District's proportion was 0.054% which was an increase of 0.0047% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense/(benefit) of (\$444,382). At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 75,389	\$ 32,231
Changes of assumptions	17,321	477,856
Net difference between projected and actual earnings on pension plan investments	36,311	-
Changes in proportion and differences between District contributions and proportionate share of contributions	625,121	513,403
District contributions subsequent to the measurement date	727,566	
Total	<u>\$ 1,481,708</u>	<u>\$ 1,023,490</u>

\$727,566 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 measured as of June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Year Ended June 30:</u>	
	<u>6/30/2023</u>	<u>6/30/2024</u>
2024	(\$294,247)	
2025	(164,237)	
2026	229,510	
2027	(41,073)	
2028	<u>699</u>	
Total	<u>(\$269,348)</u>	
Collective deferred outflows of resources	\$1,660,772,008	\$1,080,204,730
Collective deferred inflows of resources	3,236,303,935	1,780,216,457
Collective net pension liability (Non State - Local Group)	\$15,091,376,611	\$14,606,489,066
District's portion of net pension liability	\$7,510,528	\$7,884,855
District's proportion %	0.04976702%	0.05398186%

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 8: PENSION PLANS (Continued)

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 was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions:

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

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

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	28.00%	8.98%
Non-US devel.markets equit	12.75%	9.22%
International Small Cap Equ	1.25%	9.22%
Emerging markets equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yeild	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash equivalents	2.00%	3.31%
US Treasuries	4.00%	3.31%
Risk mitigation	3.00%	6.21%

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 8: 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 District's proportionate share of the net pension liability to changes in the discount rate - The following presents the District's proportionate share of the net pension liability measured as of June 30, 2023, calculated using the discount rate as disclosed above, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current</u> <u>Discount Rate</u>	<u>1% Increase</u>
	<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>
District's proportionate share of the net pension liability	\$10,264,404	\$7,884,855	\$ 5,859,545

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2023 are as follows:

Service cost	\$3,688,179
Interest on total Pension liability	13,928,302
Benefit changes	
Member contributions	(2,974,513)
Administrative expens	65,088
Expected investment return net of investment expenses	(8,210,056)
Pension expense related to specific liabilities of individual employers	(54,813)
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	240,436
Changes in assumptions	(6,725,662)
Difference between projected and actual investment earnings on pension plan investments	<u>(401,343)</u>
Total pension expense	<u>(\$444,382)</u>

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 8: PENSION PLANS (Continued)

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

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist.

PERS and TPAF Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age.

The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

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

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

□ New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65. □ The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members. □ The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. □ Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 8: PENSION PLANS (Continued)

□ The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law. □ New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee’s annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78’s effective date with a minimum contribution required to be at least 1.5% of salary. □ In addition, this new legislation changes the method for amortizing the pension systems’ unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 (PERS) and N.J.S.A. 18:66 (TPAF) requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5% of employees’ annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 6.5% and the PERS rate is 6.5% of covered payroll.

Three-Year Trend Information for PERS

Year <u>Funding</u>	Annual Pension <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
6/30/2024	\$727,566	100 %	-0-
6/30/2023	\$627,586	100 %	-0-
6/30/2022	\$599,905	100 %	-0-

Three-Year Trend Information for TPAF (Paid on-behalf of the District)

Year <u>Funding</u>	Annual Pension <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
6/30/2024	\$5,933,562	100 %	-0-
6/30/2023	\$5,622,044	100 %	-0-
6/30/2022	\$5,701,949	100 %	-0-

During the fiscal year ended June 30, 2024, the State of New Jersey did contribute \$7,547,740 to the TPAF for post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$1,247,767 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. The PERS amounts have been included in the fund-based statements as pension expense and the TPAF on-behalf amounts have been included in fund-based statements as revenues and expenditures. The PERS and TPAF amounts have been modified and included in the District-wide financial statements in accordance with GASB Statement No. 68.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 9: POST-RETIREMENT BENEFITS

Plan description and benefits provided

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

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

Total Nonemployer 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 on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education.

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

Actuarial assumptions and other imputes. The June 30, 2024 GASB 75 reporting is based on a measurement date of June 30, 2023. The total nonemployer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions used in the June 30, 2022 valuation were based on the results of actuarial experience studies for the periods July 1, 2018 - June 30, 2021 for TPAF, PERS and PFRS. 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:

Total Nonemployer OPEB Liability:	\$	52,361,668,239		
			TPAF/ABP	PERS
Salary Increases			2.75% to 4.25%	2.75% to 6.55%
				3.25% to 16.25%

Based on service years

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 9: POST-RETIREMENT BENEFITS-(Continued)

(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.

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

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

	<u>Total OPEB Liability</u>
The State's Total OPEB Liability Balance at 6/30/2022	\$50,646,462,966
<u>Changes for the year:</u>	
Service Cost	2,136,235,476
Interest on the Total OPEB Liability	1,844,113,951
Change in Benefit Terms	-
Differences Between Expected and Actual Experience	(980,424,863)
Changes of Assumptions	105,539,463
Gross Benefit Payments	-
Contributions from Members/Employers	(1,390,258,754)
Net changes	<u>1,715,205,273</u>
The State's Total OPEB Liability Balance at 6/30/2023	<u>\$52,361,668,239</u>
The State's total OPEB liability attributable to the District:	\$90,456,185

Changes of assumptions and other inputs reflects a change in the discount rate from 3.54 percent in 2022 to 3.65 percent in 2023 and other changes.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 9: POST-RETIREMENT BENEFITS-(Continued)

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the State for school board retirees, as well as what the State’s total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage -point lower or 1- percentage-point higher than the current discount rate:

	June 30, 2023		
	At 1% Decrease <u>2.65%</u>	At Discount Rate <u>3.65%</u>	At 1% Increase <u>4.65%</u>
Total OPEB Liability (School Retirees)	\$61,385,066,712	\$52,361,668,239	\$45,116,926,835

	June 30, 2022		
	At 1% Decrease <u>2.54%</u>	At Discount Rate <u>3.54%</u>	At 1% Increase <u>4.54%</u>
Total OPEB Liability (School Retirees)	\$59,529,589,697	\$50,646,462,966	\$43,527,080,995

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the State, as well as what the State’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage- point higher than the current healthcare cost trend rates:

	June 30, 2023		
	At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
Total OPEB Liability (School Retirees)	\$43,468,257,358	\$52,361,668,239	\$63,998,719,320

	June 30, 2022		
	At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
Total OPEB Liability (School Retirees)	\$41,862,397,291	\$50,646,462,966	\$62,184,866,635

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 9: 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 recognized OPEB expense and related revenue of \$950,690 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 GASBS No. 75 and in which there is a special funding situation.

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

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences Between Expected and Actual Experience	\$7,639,717,639	\$13,791,541,217
Changes of assumptions or other inputs	<u>7,445,895,322</u>	<u>14,449,948,556</u>
Total	<u>\$15,085,612,961</u>	<u>\$28,241,489,773</u>

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

Year ended June 30:	
2024	(\$2,611,225,301)
2024	(\$2,611,225,301)
2025	(\$2,269,523,460)
2026	(\$1,338,024,839)
2027	(273,877,609)
Thereafter	<u>(4,052,000,302)</u>
	<u>(\$13,155,876,812)</u>

Note 10: DEFERRED COMPENSATION

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

Ameriprise Financial Services, Inc.
Lincoln Investment Planning
AXA Equitable
ING Life Insurance and Annuity Company
Fidelity Investments
MetLife

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 11: COMPENSATED ABSENCES

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

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

Note 12: INTERFUND RECEIVABLES AND PAYABLES

After consolidation, the following interfund balances are presented on the District-Wide Statement of Net Position:

	Interfund <u>Receivable</u>	Interfund <u>Payable</u>
General Fund		\$ 2,594,933
Enterprise fund	\$ 2,594,933	
	<u>\$ 2,594,933</u>	<u>\$ 2,594,933</u>

These amounts represent cash advances to the general fund for investment purposes and for Academy Program activity transacted through the general fund.

Note 13: RISK MANAGEMENT

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

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

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation 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 previous two years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Cash Balance</u>
2023-2024	\$ 163	\$ 77,831	\$ 133,331	\$ 240,000
2022-2023	-	81,852	77,241	295,337
2021-2022	14	97,778	88,558	290,726

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 14: FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) - Of the \$16,704,832 General Fund fund balance at June 30, 2024, \$2,873,301 is reserved for encumbrances; \$4,226,522 is reserved for excess surplus in accordance with N.J.S.A.18A:7F-7 (\$1,578,466 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2025); \$9,473,888 is reserved in the Capital Reserve Account; \$2,446,086 is reserved in the Maintenance Reserve Account; \$240,000 is reserved for unemployment compensation; and (\$2,554,965) is unreserved and undesignated.

Note 15: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Penns Grove-Carneys Point Regional School District Board of Education on October 2, 2000, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end 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:23-2.13(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, 2023	\$ 6,973,888
Deposits (PL 2007 c.62 (A1)) - June 3, 2024 Board Resolution	<u>2,500,000</u>
Ending balance June 30, 2024	<u>\$ 9,473,888</u>

Note 16: MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the Penns Grove-Carneys Point Regional School District Board of Education for the accumulation of funds for use in accordance with PL 2007 c.62 (A1). The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance July 1, 2023	\$ 2,446,086
Ending balance June 30, 2024	<u>\$ 2,446,086</u>

Note 17: CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. 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 \$2,648,056.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Note 18: DEFICIT FUND BALANCES

The District has a deficit fund balance (Exhibit B-1) of \$156,101 in the Special Revenue Fund as of June 30, 2024, as reported in the fund statements (modified accrual basis). P.L.2003, c.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB 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 last state aid payment in the subsequent fiscal year, the school district can not recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund balance deficits do not alone indicate that the district is facing financial difficulties.

Note 19: TAX ABATEMENTS

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

Note 20: PRIOR PERIOD ADJUSTMENT

Restatement of Prior Period:

As a process of maintaining records in accordance with GASB#34, the district conducted a physical appraisal of capital assets as of June 30, 2024. The appraisal revealed asset activity that that should have been recorded as of June 30, 2023. Accordingly, a restatement of Net Position as of June 30, 2023 was necessary.

<u>Governmental Activities Net Position:</u>	
Net Position (per A-1), June 30, 2023	\$ 10,518,653
Restatement of Capital Assets	<u>(100,327)</u>
Net Position (per A-1), June 30, 2023, as Restated	<u>\$ 10,418,326</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 10,900,000		\$ 10,900,000	\$ 10,900,000	
Tuition From Other LEAS within State	350,000		350,000	367,802	\$ 17,802
Miscellaneous	350,110		350,110	506,089	155,979
Total - Local Sources	11,600,110	-	11,600,110	11,773,891	173,781
State Sources:					
Equalization Aid	32,991,560		32,991,560	32,991,560	
Transportation Aid	761,052		761,052	761,052	
Special Education Aid	1,222,614		1,222,614	1,222,614	
Security Aid	785,483		785,483	785,483	
Extraordinary Aid	300,000		300,000	378,569	78,569
Non-Public Transportation Aid				9,100	9,100
TPAF Pension (On-Behalf - Non-Budgeted)				5,930,915	5,930,915
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				1,614,178	1,614,178
TPAF Pension LTD Insurance (On-Behalf - Non-Budgeted)				2,647	2,647
TPAF Social Security (Reimbursed - Non-Budgeted)				1,247,767	1,247,767
Total State Sources	36,060,709		36,060,709	44,943,885	8,883,176
Federal Sources:					
Medicaid Reimbursement	52,572		82,572	53,344	(29,228)
Total Federal Sources	52,572		82,572	53,344	(29,228)
TOTAL REVENUES	47,713,391		47,743,391	56,771,120	9,027,729

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	1,043,939	(37,569)	1,006,370	827,704	178,666
Grades 1-5 - Salaries of Teachers	3,527,694	(320,140)	3,207,554	3,195,900	11,654
Grades 6-8 - Salaries of Teachers	2,069,928	20,609	2,090,537	1,983,059	107,478
Grades 9-12 - Salaries of Teachers	3,350,996	(440,915)	2,910,081	2,692,081	218,000
Regular Programs - Home Instruction:					
Salaries of Teachers	10,000	6,050	16,050	16,043	7
Purchased Professional-Educational Services	12,500		12,500	1,920	10,580
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	174,634	(60,447)	114,187	73,637	40,550
Purchased Professional-Educational Services	1,455,525	899,200	2,354,725	2,346,771	7,954
Other Purchased Services (400-500 series)	398,300	(42,519)	355,781	312,234	43,547
General Supplies	634,359	(256,056)	378,303	309,457	68,846
Textbooks	162,242	(129,073)	33,169	22,401	10,768
Other Objects	22,893	12,531	35,424	19,062	16,362
TOTAL REGULAR PROGRAMS - INSTRUCTION	12,863,010	(348,329)	12,514,681	11,800,269	714,412
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities-Mild/Moderate:					
Salaries of Teachers	742,163	20,006	762,169	725,021	37,148
Other Salaries for Instruction	45,789	41,538	87,327	87,026	301
General Supplies	5,650	925	6,575	2,683	3,892
Total Learning and/or Language Disabilities - Mild/Moderate	793,602	62,469	856,071	814,730	41,341
Emotional Regulation Impairment:					
Salaries of Teachers	130,002	41,996	171,998	167,627	4,371
Other Salaries for Instruction	50,002	170	50,172	50,058	114
General Supplies	6,000	4,928	10,928	6,497	4,431
Total Emotional Regulation Impairment	186,004	47,094	233,098	224,182	8,916

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Multiple Disabilities:					
Salaries of Teachers	1,187,062	38,058	1,225,120	1,209,177	15,943
Other Salaries for Instruction	300,967	(88,244)	212,723	194,447	18,276
Other Professional-Educational Services	15,000	38,000	53,000	46,916	6,084
General Supplies	13,600	22,757	36,357	30,078	6,279
Total Multiple Disabilities	1,516,629	10,571	1,527,200	1,480,618	46,582
Resource Room/Resource Center:					
Salaries of Teachers	1,094,695	(62,079)	1,032,616	873,293	159,323
General Supplies	14,009	1,906	15,915	9,038	6,877
Total Resource Room/Resource Center	1,108,704	(60,173)	1,048,531	882,331	166,200
Preschool Disabilities - Full-Time:					
Salaries of Teachers	70,476		70,476	66,894	3,582
Other Salaries for Instruction	21,857		21,857		21,857
General Supplies	37,468	(17,260)	20,208	10,203	10,005
Total Preschool Disabilities - Full-Time	129,801	(17,260)	112,541	77,097	35,444
Home Instruction:					
Salaries of Teachers	12,000	10,000	22,000	16,380	5,620
Purchased Professional-Educational Services	50,000	386	50,386	18,676	31,710
Other Purchased Services (400-500 series)		114	114	114	
Total Home Instruction	62,000	10,500	72,500	35,170	37,330
TOTAL SPECIAL EDUCATION - INSTRUCTION	3,796,740	53,201	3,849,941	3,514,128	335,813
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	232,153	2,000	234,153	233,873	280
General Supplies		907	907	610	297
Total Basic Skills/Remedial - Instruction	232,153	2,907	235,060	234,483	577

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Bilingual Education - Instruction:					
Salaries	837,434	15,137	852,571	680,941	171,630
Other Salaries for Instruction	26,243	7,237	33,480	24,822	8,658
General Supplies		7,000	7,000	6,843	157
Total Bilingual Education - Instruction	863,677	29,374	893,051	712,606	180,445
School-Spon. Co/Extra Curricular Actvts. - Inst.:					
Salaries	100,000		100,000	69,303	30,697
Purchased Services (300-500 series)	5,500	(5,200)	300	300	
Supplies and Materials	18,354	2,916	21,270	18,898	2,372
Other Objects	3,869	1,175	5,044	4,291	753
Total School-Spon. Cocurricular Actvts. - Inst.	127,723	(1,109)	126,614	92,792	33,822
School-Spon. Athletics - Instruction:					
Salaries	231,277	1,150	232,427	203,920	28,507
Purchased Services (300-500 series)	94,950	1,367	96,317	94,185	2,132
Supplies and Materials	42,436	25,287	67,723	64,285	3,438
Other Objects	15,575	1,416	16,991	15,347	1,644
Total School-Spon. Athletics - Inst.	384,238	29,220	413,458	377,737	35,721
Summer School - Instruction					
Salaries of Teachers	20,400		20,400		20,400
Total Summer School - Instruction	20,400		20,400		20,400
TOTAL INSTRUCTION	18,287,941	(234,736)	18,053,205	16,732,015	1,321,190

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
UNDISTRIBUTED EXPENDITURES					
Tuition:					
Tuition to Other LEA's Within the State - Regular	262,500	(99,234)	163,266	49,081	114,185
Tuition to Other LEA's Within the State - Special	105,000	(28,066)	76,934	28,008	48,926
Tuition to County Voc. District - Regular	550,800	437,125	987,925	987,180	745
Tuition to CSSD & Reg. Day Schools	1,233,418		1,233,418	485,726	747,692
Tuition to Private Schools for the Disabled-Within State	515,448	7,875	523,323	510,896	12,427
Tuition to Private Schools for the Disabled-Out of State	565,105	(88,400)	476,705	171,879	304,826
Tuition-State Facilities	4,500		4,500	4,500	
Total Tuition	3,236,771	229,300	3,466,071	2,237,270	1,228,801
Attendance and Social Work:					
Salaries	25,421	20,000	45,421	23,868	21,553
School Climate & Pupil Coord	81,640		81,640	79,982	1,658
Supplies and Materials		1,632	1,632	1,632	
Total Attendance and Social Work	107,061	21,632	128,693	105,482	23,211
Health Services:					
Salaries	187,291	49,505	236,796	224,316	12,480
Purchased Professional and Technical Services	25,000	(4,007)	20,993		20,993
Other Purchased Services (400-500 series)	273,500	(117,205)	156,295	143,997	12,298
Other Purchased Services (400-500 series)	1,000	262	1,262	1,262	
Supplies and Materials	16,074	176	16,250	9,215	7,035
Other Objects		149	149	149	
Total Health Services	502,865	(71,120)	431,745	378,939	52,806
Other Supp. Services Students-Related Services:					
Salaries	140,802	(31,952)	108,850	83,505	25,345
Purchased Professional - Educational Services	300,000	61,370	361,370	356,241	5,129
Supplies and Materials	1,200	1,050	2,250	1,280	970
Total Other Supp. Services Students-Related Services	442,002	30,468	472,470	441,026	31,444

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Other Supp. Services Students-Extra Services:					
Salaries	24,851	500	25,351	17,396	7,955
Purchased Professional - Educational Services	630,000	270,127	900,127	734,185	165,942
Total Other Supp. Services Students-Extra Services	654,851	270,627	925,478	751,581	173,897
Other Supp. Services Students-Regular:					
Salaries of Other Professional Staff	723,459		723,459	685,831	37,628
Salaries of Secretarial and Clerical Assistants	55,111		55,111	55,111	
Other Purchased Prof. and Tech. Services	1,000	196	1,196		1,196
Supplies and Materials	29,024	1,356	30,380	24,034	6,346
Total Other Supp. Services Students-Regular	808,594	1,552	810,146	764,976	45,170
Other Supp. Services Students-Special:					
Salaries of Other Professional Staff	624,096	(18,595)	605,501	564,713	40,788
Salaries of Secretarial and Clerical Assistants	63,470		63,470	63,090	380
Purchased Professional - Educational Services	150,000	23,783	173,783	165,166	8,617
Other Purch Prof and Tech Services	7,300		7,300	835	6,465
Travel	1,500		1,500	1,199	301
Misc. Pur Serv (400-500 series O/than Resid Costs)	1,500		1,500		1,500
Supplies and Materials	8,000	1,239	9,239	9,238	1
Other Objects	8,000	(1,000)	7,000	393	6,607
Total Other Supp. Services Students-Special	863,866	5,427	869,293	804,634	64,659
Improvement of Instruction Services :					
Sal of Supv of Instruction	410,117	13,338	423,455	386,503	36,952
Sal of Other Prof	78,350		78,350		78,350
Sal of Secr and Clerical Assist.	53,500		53,500	53,125	375
Other Salaries	78,350	(20,091)	58,259	40,816	17,443
Supplies and Materials	15,500	492	15,992	1,735	14,257
Other Objects	3,500		3,500	1,435	2,065
Total Improvement of Instruction Services	639,317	(6,261)	633,056	483,614	149,442

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Educational Media Services/School Library:					
Sal of Other Prof	293,605		293,605	293,605	
Purchased Professional and Technical Services	1,597		1,597		1,597
Other Purchased Services (400-500 series)	37,481	6,565	44,046	20,810	23,236
Supplies and Materials	27,396	2,042	29,438	12,236	17,202
Total Educational Media Services/School Library	360,079	8,607	368,686	326,651	42,035
Instructional Staff Training Services:					
Purchased Professional-Educational Services	50,500	(2,189)	48,311	17,114	31,197
Travel	4,000	38	4,038	977	3,061
Misc Purch Svcs	40,300	477	40,777	13,249	27,528
Total Instructional Staff Training Services	94,800	(1,674)	93,126	31,340	61,786
Supp. Services - General Administration:					
Salaries	223,977		223,977	223,590	387
Legal Services	135,000	3,089	138,089	89,128	48,961
Audit Fees	42,000	(7,299)	34,701	34,500	201
Architectural/Engineering Fees	10,000	6,000	16,000	9,220	6,780
Other Purchased Professional Services	23,600	(4,518)	19,082	19,058	24
Purchased Technical Services	13,000	4,530	17,530	16,668	862
Communications/Telephone	133,450	119,136	252,586	248,181	4,405
BOE Other Purchased Services	2,500	7,184	9,684	9,567	117
Other Purchased Services (400-500 series)	439,370	(9,810)	429,560	371,765	57,795
General Supplies	8,000	2,000	10,000	8,907	1,093
Miscellaneous Expenditures	10,350	(108)	10,242	8,025	2,217
BOE Membership Dues and Fees	17,500	108	17,608	17,608	
Total Supp. Services - General Administration	1,058,747	120,312	1,179,059	1,056,217	122,842

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	844,052	11,457	855,509	855,509	
Salaries of Other Professional Staff	114,986	(15,323)	99,663	92,250	7,413
Salaries of Secretarial and Clerical Assistants	612,325	8,397	620,722	613,632	7,090
Purchased Professional and Technical Services	2,500		2,500		2,500
Other Purchased Services (400-500 series)	1,600		1,600		1,600
Supplies and Materials	17,518	4,091	21,609	17,563	4,046
Other Objects	4,600	1,239	5,839	5,750	89
Total Support Services - School Administration	1,597,581	9,861	1,607,442	1,584,704	22,738
Central Services:					
Salaries	584,759	44,838	629,597	629,595	2
Purchased Professional Services		1,000	1,000	1,000	
Purchased Technical Services	28,500	2,800	31,300	31,106	194
Misc. Purchased Services (400-500 series)	3,500		3,500	625	2,875
Supplies and Materials	12,000	(6,650)	5,350	5,350	
Interest on Current Loans	50,000	235,525	285,525	285,525	
Miscellaneous Expenditures	1,400	4,444	5,844	4,419	1,425
Central Services	680,159	281,957	962,116	957,620	4,496
Admin. Information Technology:					
Salaries of Info Tech	286,348	207,579	493,927	492,967	960
Purchased Professional Services	34,000	(7,930)	26,070	25,351	719
Purchased Technical Services	65,000	(8,835)	56,165	56,062	103
Supplies and Materials	27,000	(10,045)	16,955	16,596	359
Admin. Information Technology	412,348	180,769	593,117	590,976	2,141
Required Maintenance for School Facilities:					
Cleaning, Repair, and Maintenance Services	743,333	(428,601)	314,732	215,282	99,450
General Supplies	137,000	15,201	152,201	119,798	32,403
Total Required Maintenance for School Facilities	880,333	(413,400)	466,933	335,080	131,853

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Other Operations and Maintenance of Plant:					
Salaries	1,781,437	46,175	1,827,612	1,699,412	128,200
Salaries of Non-Instructional Aides		29,008	29,008	27,362	1,646
Cleaning, Repair and Maintenance Services	79,600	(13,466)	66,134	58,702	7,432
Other Purchased Property Services	72,500	10,761	83,261	77,265	5,996
Insurance	165,000	1,650	166,650	166,626	24
General Supplies	67,900	139,234	207,134	197,409	9,725
Energy (Natural Gas)	300,000		300,000	202,376	97,624
Energy (Electricity)	600,000	16,000	616,000	613,430	2,570
Energy (Gasoline)	15,000	4,466	19,466	13,447	6,019
Other Objects	6,500	4,640	11,140	10,282	858
Total Other Operations and Maintenance of Plant	3,087,937	238,468	3,326,405	3,066,311	260,094
Care and Upkeep of Grounds:					
Salaries	236,226		236,226	221,495	14,731
Cleaning, Repair and Maintenance Services	73,000	43,527	116,527	53,328	63,199
Supplies and Materials	15,000	6,478	21,478	20,248	1,230
Total Care and Upkeep of Grounds	324,226	50,005	374,231	295,071	79,160
Undist. Expend. -Security					
Salaries	382,181	2,709	384,890	303,287	81,603
Purchased Professional and Technical Services	299,000	22,000	321,000	275,608	45,392
Cleaning, Repair, and Maintenance Services	10,000		10,000	7,787	2,213
General Supplies	30,000	(6,068)	23,932	10,158	13,774
Total Undist. Expend. -Security	721,181	18,641	739,822	596,840	142,982

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Student Transportation Services					
Salaries for Pupil Trans (Between Home & Sch - Reg.)	55,111	1,217	56,328	56,305	23
Management Fees - ESC & CTSA Transportation Programs	500		500	297	203
Other Purchased Prof. & Tech. Services	5,300		5,300	4,356	944
Contract Services - Aid in Lieu of Payments-Nonpub.Sch.	25,000		25,000	22,135	2,865
Contract Services - Aid in Lieu of Payments-Charter Schools	20,000	14,000	34,000	33,785	215
Contract Services - Aid in Lieu of Payments - Choice Sch	25,000		25,000	24,465	535
Contract Services - (Between Home and School) - Vendors	1,022,263	111,318	1,133,581	1,116,742	16,839
Contract Services (Other than Between Home & School)-Vendors	124,863	51,829	176,692	153,236	23,456
Contract Services - (Between Home and School) - Joint Agreements	42,042		42,042	21,193	20,849
Contract Services - (Spl. Ed. Students) - Vendors	492,130	(177,100)	315,030	284,182	30,848
Contract Services - (Regular Students) - ESCs & CTSA	315,000		315,000	187,827	127,173
Contract Services - (Special Ed. Students) - ESCs & CTSA	1,130,761	(19,807)	1,110,954	1,110,816	138
General Supplies	5,000		5,000	1,121	3,879
Total Student Transportation Services	3,262,970	(18,543)	3,244,427	3,016,460	227,967
UNALLOCATED BENEFITS					
Social Security Contributions	431,670	102,054	533,724	451,106	82,618
Other Retirement Contributions - PERS	781,237	(12,794)	768,443	744,094	24,349
Unemployment Compensation	-	62	62	50,788	(50,726)
Workmen's Compensation	400,000	5,255	405,255	405,255	
Health Benefits	6,847,456	(983,732)	5,863,724	5,193,749	669,975
Tuition Reimbursement	125,000	(4,894)	120,106	44,690	75,416
Other Employee Benefits	380,000	654	380,654	322,052	58,602
Unused Sick Payments to Terminated/Retired Staff	160,000		160,000	80,115	79,885
TOTAL UNALLOCATED BENEFITS	9,125,363	(893,395)	8,231,968	7,291,849	940,119

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
On-behalf TPAF pension Contrib. (non-budgeted)				5,930,915	(5,930,915)
On-behalf TPAF PRM Contrib. (non-budgeted)				1,614,178	(1,614,178)
On-behalf TPAF pension Non-contributory Ins. (non-budgeted)				2,647	(2,647)
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,247,767	(1,247,767)
TOTAL ON-BEHALF CONTRIBUTIONS				8,795,507	(8,795,507)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	9,125,363	(893,395)	8,231,968	16,087,356	(7,855,388)
TOTAL UNDISTRIBUTED EXPENDITURES	28,861,051	63,233	28,924,284	33,912,148	(4,987,864)
TOTAL GENERAL CURRENT EXPENSE	47,148,992	(171,503)	46,977,489	50,644,163	(3,666,674)
Equipment					
Grades 1-5	225,000	(6,102)	218,898	205,232	13,666
Grades 6-8	180,000	(78,214)	101,786	101,786	
Grades 9-12		13,764	13,764	13,764	
Preschool Disabilities-Full Time		1	1		1
School-Sponsored and Other Instructional Programs	107,979	48,258	156,237	156,236	1
Undist. Expend. - Support Serv.-Students-Reg.		2,099	2,099		2,099
Undist. Expend. - Admin. Info Tech		101,850	101,850	81,840	20,010
Undist. Expend. - Required Maint for School Fac.	391,862	(387,500)	4,362	4,025	337
Undist. Expend. - Custodial Services	75,000	31,800	106,800	106,788	12
Undist. Expend. - Care and Upkeep of Grounds	70,000	(60,800)	9,200	9,196	4
Undist. Expend. - Security	165,000	(121,496)	43,504		43,504
Total Equipment	1,214,841	(456,340)	758,501	678,867	79,634
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	297,273	(31,999)	265,274	173,123	92,151
Other Purch Tech Svcs		5,790	5,790	5,790	
Construction Services	1,684,548	1,017,918	2,702,466	280,209	2,422,257
Assessment for Debt Service on SDA Funding	52,666		52,666	52,666	
Total Facilities Acquisition and Construction Services	2,034,487	991,709	3,026,196	511,788	2,514,408
TOTAL CAPITAL OUTLAY	3,249,328	535,369	3,784,697	1,190,655	2,594,042

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Transfer of Funds to Charter Schools	275,681	327,620	603,301	603,301	
TOTAL EXPENDITURES	50,674,001	691,486	51,365,487	52,438,119	(1,072,632)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,960,610)	(691,486)	(3,622,096)	4,333,001	7,955,097
Other Financing Sources:					
Operating Transfer In/(Out)					
Local Contribution - Transfer to Special Revenue Fund - Inclusion	(143,000)	-	(143,000)	-	(143,000)
Total Other Financing Sources:	(143,000)	-	(143,000)	-	(143,000)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(3,103,610)	(691,486)	(3,765,096)	4,333,001	7,812,097
Fund Balance, July 1	15,887,317		15,887,317	15,887,317	
Prior Period Adjustment	-		-	-	-
Fund Balance, July 1 (Restated)	15,887,317		15,887,317	15,887,317	
Fund Balance, June 30	\$ 12,783,707	(691,486)	\$ 12,122,221	\$ 20,220,318	\$ 7,812,097

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Recapitulation:					
Restricted for:					
Capital Reserve				\$ 9,473,888	
Maintenance Reserve				2,446,086	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,578,466	
Excess Surplus				2,648,056	
Unemployment Compensation				240,000	
Assigned to:					
Year-End Encumbrances				2,873,301	
Designated for Subsequent Year's Expenditures				-	
Unassigned:					
Unrestricted Fund Balance				<u>960,521</u>	
Fund Balance per Governmental Funds(Budgetary Basis)				\$ 20,220,318	
Reconciliation to Governmental Funds Statement(GAAP Basis):					
Last State Aid Payment not recognized on GAAP basis				<u>(3,515,486)</u>	
Fund Balance per Governmental Funds(GAAP Basis B-2)				<u>\$ 16,704,832</u>	

**BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND**

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources	\$ 125,000	\$ 117,760	\$ 242,760	\$ 242,760	-
State Sources	2,804,245	-	2,804,245	2,152,652	\$ (651,593)
Federal Sources	1,711,478	2,671,359	4,382,837	4,382,837	-
Total Revenues	4,640,723	2,789,119	7,429,842	6,778,249	(651,593)
EXPENDITURES:					
Instruction					
Salaries of Teachers	\$ 1,108,574	108,186	1,216,760	1,211,216	5,544
Other Salaries for Instruction	288,730	(19,412)	269,318	160,539	108,779
Other Purchased Services	222,868	(111,395)	111,473	57,475	53,998
Tuition	371,722	(318,234)	53,488	53,488	-
General Supplies	324,058	673,000	997,058	970,314	26,744
Other Objects	27,514	18,781	46,295	44,447	1,848
Total Instruction	2,343,466	350,926	2,694,392	2,497,479	196,913
Support Services					
Salaries of Program Directors	169,860	5,276	175,136	175,135	1
Salaries of Other Professional Staff	161,312	-	161,312	160,454	858
Salaries of Secr. And Clerical Assistants	49,990	-	49,990	49,990	-
Other Salaries	188,032	(17,287)	170,745	169,131	1,614
Salaries of Comm. Parent Involv. Spec.	101,289	(28,443)	72,846	61,805	11,041
Salaries of Master Teachers	89,027	3,279	92,306	92,306	-
Personal Services - Employee Benefits	688,657	132,340	820,997	684,781	136,216
Purchased Prof Tech Servives	86,250	431,069	517,319	517,319	-
Purchased Prof Education Services	140,435	70,172	210,607	204,981	5,626
Purchased Ed Services - Head Start	399,645	-	399,645	127,686	271,959
Cleaning, Repair & Maintenance Svcs.	6,000	152,007	158,007	152,007	6,000
Contr Serv-Trans. (Field Trips)	2,000	-	2,000	1,777	223
Other Purchased Services	26,777	(5,846)	20,931	20,931	-
Supplies & Materials	46,257	13,049	59,306	54,890	4,416
Other Objects	2,000	518	2,518	518	2,000
Student Activities	125,000	95,863	220,863	220,863	-
Total Support Services	2,282,531	851,997	3,134,528	2,694,574	439,954
Facilities Acq. & Construction Services:					
Buildings	-	6,590	6,590	6,590	-
Instructional Equipment	6,726	1,163,923	1,170,649	1,163,923	6,726
Non-Instructional Equipment	8,000	413,980	421,980	413,980	8,000
Total Facilities Acq. & Construction Services	14,726	1,584,493	1,599,219	1,584,493	14,726
Total Expenditures	4,640,723	2,787,416	7,428,139	6,776,546	651,593
Total Outflows	\$ 4,640,723	\$ 2,787,416	\$ 7,428,139	\$ 6,776,546	\$ 651,593
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)					
		1,703	1,703	1,703	
Fund Balance Beginning				60,910	
Prior Period Adjustment *				-	
Fund Balance Beginning (Restated)				60,910	
Fund Balance Ending				<u>\$ 62,613</u>	
Recapitulation:					
Restricted:					
Student Activities				\$ 62,613	
Fund Balance per Governmental Funds(Budgetary Basis)				<u>\$ 62,613</u>	
Reconciliation to Governmental Funds Statement(GAAP Basis):					
Last State Aid Payment not recognized on GAAP basis				(218,714)	
Fund Balance per Governmental Funds(GAAP Basis)				<u>\$ (156,101)</u>	

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE**

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 (Exhibits C-1 and C-2, respectively)	\$ 56,771,120	\$ 6,778,249
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year Encumbrances	N/A	-
Current Year Encumbrances	N/A	(1,232,203)
Adjustment for: Prior Year Final State Aid Payment not included in Budgetary State Source Revenues and is considered a revenue for GAAP reporting purposes	3,108,775	244,938
Adjustment for: Current Year Final State Aid Payment included in State Source Revenues that is not considered a revenue for GAAP reporting purposes	<u>(3,515,486)</u>	<u>(218,714)</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. (Exhibit B-2)	<u>\$ 56,364,409</u>	<u>\$ 5,572,270</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules (Exhibits C-1 and C-2, respectively)	\$52,438,119	\$ 6,776,546
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.		-
Prior Year Encumbrances	N/A	-
Current Year Encumbrances	<u>N/A</u>	<u>(1,232,203)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (Exhibit B-2)	<u>\$ 52,438,119</u>	<u>\$ 5,544,343</u>

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Required Supplementary Information - Part III
Schedule of the District's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years

Exhibit L-3

Teachers' Pension and Annuity Fund (TPAF)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State's proportionate share of the net pension liability (asset) associated with the District	\$ <u>69,194,602</u>	\$ <u>70,441,527</u>	\$ <u>68,474,115</u>	\$ <u>95,456,351</u>	\$ <u>89,541,295</u>	\$ <u>95,061,013</u>	\$ <u>105,142,931</u>	\$ <u>123,420,739</u>	\$ <u>97,781,586</u>	\$ <u>87,929,793</u>
Total	\$ <u>69,194,602</u>	\$ <u>70,441,527</u>	\$ <u>68,474,115</u>	# \$ <u>95,456,351</u>	# \$ <u>89,541,295</u>	# \$ <u>95,061,013</u>	\$ <u>105,142,931</u>	\$ <u>123,420,739</u>	\$ <u>97,781,586</u>	\$ <u>87,929,793</u>
District's covered employee payroll	\$ 17,337,128	\$ 16,455,732	\$ 15,712,618	\$ 15,348,050	\$ 15,086,152	\$ 15,680,129	\$ 15,407,146	\$ 15,473,667	\$ 15,423,386	\$ 15,866,952
District's proportionate share of the of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. Since the district (employer) does not contribute directly to the plan there is no net pension liability to report in the financial statements of the district.

Exhibit L-1

Public Employees' Retirement System (PERS)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability (asset)	0.05444%	0.04977%	0.05123%	0.05297%	0.05560%	0.06164%	0.06210%	0.06081%	0.06139%	0.05999%
District's proportionate share of the net pension liability (asset)	\$ <u>7,884,855</u>	\$ <u>7,510,528</u>	\$ <u>6,068,376</u>	\$ <u>8,638,125</u>	\$ <u>10,017,568</u>	\$ <u>12,126,434</u>	\$ <u>14,455,581</u>	\$ <u>18,008,632</u>	\$ <u>13,780,972</u>	\$ <u>11,232,180</u>
District's covered employee payroll	\$ 4,607,758	\$ 4,181,344	\$ 3,968,006	\$ 3,662,539	\$ 3,729,512	\$ 3,834,498	\$ 3,929,626	\$ 4,112,593	\$ 4,248,578	\$ 4,139,246
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	171.12%	179.62%	152.93%	235.85%	268.60%	316.51%	377.47%	437.89%	324.37%	271.36%
Plan fiduciary net position as a percentage of the total pension liability (Local)	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Required Supplementary Information - Part III
Schedule of District Contributions
Last Ten Fiscal Years

Exhibit L-2

Teachers' Pension and Annuity Fund (TPAF)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's covered employee payroll	\$ 17,337,128	\$ 16,455,732	\$ 15,712,618	\$ 15,348,050	\$ 15,086,152	\$ 15,680,129	\$ 15,407,146	\$ 15,473,667	\$ 15,423,386	\$ 15,866,952
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. The district (employer) does not contribute to the plan.

Public Employees' Retirement System (PERS)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 727,566	\$ 627,586	\$ 599,905	\$ 579,472	\$ 542,908	\$ 616,005	\$ 585,030	\$ 543,474	\$ 527,795	\$ 494,567
Contributions in relation to the contractually required contribution	<u>(727,566)</u>	<u>(627,586)</u>	<u>(599,905)</u>	<u>(579,472)</u>	<u>(542,908)</u>	<u>(616,005)</u>	<u>(585,030)</u>	<u>(543,474)</u>	<u>(527,795)</u>	<u>(494,567)</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered employee payroll	\$ 4,607,758	\$ 4,181,344	\$ 3,968,006	\$ 3,662,539	\$ 3,729,512	\$ 3,834,498	\$ 3,829,626	\$ 4,112,593	\$ 4,248,578	\$ 4,139,246
Contributions as a percentage of covered-employee payroll	15.79%	15.01%	15.12%	15.82%	14.56%	16.06%	15.28%	13.21%	12.42%	11.95%

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
 Required Supplementary Information - Part III
 Schedule of Changes in the State's Total OPEB Liability and Related Ratios
 Last Ten Fiscal Years *

Exhibit M-1

State Health Benefit Local Education Retired Employees Plan (TPAF and PERS)

The State of New Jersey's Total OPEB Liability	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Service Cost	\$ 2,136,235,476	\$ 2,770,618,025	\$ 3,217,184,264	\$ 1,790,973,822	\$ 1,734,404,850	\$ 1,984,642,729	\$ 2,391,878,884	\$ 1,723,999,319		
Interest	1,844,113,951	1,342,187,139	1,556,661,679	1,503,341,357	1,827,787,206	1,970,236,232	1,699,441,736	1,823,643,792		
Change in Benefit Terms	-	-	(63,870,842)							
Differences Between Expected and Actual Experience	(980,424,863)	1,399,200,736	(11,385,071,658)	11,544,750,637	(7,323,140,818)	(5,002,065,740)				
Benefit Payments	-	(13,586,368,097)	59,202,205	(1,180,515,618)	(1,280,958,373)	(1,232,987,247)	(1,242,412,566)	(1,223,298,019)		
Contributions from Members	(1,390,258,754)	(1,329,476,059)	-	35,781,384	37,971,171	42,614,005	45,748,749	46,273,747		
Changes of Assumptions or other inputs	105,539,463	42,650,252	(1,186,417,186)	12,386,549,981	622,184,027	(5,291,448,855)	(7,086,599,129)	8,611,513,521		
Net change in total OPEB liability	1,715,205,273	(9,361,188,004)	(7,802,311,538)	26,080,881,563	(4,381,751,937)	(7,529,008,876)	(4,191,942,326)	10,982,132,360		
Total OPEB Liability - Beginning	\$ 50,646,462,966	\$ 60,007,650,970	\$ 67,809,962,608	\$ 41,729,081,045	\$ 46,110,832,982	\$ 53,639,841,858	\$ 57,831,784,184	\$ 46,849,651,824		
Total OPEB Liability - Ending	\$ 52,361,668,239	\$ 50,646,462,966	\$ 60,007,651,070	\$ 67,809,962,608	\$ 41,729,081,045	\$ 46,110,832,982	\$ 53,639,841,858	\$ 57,831,784,184		
The State of New Jersey's total OPEB liability **	\$ 52,361,668,239	\$ 50,646,462,966	\$ 60,007,651,070	\$ 67,809,962,608	\$ 41,729,081,045	\$ 46,110,832,982	\$ 53,639,841,858	\$ 57,831,784,184		
The State of New Jersey's OPEB liability attributable to the District **	\$ 90,456,185	\$ 87,194,718	\$ 102,830,939	\$ 120,983,129	\$ 75,891,598	\$ 85,633,301	\$ 99,874,688	\$ 108,018,858		
The District's proportionate share of the total OPEB liability	Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero		
District's covered employee payroll	\$ 21,944,886	\$ 20,637,076	\$ 19,680,624	\$ 19,010,589	\$ 18,815,664	\$ 19,514,627	\$ 19,236,772	\$ 19,236,772		
Total District's OPEB liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
District's contribution	None	None	None	None	None	None	None	None		
State's covered employee payroll ***	\$ 15,314,749,297	\$ 14,753,355,408	\$ 14,425,669,769	\$ 14,267,738,657	\$ 13,929,083,479	\$ 13,640,275,833	\$ 13,493,400,208	\$ 13,493,400,208		
Total State's OPEB liability as a percentage of its covered-employee payroll	341.90%	343.29%	415.98%	475.27%	299.58%	338.05%	397.53%	428.59%		

** Note: Other Post Employment Benefits (OPEB) for employees of the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS) is considered a special funding situation as defined by GASB Statement No. 75 in which the State of New Jersey is 100% responsible for contributions to the health insurance plan. The district (employer) does not contribute to the plan and the district's OPEB liability is zero.

*** Covered payroll for the Measurement Period ending June 30, 2022 and June 30, 2023 is based on the payroll on the June 30, 2021 and June 30, 2022 census data, respectively

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-PART III
Pension and Other Post Employment Benefits (OPEB) Schedules**

For the Fiscal Year Ended June 30, 2024

Teachers' Pension and Annuity Fund (TPAF)

Pension Schedules

Changes of benefit terms. 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 always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

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

OPEB Schedules

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

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 3.54 percent in 2022 to 3.65 percent in 2023.

Public Employees' Retirement System (PERS)

Pension Schedules

Changes of benefit terms. 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.

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

OPEB Schedules

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

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 3.54 percent in 2022 to 3.65 percent in 2023.

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

**SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS**

For the Fiscal Year Ended June 30, 2023

Page 1 of 3

	Title I	Title I SIA	Title II Part A	Title III	Title III Immigrant	Title IV
REVENUES						
Local Sources						
State Sources						
Federal Sources	\$ 982,823	\$ 83,051	\$ 165,548	\$ 80,185	\$ 5,203	\$ 77,444
TOTAL REVENUES	982,823	83,051	165,548	80,185	5,203	77,444
EXPENDITURES:						
Instruction:						
Salaries of Teachers	402,945		25,560			6,585
Other Salaries for Instruction	25,151			50,092		
Other Purchased Services						23,960
Tuition						
General Supplies	155,588	78,331		20,841	5,203	13,403
Other Objects						16,643
Total Instruction	583,684	78,331	25,560	70,933	5,203	60,591
Support Services:						
Salaries of Program Directors						
Salaries of Other Professional Staff	64,776					
Salaries of Secr. And Clerical Assistants						
Other Salaries	40,793					
Salaries of Comm. Parent Involv. Spec.						
Salaries of Master Teachers						
Personal Services - Employee Benefits	278,144		1,955	3,832		504
Purchased Prof Tech Servives		4,720	138,033	5,374		5,250
Purchased Prof Education Servives	2,219					
Purchased Ed Services - Head Start						
Cleaning, Repair & Maintenance Svcs.						
Contr Serv-Trans. (Field Trips)						
Other Purchased Services						
Supplies & Materials	10,938			46		11,099
Other Objects						
Student Activities						
Total Support Services	396,870	4,720	139,988	9,252		16,853
Facilities Acq. & Contruaction Services:						
Buildings						
Instructional Equipment	2,269					
Non-Instructional Equipment						
Total Facilities Acq. & Contruaction Services	2,269	-	-	-	-	-
TOTAL EXPENDITURES	982,823	83,051	165,548	80,185	5,203	77,444
Total Outflows	\$ 982,823	\$ 83,051	\$ 165,548	\$ 80,185	\$ 5,203	\$ 77,444
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-		-	-	-
Fund Balance Beginning	-	-		-	-	-
Prior Period Adjustment *	-	-		-	-	-
Fund Balance Beginning (Restated)	-	-		-	-	-
Fund Balance Ending	-	-		-	-	-

**SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS**

For the Fiscal Year Ended June 30, 2023

Page 2 of 3

	IDEA BASIC	IDEA P/S	CRRSA Accel. Learn	ARP ESSER III	ARP Accel. Learn	ARP Beyond Sch. Day
REVENUES						
Local Sources						
State Sources						
Federal Sources	\$ 246,387	\$ 23,925	\$ 153,497	\$ 2,318,929	\$ 162,028	\$ 39,502
TOTAL REVENUES	246,387	23,925	153,497	2,318,929	162,028	39,502
EXPENDITURES:						
Instruction:						
Salaries of Teachers			51,087	37,834		14,900
Other Salaries for Instruction						
Other Purchased Services	26,790		4,563			
Tuition	53,488					
General Supplies	30,179	23,925	60,697	461,692	62,847	
Other Objects	442			5,175		19,535
Total Instruction	110,899	23,925	116,347	504,701	62,847	34,435
Support Services:						
Salaries of Program Directors						
Salaries of Other Professional Staff						
Salaries of Secr. And Clerical Assistants						
Other Salaries						
Salaries of Comm. Parent Involv. Spec.						
Salaries of Master Teachers						
Personal Services - Employee Benefits				2,894		642
Purchased Prof Tech Services	87,610		37,150	97,800	99,181	
Purchased Prof Education Services						
Purchased Ed Services - Head Start						
Cleaning, Repair & Maintenance Svcs.				147,582		4,425
Contr Serv-Trans. (Field Trips)						
Other Purchased Services	16,776					
Supplies & Materials	14,830					
Other Objects						
Student Activities						
Total Support Services	119,216		37,150	248,276	99,181	5,067
Facilities Acq. & Construction Services:						
Buildings				6,590		
Instructional Equipment	16,272			1,145,382		
Non-Instructional Equipment				413,980		
Total Facilities Acq. & Construction Services	16,272	-	-	1,565,952	-	-
TOTAL EXPENDITURES	246,387	23,925	153,497	2,318,929	162,028	39,502
Total Outflows	\$ 246,387	\$ 23,925	\$ 153,497	\$ 2,318,929	\$ 162,028	\$ 39,502
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-
Fund Balance Beginning	-	-	-	-	-	-
Prior Period Adjustment *	-	-	-	-	-	-
Fund Balance Beginning (Restated)	-	-	-	-	-	-
Fund Balance Ending	-	-	-	-	-	-

**SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS**

For the Fiscal Year Ended June 30, 2023

Page 3 of 3

	ARP Mental H.	ARP Homeless	Preschool Education State Aid	Sustain NJ Clean Local	Wellness Program Local	Student Activity	Totals
REVENUES							
Local Sources				\$ 11,513	\$ 8,681	\$ 222,566	\$ 242,760
State Sources			\$2,152,652				2,152,652
Federal Sources	\$ 34,345	\$ 9,970					4,382,837
TOTAL REVENUES	34,345	9,970	2,152,652	11,513	8,681	222,566	6,778,249
EXPENDITURES:							
Instruction:							
Salaries of Teachers		225	672,080				1,211,216
Other Salaries for Instruction			85,296				160,539
Other Purchased Services			2,162				57,475
Tuition							53,488
General Supplies			57,608				970,314
Other Objects			2,652				44,447
Total Instruction		225	819,798				2,497,479
Support Services:							
Salaries of Program Directors			175,135				175,135
Salaries of Other Professional Staff			95,678				160,454
Salaries of Secr. And Clerical Assistants			49,990				49,990
Other Salaries			128,338				169,131
Salaries of Comm. Parent Involv. Spec.			61,805				61,805
Salaries of Master Teachers			92,306				92,306
Personal Services - Employee Benefits		17	396,793				684,781
Purchased Prof Tech Servives	34,345	1,055			6,801		517,319
Purchased Prof Education Services			202,762				204,981
Purchased Ed Services - Head Start			127,686				127,686
Cleaning, Repair & Maintenance Svcs.							152,007
Contr Serv-Trans. (Field Trips)			1,777				1,777
Other Purchased Services		4,155					20,931
Supplies & Materials		4,000	584	11,513	1,880		54,890
Other Objects		518					518
Student Activities						220,863	220,863
Total Support Services	34,345	9,745	1,332,854	11,513	8,681	220,863	2,694,574
Facilities Acq. & Construction Services:							
Buildings							6,590
Instructional Equipment							1,163,923
Non-Instructional Equipment							413,980
Total Facilities Acq. & Construction Services	-	-	-	-	-	-	1,584,493
TOTAL EXPENDITURES	34,345	9,970	2,152,652	11,513	8,681	220,863	6,776,546
Total Outflows	\$ 34,345	\$ 9,970	\$2,152,652	\$ 11,513	\$ 8,681	\$ 220,863	\$ 6,776,546
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	1,703	1,703
Fund Balance Beginning	-	-	-	-	-	60,910	60,910
Prior Period Adjustment *	-	-	-	-	-	-	-
Fund Balance Beginning (Restated)	-	-	-	-	-	60,910	60,910
Fund Balance Ending	-	-	-	-	-	\$ 62,613	\$ 62,613

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Preschool Education Aid Schedule of Expenditures
Preschool - All Programs
Budgetary Basis
For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 658,212	\$ 19,412	\$ 677,624	\$ 672,080	\$ 5,544
Other Salaries for Instruction	213,487	(19,412)	194,075	85,296	108,779
Purchased Professional - Educational Services	56,160	-	56,160	2,162	53,998
General Supplies	84,705	(353)	84,352	57,608	26,744
Other Objects	4,500	-	4,500	2,652	1,848
Total instruction	1,017,064	(353)	1,016,711	819,798	196,913
Support services:					
Salaries of Program Directors	169,860	5,276	175,136	175,135	1
Salaries of Other Professional Staff	96,536	-	96,536	95,678	858
Salaries of Secr. And Clerical Assistants	49,990	-	49,990	49,990	-
Other Salaries	129,952	-	129,952	128,338	1,614
Salaries of Community Parent Involvement Spec.	101,289	(28,443)	72,846	61,805	11,041
Salaries of Master Teachers	89,027	3,279	92,306	92,306	-
Personal Services - Employee Benefits	582,941	(49,932)	533,009	396,793	136,216
Purchased Prof. -Ed. Services	138,215	70,173	208,388	202,762	5,626
Purchased Ed Services - Head Start	399,645	-	399,645	127,686	271,959
Cleaning, Repair & Maintenance Svcs.	6,000	-	6,000	-	6,000
Contr Serv-Trans. (Field Trips)	2,000	-	2,000	1,777	223
Supplies & Materials	5,000	-	5,000	584	4,416
Other Objects	2,000	-	2,000	-	2,000
Total support services	1,772,455	353	1,772,808	1,332,854	439,954
Facilities Acq. & Construction:					
Instructional Equipment	6,726	-	6,726	-	6,726
Non-Instructional Equipment	8,000	-	8,000	-	8,000
Total Facilities Acq. & Construction	14,726	-	14,726	-	14,726
Total Expenditures	\$ 2,804,245	-	\$ 2,804,245	\$ 2,152,652	651,593

CALCULATION OF BUDGET & CARRYOVER

Total 2023-2024 PreK Aid Allocation	\$ 2,187,145
Add: Actual ECPA Carryover June 30, 2023	913,641
Add: Budgeted Transfer From General Fund	-
Total Funds Available for 2023-2024 Budget	3,100,786
Less: 2023-2024 Budgeted PreK & ECPA (Including prior year budgeted carryover)	(2,804,245)
Available & Unbudgeted Funds as of June 30, 2024	296,541
Add: June 30, 2024 Unexpended PreK Aid	651,593
2023-2024 Actual Carryover - PreK Aid	948,134
2023-2024 PreK Carryover Budgeted in 2024-2025	\$ 439,541

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit F-1

**CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES**

For the Fiscal Year Ended June 30, 2024

	Original Date	Original Appropriations	Revised Appropriations	Expenditures to Date		Unexpended Balance June 30, 2024
				Prior Years	Current Year	
Renovation of Auditorium and Science Labs at Penns Grove High School	4/5/2012	\$ 3,000,000	\$ 2,800,772	\$ 2,796,596		\$ 4,176
Site Expansion at Lafayette-Pershing Elementary School	4/13/2015	291,189	291,189	-	-	291,189
Totals		<u>\$ 3,291,189</u>	<u>\$ 3,091,961</u>	<u>\$ 2,796,596</u>	<u>-</u>	295,365
						Amortization of Grant Anticipation Note Premium, Net of Underwriter's Discount 67,471
						Accumulated Interest Earnings and Excess Proceeds <u>114,499</u>
						Fund Balance - June 30, 2024 <u>\$ 477,335</u>

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit F-2

CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE-BUDGETARY BASIS

For the Fiscal Year Ended June 30, 2024

Revenues and Other Financing

Sources

Amortization of Grant Anticipation Note Premium	\$ 67,471
Interest Earnings	21,594
Total Revenues	<u>89,065</u>
Excess(deficiency) of revenues over(under) expenditures	89,065
Fund Balance - Beginning	<u>388,270</u>
Fund Balance - Ending	<u><u>\$ 477,335</u></u>

**CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS-BUDGETARY BASIS**

RENOVATION OF AUDITORIUM AND SCIENCE LABS AT PENNS GROVE HIGH SCHOOL

From Inception and for the Fiscal Year Ended June 30, 2024

	<u>Prior</u>	<u>Current</u>	<u>Totals</u>	<u>Revised</u>
	<u>Periods</u>	<u>Year</u>		<u>Authorized</u>
				<u>Costs</u>
Revenues and Other Financing Sources				
Transfer from Maintenance Reserve	\$ 224	-	\$ 224	\$ 224
Transfer from Other Projects	9,466	-	9,466	9,466
Transfer from Capital Reserve	775,000	-	775,000	775,000
State Sources-SDA Grant	2,008,082	-	2,008,082	2,008,082
Bond Proceeds & Transfers	8,000	-	8,000	8,000
Total Revenues	<u>2,800,772</u>	<u>-</u>	<u>2,800,772</u>	<u>2,800,772</u>
Expenditures and Other Financing Sources				
Professional Fees	203,789	-	203,789	203,789
Construction Services	2,549,808	-	2,549,808	2,553,984
General Supplies	7,009	-	7,009	7,009
Equipment Purchases	6,971	-	6,971	6,971
Other Costs	29,019	-	29,019	29,019
Total Expenditures	<u>2,796,596</u>	<u>-</u>	<u>2,796,596</u>	<u>2,800,772</u>
Excess(deficiency) of revenues over(under) expenditures			<u>4,176</u>	
				<u>4,176</u>
			Project Fund Balance, 6/30/2024	<u>4,176</u>
Additional project information:				
DOE Project Number	4070-050-10-1004	<u>Recapitulation:</u>		
Grant Date	4/5/2012	Encumbrances		-
Original Authorized Cost	\$3,000,000	Unreserved (Available)	\$	4,176
Additional Authorized Cost	-\$199,228		\$	4,176
Revised Authorized Cost	\$2,800,772			
Percentage Increase over Original Authorized Cost	N/A			
Percentage Completion	100.0%			
Original Target Completion Date	11/15/2012			
Revised Target Completion Date	N/A			

**CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS-BUDGETARY BASIS**

SITE EXPANSION AT LAFAYETTE-PERSHING ELEMENTARY SCHOOL

From Inception and for the Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources				
Transfer from/(to) Capital Reserve	\$ 291,189		\$ 291,189	\$ 291,189
Total Revenues	<u>291,189</u>	-	<u>291,189</u>	<u>291,189</u>
Expenditures and Other Financing Sources				
Professional Fees			-	-
Construction Services			-	291,189
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>291,189</u>
Excess(deficiency) of revenues over(under) expenditures	<u>291,189</u>	-	<u>291,189</u>	

Project Fund Balance, 6/30/2024 291,189

Additional project information:

DOE Project Number	N/A
SDA Project Number	N/A
SDA Grant Number	N/A
Grant Date	N/A
Initial Grant Amount	N/A
Revised Grant Amount	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$291,189
Additional Authorized Cost	
Revised Authorized Cost	\$291,189
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	
Original Target Completion Date	6/30/2016
Revised Target Completion Date	6/30/2021

<u>Recapitulation:</u>	
Encumbrances	-
Unreserved (Available)	\$ 291,189
	<u>\$ 291,189</u>

**PROPRIETARY FUND
DETAIL STATEMENTS**

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

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

Academy Program - This fund accounts for the financial transactions related to providing academic and technical needs for high school students.

THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5 AND B-6.

**FIDUCIARY FUND
DETAIL STATEMENTS**

Fiduciary Funds are defined by GASB No. 84 as four funds. (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds.

N/A

LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit I-1

**SCHEDULE OF SERIAL BONDS
AS OF ENDED JUNE 30, 2024**

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ISSUE</u>	<u>ANNUAL MATURITIES</u>		<u>INTEREST RATE</u>	<u>BALANCE JULY 1, 2023</u>	<u>DECREASED</u>	<u>BALANCE JUNE 30, 2024</u>
			<u>DATE</u>	<u>AMOUNT</u>				
School Bonds	2/18/15	\$6,000,000	3/1/25	\$ 360,000	3.000%	\$ 4,200,000	\$ 360,000	\$ 3,840,000
			3/1/26	360,000	3.000%			
			3/1/27	360,000	3.000%			
			3/1/28	360,000	3.000%			
Total			3/1/29	360,000	3.000%			
			3/1/30	360,000	3.000%			
			3/1/31	360,000	3.000%			
			3/1/32	330,000	3.250%			
			3/1/33	330,000	3.250%			
			3/1/34	330,000	3.250%			
			3/1/35	330,000	3.250%			
						<u>\$ 4,200,000</u>	<u>\$ 360,000</u>	<u>3,840,000</u>

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Exhibit I-3

**BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND**

For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 491,025		\$ 491,025	\$ 491,025	
	491,025	-	491,025	491,025	
TOTAL REVENUES	\$ 491,025	-	\$ 491,025	\$ 491,025	
EXPENDITURES:					
Regular Debt Service:					
Interest	131,025	-	131,025	131,025	-
Redemption of Principal	360,000	-	360,000	360,000	-
Total Regular Debt Service	491,025	-	491,025	491,025	-
TOTAL EXPENDITURES	\$ 491,025	-	\$ 491,025	\$ 491,025	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	-	-	-	-	-
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance					

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Statistical Section

<u>Contents</u>	<u>Page</u>
Financial Trends (J-1 thru J-5) These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	98-103
Revenue Capacity (J-6 thru J-9) These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	104-110
Debt Capacity (J-10 thru J-13) These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and	111-114
Demographic and Economic Information (J-14 and J-15) These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	115-116
Operating Information (J-16 thru J-20) 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.	117-121

Sources:

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Net Position by Component,
Last Ten Fiscal Years

Exhibit J-1

(accrual basis of accounting)

	2015		2016		2017		2018		Fiscal Year Ending June 30,		2021		2022		2023		2024	
									2019	2020								
Governmental activities																		
Invested in capital assets, net of related debt	\$ 9,195,641	\$ 15,627,700	\$ 23,408,192	\$ 27,448,315	\$ 28,201,359	\$ 29,147,453	\$ 30,456,814	\$ 31,298,471	\$ 7,394,609	\$ 11,345,394								
Restricted	7,646,341	4,537,223	(296,966)	2,766,199	3,075,157	4,251,460	6,190,665	9,901,243	14,812,066	16,926,444								
Unrestricted	(12,997,104)	(13,115,830)	(14,491,773)	(14,755,394)	(15,015,575)	(14,678,405)	(13,998,377)	(12,996,884)	(11,688,022)	(8,796,547)								
Total governmental activities Net Position	\$ 3,844,878	\$ 7,049,093	\$ 8,619,453	\$ 15,459,120	\$ 16,260,941	\$ 18,720,508	\$ 22,649,102	\$ 28,202,830	\$ 10,518,653	\$ 19,475,291								
Business-type activities																		
Invested in capital assets, net of related debt	\$ 104,005	\$ 125,765	\$ 156,084	\$ 165,552	\$ 172,759	\$ 234,756	\$ 221,281	\$ 190,817	\$ 197,196	\$ 165,668								
Restricted	-	-	-	-	-	-	-	-	-	-								
Unrestricted	451,208	546,745	519,910	692,497	863,277	1,322,455	1,439,520	2,267,733	2,732,438	3,139,483								
Total business-type activities Net Position	\$ 555,213	\$ 672,510	\$ 675,994	\$ 858,049	\$ 1,036,036	\$ 1,557,211	\$ 1,660,801	\$ 2,458,550	\$ 2,929,634	\$ 3,305,151								
District-wide																		
Invested in capital assets, net of related debt	\$ 9,299,646	\$ 15,753,465	\$ 23,564,276	\$ 27,613,867	\$ 28,374,118	\$ 29,382,209	\$ 30,678,095	\$ 31,489,288	\$ 7,591,805	\$ 11,511,062								
Restricted	7,646,341	4,537,223	(296,966)	2,766,199	3,075,157	4,251,460	6,190,665	9,901,243	14,812,066	16,926,444								
Unrestricted	(12,545,896)	(12,569,085)	(13,971,863)	(14,062,897)	(14,152,298)	(13,355,950)	(12,558,857)	(10,729,151)	(8,955,584)	(5,657,064)								
Total district Net Position	\$ 4,400,091	\$ 7,721,603	\$ 9,295,447	\$ 16,317,169	\$ 17,296,977	\$ 20,277,719	\$ 24,309,903	\$ 30,661,380	\$ 13,448,287	\$ 22,780,442								

Source: ACFR Schedule A-1

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

Changes in Net Position, Last Ten Fiscal Years

(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
Instruction										
Regular	\$ 11,790,222	\$ 11,090,323	\$ 11,153,402	\$ 11,079,309	\$ 11,840,452	\$ 11,824,389	\$ 9,268,474	\$ 10,497,866	\$ 16,348,298	\$ 18,094,858
Special education	3,514,081	3,533,262	3,596,789	3,791,463	3,688,620	3,481,695	5,913,171	6,030,567	4,296,414	4,523,225
Other special education	1,127,423	1,157,768	1,204,604	937,894	940,510	870,212	-	-	910,896	1,219,050
Other instruction	395,931	414,379	412,248	421,608	413,568	427,261	1,275,747	993,935	586,909	605,643
Support Services:										
Tuition	2,148,659	2,192,603	2,377,397	2,431,705	2,795,698	2,616,056	2,734,279	2,842,301	3,120,536	2,879,712
Student & instruction related services	2,993,688	3,164,590	2,914,522	3,141,671	3,150,476	3,045,212	3,781,140	5,169,612	7,097,116	5,142,042
General administrative services	1,534,346	1,558,227	1,716,094	1,888,938	1,978,446	2,082,263	992,027	1,011,617	2,661,226	3,352,796
School administrative services	1,528,796	1,590,573	1,553,513	1,513,250	1,557,054	1,581,367	2,351,738	2,522,153	1,853,899	2,039,759
Plant operations and maintenance	3,411,630	3,286,059	3,648,380	3,370,141	3,524,175	3,190,033	3,080,913	3,578,253	5,067,283	5,526,142
Pupil transportation	1,821,753	1,904,265	1,906,650	2,064,094	2,008,657	2,186,392	1,761,403	2,213,845	3,539,936	3,882,649
Unallocated Employee Benefits	13,632,801	15,223,138	20,202,024	21,547,787	17,296,794	14,575,393	17,636,477	11,676,132	-	-
Interest on long-term debt	334,042	311,090	299,776	286,142	215,202	196,235	212,491	201,691	190,890	469,981
Unallocated depreciation	-	-	-	-	-	-	679,916	642,204	588,314	826,807
Total governmental activities expenses	44,233,372	45,426,277	50,975,399	52,474,002	49,409,652	46,076,508	49,687,776	47,380,176	46,261,717	48,562,664
Business-type activities:										
Food service	1,218,000	1,257,062	1,264,743	1,229,307	1,353,109	1,216,763	922,223	1,269,059	1,442,683	1,641,959
Academy Program	135,854	258,933	183,041	149,904	29,899	25,815	39,222	26,108	22,717	46,425
Internal Service Fund	8,250	8,500	8,700	8,900	9,000	9,250	-	-	-	-
Total business-type activities expense	1,362,104	1,524,495	1,456,484	1,388,111	1,392,008	1,251,828	961,445	1,295,167	1,465,400	1,688,384
Total district expenses	\$ 45,595,476	\$ 46,950,772	\$ 52,431,883	\$ 53,862,113	\$ 50,801,660	\$ 47,328,336	\$ 50,649,221	\$ 48,675,343	\$ 47,727,117	\$ 50,251,048
Program Revenues										
Governmental activities:										
Charges for services & Operating Grants:										
Instruction	\$ 6,105,854	\$ 6,044,797	\$ 5,719,957	\$ 5,545,390	\$ 6,102,700	\$ 5,626,846	\$ 2,440,290	\$ 3,272,639	\$ 471,033	\$ 367,802
Student & Related Services	833,369	807,675	688,950	619,403	395,560	1,048,765	1,107,197	1,987,629	-	-
Unallocated	-	-	-	-	-	-	12,151,290	7,134,002	-	-
Operating grants and contributions	26,905,535	23,631,220	24,303,622	33,658,419	31,359,699	29,730,835	24,842,297	28,440,348	45,475,779	45,022,888
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	33,844,758	30,483,692	30,712,529	39,823,212	37,857,959	36,406,446	40,541,074	40,834,618	45,946,812	45,390,690
Business-type activities:										
Charges for services										
Food service	250,251	237,628	246,942	229,551	229,575	139,195	13,817	7,520	241,689	111,184
Academy Program	135,854	330,150	134,055	285,842	235,946	371,815	299,443	264,154	274,699	372,036
Internal Service Fund	8,250	8,500	8,700	8,900	9,000	9,250	-	-	-	-
Operating grants and contributions	1,062,384	1,065,415	1,070,189	1,045,794	1,094,919	1,251,749	751,769	1,821,242	1,379,576	1,577,790
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	1,456,739	1,641,693	1,459,886	1,570,087	1,569,440	1,772,009	1,065,029	2,092,916	1,895,964	2,061,010
Total district program revenues	\$ 35,301,497	\$ 32,125,385	\$ 32,172,415	\$ 41,393,299	\$ 39,427,399	\$ 38,178,455	\$ 41,606,103	\$ 42,927,534	\$ 47,842,776	\$ 47,451,700
Net (Expense)/Revenue										
Governmental activities	\$ (38,487,054)	\$ (44,122,927)	\$ (46,065,095)	\$ (43,244,859)	\$ (39,578,248)	\$ (9,670,062)	\$ (9,146,702)	\$ (6,545,558)	\$ (314,905)	\$ (3,171,974)
Business-type activities	(67,756)	185,209	71,775	178,079	317,612	520,181	103,584	797,749	430,564	372,626
Total district-wide net expense	\$ (38,554,810)	\$ (43,937,718)	\$ (45,993,320)	\$ (43,066,780)	\$ (39,260,636)	\$ (9,149,881)	\$ (9,043,118)	\$ (5,747,809)	\$ 115,659	\$ (2,799,348)

-Continued-

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,									
	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	\$ 10,818,459	\$ 17,228,024	\$ 20,674,154	\$ 18,299,088	\$ 11,187,209	\$ 11,427,627	\$ 11,243,445	\$ 11,131,011	\$ 10,900,000	\$ 10,900,000
Taxes levied for debt service	549,929	690,923	775,635	771,387	767,734	753,508	523,425	512,625	501,824	491,025
Tuition Received							369,487	224,337		
Miscellaneous income	104,316	227,852	383,442	419,982	398,571	123,779	49,954	231,313	410,808	837,914
Other						(175,285)				
Transfers										
Total governmental activities	11,472,704	18,146,799	21,833,231	19,490,457	12,353,514	12,129,629	12,186,311	12,099,286	11,812,632	12,228,939
Business-type activities:										
Miscellaneous Income	88	99	82	79	555	994	6	-	559	2,891
Transfers										
Total business-type activities	88 -	99 -	82 -	79 -	555 -	994 -	6 -	- -	559	2,891
Total district-wide	38,378,327	\$ 41,778,118	\$ 46,136,935	\$ 53,148,955	\$ 43,713,768	\$ 12,130,623	\$ 12,186,317	\$ 12,099,286	\$ 11,813,191	\$ 12,231,830
Change in Net Position										
Governmental activities	\$ (5,744,688)	\$ (4,287,076)	\$ 2,891,994	\$ 13,570,628	\$ 701,048	\$ 7,871,465	\$ 3,039,609	\$ 5,553,728	\$ 11,497,727	\$ 9,056,965
Business-type activities	185,397	71,874	178,161	317,691	811,119	104,578	103,590	797,749	431,123	375,517
Total district	\$ (5,559,291)	\$ (4,215,202)	\$ 3,070,155	\$ 13,888,319	\$ 1,512,167	\$ 7,976,043	\$ 3,143,199	\$ 6,351,477	\$ 11,928,850	\$ 9,432,482

Source: ACFR Schedule A-2

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Exhibit J-3

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>Fiscal Year Ending June 30,</u>		<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
					<u>2019</u>	<u>2020</u>				
General Fund										
Reserved	\$ 1,516,799	\$ 2,451,819	\$ 2,656,728	\$ 2,470,834	\$ 2,779,792	\$ 2,558,115	\$ 5,822,853	\$ 9,540,062	\$ 13,762,491	\$ 16,386,496
Assigned	832,767	1,008,080	975,835	762,425	575,303	2,396,259	710,493	414,570	1,291,881	2,873,301
Unreserved	(1,264,483)	(1,216,613)	(1,240,021)	(1,308,142)	(1,403,310)	(1,572,340)	(940,160)	(1,306,015)	(2,275,830)	(2,554,965)
Total general fund	<u>\$ 1,085,083</u>	<u>\$ 2,243,286</u>	<u>\$ 2,392,542</u>	<u>\$ 1,925,117</u>	<u>\$ 1,951,785</u>	<u>\$ 3,382,034</u>	<u>\$ 5,593,186</u>	<u>\$ 8,648,617</u>	<u>\$ 12,778,542</u>	<u>\$ 16,704,832</u>
All Other Governmental Funds										
Reserved	\$ 5,734,409	\$ 1,658,627	\$ (3,406,455)	\$ 295,365	\$ 295,365	\$ 295,365	\$ 367,812	\$ 361,181	\$ 449,180	\$ 539,948
Unreserved, reported in:										
Special revenue fund	(86,697)	(72,248)	(76,693)	(67,802)	(69,955)	(62,413)	(71,016)	(164,781)	(244,938)	(218,714)
Capital projects fund										
Debt service fund										
Total all other governmental funds	<u>\$ 5,647,712</u>	<u>\$ 1,586,379</u>	<u>\$ (3,483,148)</u>	<u>\$ 227,563</u>	<u>\$ 225,410</u>	<u>\$ 232,952</u>	<u>\$ 296,796</u>	<u>\$ 196,400</u>	<u>\$ 204,242</u>	<u>\$ 321,234</u>

Source: ACFR Schedule B-1

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

Exhibit J-4

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues										
Tax levy	\$ 11,368,388	\$ 11,948,501	\$ 12,176,438	\$ 11,786,705	\$ 11,954,943	\$ 12,181,135	\$ 11,766,870	\$ 11,643,636	\$ 11,401,824	\$ 11,391,025
Tuition charges	833,369	807,675	688,950	619,403	395,560	1,048,765	369,487	224,337	471,033	367,802
Transportation	13,818	2,826	15,681	-	1,199	-	-	-	-	-
Miscellaneous	90,498	225,026	367,761	419,982	397,372	123,779	148,554	401,815	410,808	837,914
State sources	26,689,945	28,609,071	26,673,373	34,920,045	29,797,161	30,622,139	32,111,072	37,821,145	42,152,399	46,716,050
Federal sources	2,426,400	2,323,079	2,104,266	1,962,284	2,623,281	2,425,818	2,843,566	3,871,297	7,333,073	3,203,978
Total revenue	41,422,418	43,916,178	42,026,469	49,708,419	45,169,516	46,401,636	47,239,549	53,962,230	61,769,137	62,516,769
Expenditures										
Instruction										
Regular Instruction	11,487,364	10,796,077	10,859,450	10,784,962	11,534,394	11,518,331	9,191,472	10,353,672	12,973,589	14,031,781
Special education instruction	3,514,081	3,533,262	3,956,789	3,791,463	3,688,620	3,481,695	5,913,171	6,030,567	3,409,524	3,514,128
Other special instruction	1,127,423	1,157,768	1,204,604	937,894	940,510	870,212	-	-	722,864	947,089
Other instruction	395,931	414,379	412,248	421,608	413,568	427,261	1,275,747	993,935	465,756	470,529
Support Services and undistributed costs:										
Tuition	2,148,659	2,192,603	2,377,397	2,431,705	2,795,698	2,616,056	2,734,279	2,842,301	2,476,377	2,237,270
Student & instruction related services	2,993,688	3,164,590	2,914,522	3,141,671	3,150,476	3,045,212	3,798,312	5,196,459	7,175,180	6,653,594
School Administrative services	1,528,796	1,590,573	1,553,513	1,513,250	1,495,842	1,520,155	1,420,608	1,368,924	1,471,207	1,584,704
General administrative services	892,094	908,242	978,181	934,214	961,271	809,849	974,855	984,770	2,111,881	2,604,813
Other Administration	570,147	577,449	665,808	882,619	1,006,902	1,171,663	931,130	1,153,229		
Plant operations and maintenance	3,156,324	3,024,909	3,381,338	3,087,567	3,221,589	2,834,994	3,080,913	3,578,253	4,021,266	4,293,302
Pupil transportation	1,821,753	1,904,265	1,906,650	2,064,094	2,008,657	2,186,392	1,761,403	2,213,845	2,809,202	3,016,460
Business and other support services										
Unallocated employee benefits	9,696,957	10,201,871	11,398,858	11,512,246	12,292,976	12,355,261	13,032,186	14,457,894	15,122,912	16,087,356
Charter Schools	-	-	-	-	-	23,385	77,002	144,194	353,857	603,301
Capital outlay	1,717,805	6,157,657	7,536,257	3,806,815	483,173	733,676	505,820	1,123,861	4,015,931	1,938,135
Debt service:										
Principal	900,000	955,000	930,000	935,000	950,000	945,000	360,000	360,000	360,000	360,000
Interest and other charges	122,898	240,663	231,125	220,025	201,325	182,235	216,091	205,291	141,824	131,025
Total expenditures	41,750,680	47,046,877	50,223,614	47,613,028	44,708,632	44,721,377	45,272,989	51,007,195	57,631,370	58,473,487
Excess (Deficiency) of revenues over (under) expenditures	2,165,498	(2,020,408)	(515,195)	(2,443,512)	1,693,004	1,680,259	1,966,560	2,955,035	4,137,767	4,043,282
Net change in fund balances	\$ 8,165,498	\$ (2,020,408)	\$ (515,195)	\$ (2,443,512)	\$ 1,693,004	\$ 1,680,259	\$ 1,966,560	\$ 2,955,035	\$ 4,137,767	\$ 4,043,282
Debt service as a percentage of noncapital expenditures	2.56%	2.92%	2.72%	2.64%	2.60%	2.57%	1.29%	1.14%	0.94%	0.9%

Source: ACFR Schedule B-2

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-5

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Refund</u> <u>Prior Year</u> <u>Expenditures</u>	<u>Transportation</u> <u>Fees</u>	<u>Building</u> <u>Rentals</u>	<u>LEA</u> <u>Tuition</u>	<u>Homeless</u> <u>Tuition</u>	<u>Ticket Sales</u>	<u>Miscellaneous</u>	<u>Total</u>
2015	\$ 6,164	\$ 20,246	\$ 13,818	\$ 7,039	\$ 39,029		\$ 13,872	\$ 319	\$ 100,487
2016	8,193	13,855	2,826	7,400		\$ 185,784	7,482	478	226,018
2017	5,957	-	29,998	9,250	10,959	315,050	7,545	4,136	382,895
2018	6,785	-	-	8,550	-	339,434	13,726	26,490	394,985
2019	36,293	-	1,199	6,150	395,560	299,295	15,715	16,264	770,476
2020	69,775	-	-	4,000	474,786	573,979	16,586	32,227	1,171,353
2021	-	-	-	-	164,570	204,917	-	49,954	419,441
2022	1,021	19,743	-	6,600	115,349	108,988	-	203,949	455,650
2023	176,805	70,907	-	5,600	270,780	200,253	-	2,289	726,634
2024	487,586	2,047	-	-	103,076	264,726	-	16,456	873,891

SOURCE: District Records

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years - Township of Carneys Point

Exhibit J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities a	Net Valuation Taxable	Total Direct School Tax Rate b	Estimated Actual (County Equalized Value)
2015	\$26,564,300	\$461,614,600	\$12,886,500	\$2,021,900	\$125,265,800	\$102,986,600	26,206,500	878,744,031	\$120,401,800	\$796,031	758,342,231	\$1.233	\$684,322,638
2016	26,401,800	433,158,000	12,856,900	1,919,200	125,204,100	105,509,500	26,206,500	852,895,572	120,830,200	809,372	732,065,372	1.300	704,755,689
2017	21,466,200	410,069,400	12,732,100	2,005,300	120,308,900	105,033,200	26,206,500	820,079,300	121,457,400	800,300	698,621,900	1.411	598,782,907
2018	20,609,500	385,625,700	12,772,800	2,010,400	118,757,000	103,067,600	24,154,300	790,462,620	122,701,200	764,120	667,761,420	1.457	543,999,103
2019	20,964,800	387,022,600	12,140,900	2,002,000	121,111,000	77,067,600	24,154,300	767,977,600	123,514,400	-	644,463,200	1.508	591,467,695
2020	19,527,300	368,134,600	12,086,000	2,027,200	108,764,300	100,467,300	27,291,100	829,588,800	191,291,000	-	638,297,800	1.555	644,128,818
2021	17,728,500	378,215,600	12,008,500	2,002,900	105,557,100	100,467,300	27,291,100	835,923,800	192,652,800	-	643,271,000	1.530	637,103,152
2022	33,813,600	377,415,900	11,125,500	1,786,200	106,949,600	100,467,300	27,291,100	851,510,500	192,661,300	-	658,849,200	1.474	648,665,654
2023	37,368,300	377,214,200	10,982,800	1,760,900	109,877,100	100,536,100	27,601,500	1,025,416,600	360,075,700	-	665,340,900	1.434	663,056,654
2024	31,203,700	376,893,100	10,755,900	1,809,400	108,365,000	118,189,500	27,601,500	1,034,891,200	360,073,100	-	674,818,100	1.434	801,238,261

Source: District records Tax list summary & Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years - Borough of Penns Grove

Exhibit J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Ofarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities a	Net Valuation Taxable	Total Direct School Tax Rate b	Estimated Actual (County Equalized Value)
2015	\$3,617,500	\$134,416,600	-	-	\$33,885,400	-	3,682,500	238,320,600	\$62,718,600	-	175,602,000	\$1.226	\$167,636,422
2016	3,656,300	133,711,300	-	-	34,805,100	-	3,682,500	237,614,000	61,758,800	-	175,855,200	1.212	153,129,299
2017	3,654,400	131,674,400	-	-	32,760,400	-	3,599,400	234,537,800	62,849,200	-	171,688,600	1.280	142,314,821
2018	3,661,500	130,289,000	-	-	32,825,200	-	3,599,400	233,306,800	62,931,700	-	170,375,100	1.324	132,887,528
2019	3,465,200	127,778,200	-	-	32,691,100	-	3,270,700	230,277,600	63,072,400	-	167,205,200	1.279	125,812,792
2020	3,126,200	105,256,700	-	-	26,891,600	-	3,100,700	186,332,800	47,957,600	-	138,375,200	1.550	138,809,684
2021	2,705,400	105,077,000	-	-	25,854,700	-	3,100,700	184,893,200	48,155,400	-	136,737,800	1.547	123,264,942
2022	2,857,500	102,809,100	-	-	25,738,700	-	3,063,200	183,642,800	49,174,300	-	134,468,500	1.467	138,842,024
2023	3,004,700	103,015,700	-	-	25,106,900	-	3,063,200	183,246,900	49,056,400	-	134,190,500	1.462	139,728,563
2024	3,317,500	103,989,400	-	-	24,869,250	-	3,063,200	182,804,550	47,565,200	-	135,239,350	1.462	161,674,405

Source: District records Tax list summary & Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates - Township of Carneys Point
Last Ten Fiscal Years

Exhibit J-7

(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	Penns Grove-Carneys Point Board of Education			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Municipal	Municipal Open Space	Salem County	
2015	\$1.171	\$0.062	\$1.233	\$0.413	\$0.000	\$0.907	\$2.553
2016	\$1.237	\$0.063	\$1.300	\$0.435	\$0.001	\$0.961	\$2.697
2017	\$1.329	\$0.082	\$1.411	\$0.484	\$0.001	\$0.933	\$2.829
2018	\$1.364	\$0.093	\$1.457	\$0.529	\$0.001	\$0.949	\$2.936
2019	\$1.413	\$0.095	\$1.508	\$0.550	\$0.001	\$1.090	\$3.149
2020	\$1.458	\$0.097	\$1.555	\$0.602	\$0.001	\$1.217	\$3.375
2021	\$1.435	\$0.095	\$1.530	\$0.630	\$0.001	\$1.186	\$3.347
2022	\$1.379	\$0.095	\$1.474	\$0.668	\$0.085	\$1.175	\$3.402
2023	\$1.372	\$0.062	\$1.434	\$0.698	\$0.001	\$1.217	\$3.350
2024	\$1.338	\$0.060	\$1.398	\$0.724	\$0.001	\$1.437	\$3.560

Source: District Records and Municipal 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 prior budget year net budget by more than the spending growth limitation calculation.

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.

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

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates - Borough of Penns Grove
Last Ten Fiscal Years

Exhibit J-7

(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	Penns Grove-Carneys Point Board of Education			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Municipal	Municipal Open Space	Salem County	
2015	\$1.164	\$0.062	\$1.226	\$1.600	\$0.000	\$0.864	\$3.690
2016	\$1.153	\$0.059	\$1.212	\$1.648	\$0.000	\$0.871	\$3.731
2017	\$1.206	\$0.074	\$1.280	\$1.753	\$0.000	\$0.962	\$3.995
2018	\$1.240	\$0.084	\$1.324	\$1.812	\$0.000	\$0.912	\$4.048
2019	\$1.195	\$0.084	\$1.279	\$1.859	\$0.000	\$0.896	\$4.034
2020	\$1.450	\$0.100	\$1.550	\$2.272	\$0.000	\$1.208	\$5.030
2021	\$1.451	\$0.096	\$1.547	\$2.294	\$0.000	\$1.168	\$5.009
2022	\$1.371	\$0.096	\$1.467	\$2.363	\$0.000	\$1.114	\$4.944
2023	\$1.396	\$0.066	\$1.462	\$2.426	\$0.000	\$1.279	\$5.167
2024	\$1.386	\$0.061	\$1.447	\$2.479	\$0.000	\$1.433	\$5.359

Source: District Records and Municipal 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 prior budget year net budget by more than the spending growth limitation calculation.

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.

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

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Principal Property Tax Payers- Township of Carneys Point
Current Year and Nine Years Ago

Exhibit J-8

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
The Chemours % Chambers Cogen Ltd.	\$ 41,750,000	1	6.19%	INFORMATION NOT AVAILABLE		
McLane New Jersey, Inc.	27,900,000	2	4.13%			
The Chemours Co. FC, LLC	24,381,000	3	3.61%			
PHI Service Co % Connective Real Estate	12,900,000	4	1.91%			
RBA Assoc. LLC C/O Switzenbaum	11,650,000	5	1.73%			
Sandy Ridge Apartments, LLC	8,670,000	6	1.28%			
Delaware River Bay Authority	8,200,000	7	1.22%			
CFJ Properties % Pilot Travel #688	7,480,800	8	1.11%			
Southgate Realty LLC	7,159,500	9	1.06%			
Meriod Gardens Assisted Living Co.	4,933,000	10	0.73%			
Total	\$ 155,024,300		22.97%	\$ -		0.00%

Source: District ACFR & Municipal Tax Assessor

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Principal Property Tax Payers- Borough of Penns Grove
Current Year and Nine Years Ago

Exhibit J-8

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Incollingo's Penn Grove Properties	\$ 2,028,100	1	1.50%	INFORMATION NOT AVAILABLE		
NJEC Assoc % Walgreens Real Estate	1,928,000	2	1.43%			
Rite Aid of New Jersey	1,890,600	3	1.40%			
Argyosomus LLC	1,476,000	4	1.09%			
Spirit Master Funding VII LLC	1,407,500	5	1.04%			
Realty Inc Property	1,181,000	6	0.87%			
99 Regional LLC	998,400	7	0.74%			
Jaz Assets, LLC	958,900	8	0.71%			
Salem Day Care Realty, LLC	838,300	9	0.62%			
Bell Atlantic % Duff & Phelps	708,600	10	0.52%			
Total	<u>\$ 13,415,400</u>		<u>9.92%</u>	<u>\$ -</u>		<u>0.00%</u>

Source: District ACFR & Municipal Tax Assessor

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$11,642,325	\$11,392,113	97.85%	\$250,212
2016	11,952,939	11,707,165	97.94%	245,774
2017	12,209,206	11,969,226	98.03%	239,980
2018	11,786,705	11,786,705	100.00%	-
2019	11,954,943	11,954,943	100.00%	-
2020	12,181,135	12,181,135	100.00%	-
2021	11,766,870	11,766,870	100.00%	-
2022	11,766,870	11,766,870	100.00%	-
2023	11,401,824	11,401,824	100.00%	-
2024	11,391,025	11,391,025	100.00%	-

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

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

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2015	\$ 9,995,000	-	-	-	-	\$ 9,995,000	1.74%	\$221.49	
2016	9,040,000	-	-	-	-	9,040,000	1.56%	196.85	
2017	8,110,000	-	-	-	-	8,110,000	1.36%	170.79	
2018	7,175,000	-	-	-	-	7,175,000	1.13%	141.81	
2019	6,225,000	-	-	-	-	6,225,000	0.92%	114.06	
2020	5,280,000	-	-	-	-	5,280,000	0.74%	91.75	
2021	4,920,000	-	-	-	-	4,920,000	0.63%	85.50	
2022	4,560,000	-	-	-	-	4,560,000	0.59%	79.24	
2023	4,200,000	-	-	-	-	4,200,000	0.54%	72.98	
2024	3,840,000	-	-	-	-	3,840,000	0.52%	70.78	

*

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

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

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

b Includes Early Retirement Incentive Plan (ERIP) refunding

* Current data unavailable

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Exhibit J-11

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2015	\$ 9,995,000	-0-	\$ 9,995,000	1.17%	\$787
2016	9,040,000	-0-	9,040,000	1.05%	717
2017	8,110,000	-0-	8,110,000	1.09%	647
2018	7,175,000	-0-	7,175,000	1.06%	574
2019	6,225,000	-0-	6,225,000	0.87%	499
2020	5,280,000	-0-	5,280,000	0.74%	429
2021	4,920,000	-0-	4,920,000	0.62%	395
2022	4,560,000	-0-	4,560,000	0.57%	336
2023	4,200,000	-0-	4,200,000	0.53%	311
2024	3,840,000	-0-	3,840,000	0.47%	284

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

a See Exhibit NJ J-6 for property tax data.

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

R Revised

* Current data unavailable

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2024

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Constituent Municipalities	\$ 8,593,318	100%	\$ 8,593,318
Other debt			
Salem County	74,157,128	16.45%	<u>12,199,168</u>
Subtotal, overlapping debt			20,792,486
Penns Grove-Carneys Point Regional School District Direct Debt	3,840,000	100%	<u>3,840,000</u>
Total direct and overlapping debt			<u><u>\$ 24,632,486</u></u>

Sources: Constituent Municipalities Finance Officer, Salem County Finance Office and Utility Authorities

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.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Legal Debt Margin Information,
Last Ten Fiscal Years

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2024

	Equalized valuation basis
	2021 \$ 787,507,181
	2022 939,602,865
	2023 1,102,391,925
	[A] \$ 2,829,501,971
Average equalized valuation of taxable property	[A/3] \$ 943,167,324
Debt limit (3.5 % of average equalization value) a	[B] 33,010,856
Net bonded school debt	[C] 3,840,000
Legal debt margin	[B-C] \$ 29,170,856

	Fiscal Year									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt limit	\$34,559,511	\$34,559,511	\$34,559,511	\$34,559,511	\$29,443,364	\$30,124,797	\$27,246,129	\$27,183,480	\$28,779,686	\$33,010,856
Total net debt applicable to limit	<u>9,995,000</u>	<u>9,040,000</u>	<u>8,110,000</u>	<u>7,175,000</u>	<u>6,225,000</u>	<u>5,280,000</u>	<u>4,920,000</u>	<u>4,560,000</u>	<u>4,200,000</u>	<u>3,840,000</u>
Legal debt margin	<u>\$24,564,511</u>	<u>\$25,519,511</u>	<u>\$26,449,511</u>	<u>\$27,384,511</u>	<u>\$23,218,364</u>	<u>\$24,844,797</u>	<u>\$22,326,129</u>	<u>\$22,623,480</u>	<u>\$24,579,686</u>	<u>\$29,170,856</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	14.59%	11.63%

Source: Equalized valuation bases were obtained from the annual report of the State of New Jersey, Department of Treasury, Division of Taxation.

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

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Exhibit J-14

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income (thousands of dollars) ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2015	12,818	\$ 571,375,168	\$44,576 R	8.6%
2016	12,698	\$ 573,009,948	\$45,126 R	7.6%
2017	12,614	\$ 579,272,722	\$45,923 R	7.2%
2018	12,553	\$ 596,079,205	\$47,485 R	6.4%
2019	12,516	\$ 633,272,052	\$50,597 R	6.1%
2020	12,423	\$ 678,022,494	\$54,578 R	11.0%
2021	12,444	\$ 716,114,868	\$57,547 R	9.5%
2022	13,566	\$ 780,682,602	\$54,250 R	5.7%
2023	13,517	\$ 777,862,799	\$54,250 *	7.2%
2024	13,505	\$ 732,646,250	\$54,250 *	*

Source:

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

^b Personal income provided by US Dept Commerce

^c Per Capita provided by NJ Dept of Labor

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

R Revised

P Projected

* Current data unavailable

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Principal Employers,
Current Year and Nine Years Ago

Exhibit J-15

<u>Employer</u>	<u>2024</u>			<u>2015</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>
PSE&G	1,500	1	N/A			
EI DuPont	800	2	N/A			
Mannington Mills	720	3	N/A			
Memorial Hospital of Salem Co.	685	4	N/A	INFORMATION NOT AVAILABLE		
Atlantic City Electric	401	5	N/A			
RE Peirson Construction	400	6	N/A			
Anchor Glass	400	7	N/A			
McLane NJ	376	8	N/A			
Elmer Hospital	275	9	N/A			
Walmart	250	10	N/A			
	<u>5,807</u>			<u>-</u>		

Source: Salem County Office of Economic Development
and Employer Directly

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

Exhibit J-16

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Instruction										
Regular	149.0	147.0	142.0	140.0	144.0	146.0	129.0	129.0	148.0	139.0
Special education	42.0	41.0	39.0	38.0	40.0	40.0	56.9	56.9	40.0	48.0
Other special education	27.0	30.0	31.0	30.0	25.0	25.0	29.1	29.1	8.0	13.0
Other Instruction	32.0	33.0	12.0	17.0	10.0	10.0	9.9	9.9	20.0	12.0
Support Services:										
Student & instruction related services	21.0	21.0	21.0	23.0	23.0	20.0	31.0	31.0	25.0	30.0
General administrative services	9.0	10.0	9.0	10.0	10.0	11.0	16.0	16.0	14.0	22.0
School administrative services	23.0	22.0	21.0	21.0	20.0	20.0	18.0	18.0	20.0	16.0
Business administrative services	5.0	5.0	4.0	5.0	5.0	5.0	4.0	4.0	5.0	7.0
Plant operations and maintenance	54.0	46.0	37.0	37.0	35.0	36.0	31.0	31.0	46.0	42.0
Pupil transportation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Food Service:	30.0	34.0	32.0	29.0	31.0	29.0	15.6	15.6	25.0	22.0
Total	393.0	390.0	349.0	351.0	344.0	343.0	341.5	341.5	352.0	352.0

Source: District Personnel Records

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years

Exhibit J-17

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
						Lafayette Pershing Elementary	Field Street Elementary	Paul W. Carleton Elementary	Middle School	High School				
2015	2,289	\$ 36,226,675	\$ 15,826	2.88%	208	12.8	12.0	10.4	9.1	8.9	2,287.3	2,122.2	-2.31%	92.8%
2016	2,212	36,530,271	16,515	4.35%	197	13.2	12.1	10.8	9.1	9.8	2,206.3	2,058.5	-3.54%	93.3%
2017	2,160	38,440,652	17,797	7.76%	186	13.2	12.1	10.8	9.1	9.8	2,143.5	2,001.4	-2.85%	93.4%
2018	2,057	38,911,116	18,916	6.29%	186	13.5	12.1	12.1	10.1	9.1	2,156.5	2,018.1	0.61%	93.6%
2019	2,170	40,236,916	18,542	-1.98%	207	12.0	10.7	12.0	9.7	9.3	2,169.9	2,029.8	0.62%	93.5%
2020	2,171	39,949,060	18,401	-0.76%	186.0	10.9	12.8	12.2	12.2	11.4	2,212.7	2,122.8	1.97%	95.9%
2021	2,188	40,597,951	18,555	0.83%	186.0	14.3	13.8	13.1	13.0	11.6	2,184.7	2,020.9	-1.27%	92.5%
2022	2,188	44,633,830	20,399	9.94%	186.0	14.3	13.8	13.1	13.0	11.6	2,184.7	2,020.9	0.00%	92.5%
2023	2,167	53,113,615	24,510	20.15%	193.0	8.1	11.8	12.1	11.4	12.2	2,153.0	1,981.0	-1.45%	92.0%
2024	2,171	56,044,327	25,815	5.32%	212.0	10.4	10.3	10.7	10.0	10.0	2,191.8	2,019.0	1.80%	92.1%

Sources: District records and ASSA Schedules

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
- 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).

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

Exhibit J-18

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>District Buildings</u>										
<u>Elementary Schools:</u>										
Lafayette-Pershing (1991):										
Square Feet	47,470	47,470	47,470	47,470	47,470	47,470	47,470	47,470	47,470	47,470
Capacity (Students)	400	400	400	400	400	400	400	400	400	400
Enrollment	350	350	304	316	324	324	271	271	259	
Field Street (1955):										
Square Feet	67,901	67,901	67,901	67,901	67,901	67,901	67,901	67,901	67,901	67,901
Capacity (Students)	489	489	489	489	489	489	489	489	489	489
Enrollment	547	547	530	504	493	493	496	496	495	
Paul W. Carleton (1951):										
Square Feet	53,115	53,115	53,115	53,115	53,115	53,115	53,115	53,115	53,115	53,115
Capacity (Students)	369	369	369	369	369	369	369	369	369	369
Enrollment	312	312	328	247	362	362	328	328	338	
<u>Middle School:</u>										
Penns Grove Middle School (1935):										
Square Feet	85,540	85,540	85,540	85,540	85,540	85,540	85,540	85,540	85,540	85,540
Capacity (Students)	541	541	541	541	541	541	541	541	541	541
Enrollment	485	485	444	463	468	468	535	535	478	
<u>High School:</u>										
Penns Grove High School (1971):										
Square Feet	166,000	166,000	166,000	166,000	166,000	166,000	166,000	166,000	166,000	166,000
Capacity (Students)	990	990	990	990	990	990	990	990	990	990
Enrollment	544	544	519	504	523	524	558	558	597	
<u>Administration Building:</u>										
Square Feet	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850

Number of Schools at June 30, 2024

Source: District records, ASSA

Elementary School = 3

Middle School = 1

High School = 1

Other = 1

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

* Functional Educational Capacity. Fluctuation in capacity based on change in State of New Jersey formula.

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
Last Ten Fiscal Years Ending June 30, 2024

Exhibit J-19

UNDISTRIBUTED EXPENDITURES - REQUIRED
 MAINTENANCE FOR SCHOOL FACILITIES
 11-000-261-xxx

<u>School Facilities</u>	<u>Project #</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>Total</u>
Penns Grove High School		\$ 99,482	\$ 95,285	\$ 139,153	\$ 96,025	\$ 76,369	\$ 57,009	\$ 73,848	\$ 158,747	\$ 157,097	\$ 150,451	\$ 1,103,466
Penns Grove Middle School		97,369	39,016	135,689	24,732	104,031	28,265	40,156	58,597	57,731	55,288	640,874
Paul W. Carleton School		34,679	37,958	38,698	26,736	48,046	18,207	26,324	48,158	47,584	45,571	371,961
Field Street School		30,521	35,080	93,009	64,966	66,098	19,959	31,578	25,565	25,192	24,126	416,093
Lafayette-Pershing School		24,385	25,932	56,874	40,266	62,624	23,557	21,245	27,596	27,291	26,136	335,906
<hr/>												
Total School Facilities		286,436	233,271	463,423	252,725	357,168	146,997	193,151	318,663	314,894	301,572	2,868,300
Other Facilities		8,908	7,375	4,104	2,768	15,441	1,094	24,874	35,474	34,988	33,508	168,534
<hr/>												
Grand Total		\$ 295,344	\$ 240,646	\$ 467,527	\$ 255,493	\$ 372,609	\$ 148,091	\$ 218,025	\$ 354,137	\$ 349,882	\$ 335,080	\$ 3,036,834

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

INSURANCE SCHEDULE

June 30, 2024

UNAUDITED

Exhibit J-20

<u>POLICY TYPE</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
PROPERTY SECTION -		
Property-Blanket Building and Contents	\$ 175,000,000	
GCSSDJIF Self insured retention	250,000	
Member District Deductible		\$ 500
Property Valuation:		
Buildings and Contents	Replacement Cost	
Contractors Equipment	Actual Cash Value	
Automobiles	Replacement Cost	
BOILER AND MACHINERY		
Limits of Liability	125,000,000	
GCSSDJIF Self insured retention	None	
Member District Deductible		1,000
GENERAL AND AUTOMOBILE LIABILITY SECTION -		
Limits of Liability	20,000,000	None
GCSSDJIF Self insured retention	250,000	
WORKERS' COMPENSATION -		
Limits of Liability	Statutory	None
GCSSDJIF Self insured retention	250,000	
SCHOOL BOARD LEGAL LIABILITY POLICY -		
Limits of Liability	20,000,000	
GCSSDJIF Self insured retention	175,000	None
CRIME -		
Limits of Liability	500,000	
GCSSDJIF Self insured retention	250,000	500
ENVIRONMENTAL IMPAIRMENT LIABILITY		
Limits of Liability	3,000,000	
GCSSDJIF Self insured retention	None	
Member District Deductible		25,000
Member District Deductible-Mold Incident		100,000-250,000
INDIVIDUAL BONDS: (Selective Insurance Co.)		
Christopher Destratis, Business Administrator	275,000	None

SOURCE: District Records

Single Audit Section

ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
 Frenchtown, New Jersey 08825-1192
 908-996-4711 Fax: 908-996-4688
 e-mail: anthony@arditoandcompany.com

Anthony Arditto, CPA, RMA, CMFO, PSA



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

Independent Auditor's Report

Honorable President and
 Members of the Board of Education
 Penns Grove-Carneys Point Regional School District
 County of Salem
 Penns Grove, New Jersey 08069

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Penns Grove-Carneys Point Regional School District Board of Education in the County of Salem, State of New Jersey, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Penns Grove-Carneys Point Regional School District Board of Education's basic financial statements, and have issued our report thereon dated December 16, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

-Continued-

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 an instance of noncompliance or other matters that are required to be reported under **Government Auditing Standards** or audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey in the accompanying schedule of findings and questioned costs as item 2024-001.

We noted certain matters that we reported to management of the Penns Grove-Carneys Point Regional School District, in a separate letter dated December 16, 2024 entitled "Auditor's Management Report on Administrative Findings".

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 for New Jersey Department of Education use, 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.

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey

December 16, 2024

Anthony Ardito

Anthony Ardito

Certified Public Accountant

Licensed Public School Accountant No. 2369

ARDITO & COMPANY LLC

Frenchtown, New Jersey

December 16, 2024



ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
 Frenchtown, New Jersey 08825-1192
 908-996-4711 Fax: 908-996-4688
 e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance and New Jersey OMB circular 15-08

Honorable President and
 Members of the Board of Education
 Penns Grove-Carneys Point Regional School District
 County of Salem
 Penns Grove, New Jersey 08069

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Penns Grove-Carneys Point Regional School District Board of Education's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2024. The Penns Grove-Carneys Point Regional School District 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 Penns Grove-Carneys Point Regional School District 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards, the Uniform Guidance, and New Jersey OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

-Continued-

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with Uniform Guidance, and New Jersey OMB Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs as item 2024-002. Our opinion on each major federal and state program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

-Continued-

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

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

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

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

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey
December 16, 2024

Anthony Ardito

Anthony Ardito
Certified Public Accountant
Licensed Public School Accountant No. 2369

ARDITO & COMPANY LLC

Frenchtown, New Jersey
December 16, 2024

Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2024

Schedule A

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	FAIN Number	Program or Award Amount	Grant Period		Balance At June 30, 2023	Carryover/Walkover Amount	Cash Received	Budgetary Expend.	Adjust.	Repayment of Prior Years' Balances	Balance at June 30, 2024			Cumulative Total Expenditures
				From	To							Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Department of Health and Human Services															
Passed-through State Department of Human Services:															
General Fund:															
Medical Assistance Program (SEMI)	93.778	2305NJ5MAP	\$ 53,344	7/1/23	6/30/24	\$ (19,524)		\$ 53,344	\$ (53,344)	\$ 19,524					\$ 53,344
Total General Fund						(19,524)		53,344	(53,344)	19,524					53,344
U.S. Department of Education															
Passed-through State Department of Education:															
Special Revenue Fund:															
IDEA Part B, Basic Regular	84.027	H027A230100	673,404	7/1/23	6/30/24	(516,895)		565,363	(246,387)		\$ (197,919)				246,387
IDEA Part B, Preschool	84.173	H173A230114	25,522	7/1/23	6/30/24	(25,402)		25,402	(23,925)		(23,925)				23,925
American Rescue Plan-IDEA Basic	84.027X	H027X230100	127,213	3/13/20	9/30/24	(127,213)		127,213	-		-				127,213
American Rescue Plan-IDEA Preschool	84.173X	H173X230100	10,777	3/13/20	9/30/24	(10,777)		10,777	-		-				10,777
Special Education Cluster						(680,287)		728,755	(270,312)		-	(221,844)			408,302
Title I	84.010	S010A230030	1,113,495	7/1/23	6/30/24	(568,170)		1,204,253	(982,823)	(135)		(346,875)			982,823
Title I SIA	84.010	S010A230030	120,100	7/1/23	6/30/24	(23,704)		87,833	(83,051)			(18,922)			83,051
Title I Cluster						(591,874)		1,292,086	(1,065,874)	(135)		(365,797)			1,065,874
Title II Part A	84.367	S367A230027	116,637	7/1/23	6/30/24	(79,239)		205,945	(165,548)			(38,842)			165,548
Title III	84.365	S365A230030	56,243	7/1/23	6/30/24	(44,395)		108,056	(80,185)			(16,524)			80,185
Title III Immigrant	84.365	S365A230030	7,459	7/1/23	6/30/24	(8,940)		8,940	(5,203)			(5,203)			5,203
Title IV	84.424A	S424A230027	75,725	7/1/23	6/30/24	(38,691)		97,701	(77,444)			(18,434)			77,444
Total Other ESEA						(171,265)		420,642	(328,380)			(79,003)			328,380
American Rescue Plan-ESSER III	84.425U	S425U230027	8,639,831	3/13/20	9/30/24	(624,732)			(2,318,929)	2,451		(2,941,210)			4,999,065
American Rescue Plan-Accel. Learn. Coaching & Ed. Support	84.425U	S425U230027	252,392	3/13/20	9/30/24	-		55,143	(162,028)			(106,885)			162,028
American Rescue Plan-Evidence Based Summer Learning	84.425U	S425U230027	40,000	3/13/20	9/30/24	(1,725)			-			(1,725)			1,725
American Rescue Plan-Evidence Based Beyond the Sch. Day	84.425U	S425U230027	40,000	3/13/20	9/30/24	-			(39,502)			(39,502)			39,502
American Rescue Plan-NJTSS Mental Health Support Staffing	84.425U	S425U230027	45,000	3/13/20	9/30/24	-		16,000	(34,345)			(18,345)			34,345
American Rescue Plan-Homeless	84.425U	S425U230027	71,900	3/13/20	9/30/24	(36,581)		45,598	(9,970)			(953)			48,021
CRRSA ESSER II	84.425D	S425D230027	3,844,307	3/13/20	9/30/23	(1,757,630)		1,757,630	-			-			3,844,307
CRRSA Learning	84.425D	S425D230027	246,708	3/13/20	9/30/23	(49,863)		203,360	(153,497)			-			246,708
CRRSA Mental Health	84.425D	S425D230027	45,000	3/13/20	9/30/23	(9,167)		9,167	-			-			45,000
Total Education Stabilization Fund						(2,479,698)		2,086,898	(2,718,271)	2,451		(3,108,620)			9,420,701
Total Special Revenue Fund						(3,923,124)		4,528,381	(4,382,837)	2,316		(3,775,264)			11,233,748
U.S. Department of Agriculture															
Passed-through State Department of Agriculture:															
Enterprise Fund:															
Child Nutrition Cluster:															
National School Lunch Program (Food Distribution)	10.555	231NJ304N1199	105,441	7/1/22	6/30/23	14,088			(14,088)						105,441
National School Lunch Program (Food Distribution)	10.555	241NJ304N1199	120,123	7/1/23	6/30/24			120,123	(96,713)			\$ 23,410			96,713
School Breakfast Program	10.553	231NJ304N1199	333,576	7/1/22	6/30/23	(19,132)		19,132							333,576
School Breakfast Program	10.553	241NJ304N1199	368,105	7/1/23	6/30/24			300,950	(368,105)			(67,155)			368,105
National School Lunch Program	10.555	231NJ304N1199	847,619	7/1/22	6/30/23	(45,695)		45,695							847,619
National School Lunch Program	10.555	241NJ304N1199	911,316	7/1/23	6/30/24			741,194	(911,316)			(170,122)			911,316
Summer Food Service Program for Children (SFSP)	10.559	241NJ304N1199	10,241	7/1/23	6/30/24			10,241	(10,241)						10,241
Fresh Fruits and Vegetables	10.582	241NJ304L1603	35,481	7/1/23	6/30/24			35,481	(35,481)						35,481
Supply Chain Assistance Funding	10.555	241NJ344N8903	53,717	7/1/23	6/30/24			53,717	(53,717)						53,717
Total Child Nutrition Cluster						(50,739)		1,326,533	(1,489,661)			(237,277)	23,410		2,762,209
After School Snacks Area Eligible	10.558	231NJ304N1199	31,437	7/1/22	6/30/23	(506)		506							31,437
After School Snacks Area Eligible	10.558	241NJ304N1199	31,909	7/1/23	6/30/24			28,453	(31,909)			(3,456)			31,909
P-EBT Administrative Cost	10.649	242222S900941	3,256	7/1/23	6/30/24			3,256	(3,256)						
Local Food for Schools Cooperative Agreement Program	10.185	Not Available	3,422	7/1/23	6/30/24			3,422	(3,422)						
Total Other Programs						(506)		35,637	(38,587)			(3,456)			63,346
Total Enterprise Fund						(51,245)		1,362,170	(1,528,248)			(240,733)	23,410		2,825,555
Total Federal Financial Awards						\$(3,993,893)		\$ 5,943,895	\$ (5,964,429)	\$ 21,840		-\$ (4,015,997)	\$ 23,410		-\$14,112,647

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

PENNS GROVE-CARNEYS POINT REGIONAL SCHOOL DISTRICT

K-4

Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2024

Schedule B

STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE 6/30/2023	CARRY- OVER AMOUNT	CASH RECEIVED	BUDGET. EXPEND.	ADJUST.	REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE AT JUNE 30, 2024			MEMO		
										(ACCTS. RECEIV.)	DEFER. REVENUE/ INTERFUND PAYABLE	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPEND.	
State Department of Education:															
General Fund:															
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	\$ 32,991,560			\$32,991,560	\$(32,991,560)							\$ 3,243,263	\$ 32,991,560
Transportion Aid	24-495-034-5120-014	7/1/23-6/30/24	761,052			761,052	(761,052)							74,816	761,052
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	1,222,614			1,222,614	(1,222,614)							120,190	1,222,614
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	785,483			785,483	(785,483)							77,218	785,483
Extra-Ordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	378,569							\$ (378,569)					378,569
Extra-Ordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	334,744	\$(334,744)		334,744	-								334,744
Non-Public Transportation Aid	24-100-034-5120-068	7/1/23-6/30/24	9,100				(9,100)				(9,100)				9,100
Non-Public Transportation Aid	23-100-034-5120-068	7/1/22-6/30/23	5,928	(5,928)		5,928									5,928
On-behalf TPAF Pension	24-495-034-5094-002	7/1/23-6/30/24	5,930,915			5,930,915	(5,930,915)								5,930,915
On-behalf TPAF Pension PMR	24-495-034-5094-001	7/1/23-6/30/24	1,614,178			1,614,178	(1,614,178)								1,614,178
On-behalf TPAF Pension LTD Ins	24-495-034-5094-004	7/1/23-6/30/24	2,647			2,647	(2,647)								2,647
Reimb.TPAF Soc.Sec.Contrib.	24-495-034-5094-003	7/1/23-6/30/24	1,247,767	(116,884)		1,303,638	(1,247,767)				(61,013)				1,247,767
Total General Fund				(457,556)		44,952,759	(44,943,885)				(448,682)			3,515,487	45,284,557
Special Revenue Fund:															
Preschool Education Aid	24-495-034-5124-086	7/1/23-6/30/24	2,187,145	913,641		2,187,145	(2,152,652)	-			\$ 948,134			218,714	2,152,652
N.J. Nonpublic Aid:															
Textbook Aid	24-100-034-5120-064	7/1/23-6/30/24	578			578					- \$ 578				-
Nursing Services Aid	24-100-034-5120-070	7/1/23-6/30/24	8,400			8,400					- 8,400				-
Technology Initiative	24-100-034-5120-373	7/1/23-6/30/24	490			490					- 490				-
Security Aid	24-100-034-5120-509	7/1/23-6/30/24	14,350			14,350					- 14,350				-
Total Special Revenue Fund				913,641		2,210,963	(2,152,652)	-	-	-	948,134	23,818		218,714	2,152,652
Capital Projects Fund:															
Penns Grove High School Renovation	4070-050-14-1002	Project Complete	2,826,393	(2,826,393)							(2,826,393)				-
Paul W. Carlton ES Renovation	4070-050-14-1003	Project Complete	346,651	(346,561)							(346,561)				-
Paul W. Carlton HVAC	4070-050-14-1004	Project Complete	706,345	(141,269)							(141,269)				-
Field Street ES Renovation	4070-050-14-1006	Project Complete	397,525	(397,525)							(397,525)				-
Penns Grove MS Renovation	4070-050-14-1008	Project Complete	3,999,008	(3,513,251)							(3,513,251)				-
Penns Grove MS Roof Replacement	4070-050-14-1009	Project Complete	9,884	(9,884)							(9,884)				-
Penns Grove MS HVAC	4070-050-14-1010	Project Complete	44,240	(44,240)							(44,240)				-
Penns Grove MS HVAC - Admin Office	4070-050-14-1011	Project Complete	771	(771)							(771)				-
Total Capital Projects Fund				(7,279,894)		-	-	-	-	-	(7,279,894)	-	-	-	-
State Department of Agriculture:															
Enterprise Fund:															
Nat. School Lunch Prog. (State Share)	24-100-010-3350-023	7/1/23-6/30/24	49,542			40,447	(49,542)				(9,095)				49,542
Nat. School Lunch Prog. (State Share)	23-100-010-3350-023	7/1/21-6/30/23	42,922	(2,302)		2,302									42,922
Total Enterprise Fund				(2,302)		42,749	(49,542)				(9,095)				92,464
Total State Financial Assistance				\$ (6,826,111)		\$47,206,471	\$ (47,146,079)	-	-	\$ (7,737,671)	\$ 948,134	23,818		\$ 3,734,201	\$ 47,529,673
Less On-behalf TPAF Pension Amounts:															
On-behalf TPAF Pension	24-495-034-5094-002	7/1/23-6/30/24	5,930,915				5,930,915								
On-behalf TPAF Pension PMR	24-495-034-5094-001	7/1/23-6/30/24	1,614,178				1,614,178								
On-behalf TPAF Pension LTD Ins	24-495-034-5094-004	7/1/23-6/30/24	2,647				2,647								
Total State Expenditures Subject to Major Program Determination							\$ (39,598,339)								

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

NOTES TO THE SCHEDULES OF STATE FINANCIAL ASSISTANCE

JUNE 30, 2024

NOTE 1. GENERAL

The accompanying schedule of expenditures of federal awards and state financial assistance includes federal and state award activity of the Penns Grove-Carneys Point Regional School District Board of Education. 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 basis of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and NJ OMB 15-08*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE 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*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$406,711) for the general fund and (\$1,205,979) for the special revenue fund. See Exhibit 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 presented on the following page:

NOTES TO THE SCHEDULES OF STATE FINANCIAL ASSISTANCE

JUNE 30, 2024

NOTE 3. (Continued)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 53,344	\$ 44,537,174	\$ 44,590,518
Special Revenue Fund	3,150,634	2,178,876	5,329,510
Food Service Fund	<u>1,528,248</u>	<u>49,542</u>	<u>1,577,790</u>
Total Financial Assistance	<u>\$ 4,732,226</u>	<u>\$ 46,765,592</u>	<u>\$ 51,497,818</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 employer's share of social security contributions for TPAF members for the year ended June 30, 2024.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section I - Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? ___ Yes x No

2) Were significant deficiencies identified that were not considered to be material weaknesses? ___ Yes x None Reported

Noncompliance material to financial statements noted? x Yes ___ No

Federal Awards

Internal control over major programs:

1) Material weakness(es) identified? ___ Yes x No

2) Were significant deficiencies identified that were not considered to be material weaknesses? ___ Yes x None

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? x Yes ___ No

Identification of major programs:

<u>Assistance Listing</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>Special Education Cluster:</u>		
<u>84.027</u>	<u>H027A230100</u>	<u>IDEA Part B, Basic Regular</u>
<u>84.173</u>	<u>H173A230114</u>	<u>IDEA Part B, Preschool</u>
<u>Education Stabilization Fund:</u>		
<u>84.425D</u>	<u>S425D230027</u>	<u>Coronavirus Response and Relief - CRRSA</u>
<u>84.425U</u>	<u>S425U230027</u>	<u>American Rescue Plan - ESSER</u>

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

Auditee qualified as low-risk auditee? ___ Yes x No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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

State Financial Assistance Section

Dollar threshold used to distinguish between Type A and Type B programs: \$ 1,185,363

Auditee qualified as low-risk auditee? ___ Yes x No

Internal Control over major programs:
1) Material weakness(es) identified? ___ Yes x No

2) Were significant deficiencies identified that were not considered to be material weaknesses? ___ Yes x None

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

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular letter 15-08 as applicable? ___ Yes x No

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

24-495-034-5120-078

Equalization Aid (State Aid Cluster)

24-495-034-5120-089

Special Education Aid (State Aid Cluster)

24-495-034-5120-084

Security Aid (State Aid Cluster)

24-495-034-5120-014

Transportation Aid

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section II-Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting.

Financial Statement

Finding 2024-001

Criteria or Specific Requirement:

The District should evaluate collectability of all accounts receivable.

Condition:

The District has grant accounts receivable with the State of New Jersey within the Capital Projects Fund of over \$7 million that has been outstanding for over 5 years.

Context:

The aged accounts receivable of \$7,279,894 comprises 22.8% of governmental fund assets.

Effect:

The District continues the need to issue Grant Anticipation Notes due to the receivables not yet being collected.

Cause:

High amount of turnover in the business office in past years.

Recommendation:

The District should take all appropriate action to collect the outstanding state grants accounts receivable on a timely basis.

Views of management and planned corrective actions:

The responsible officials agree with the finding and will address the matter as part of their corrective action. Management also states that collection progress is being made as contacts with the NJ SDA have been established .

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and NJOMB Circular Letter 15-08, as applicable.

State Awards N/A

Federal Awards

Finding 2024-002

Criteria or Specific Requirement:

United States Department of Agriculture (USDA) requires that net cash resources for the Child Nutrition Program not exceed three months average expenditures in the food service fund.

Condition:

Net cash resources exceeded three months average expenditures.

Questioned Costs:

N/A

Context:

Net cash resources of \$1,331,555 exceeded three months average expenditures of \$483,129 by \$848,426.

Effect:

Excess profits retained in the food service fund.

Cause:

Low levels of capital investment over the past five years, increased subsidy rates at the "free" rate of reimbursement for all meals for all children under the age of 18 during COVID-19, additional COVID-19 assistance funds, and supply chain restraints for capital investment.

Recommendation:

The District should reduce net cash resources by purchasing needed equipment, improve food quality, or take other actions to eliminate the excess cash resources in the food service fund.

Views of management and planned corrective actions:

The District plans to reduce net cash resources by investing in capital equipment where necessary and allocating direct cost overhead expenditures.

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

STATUS OF PRIOR YEAR FINDINGS

In accordance with *government auditing standards* , our procedures included a review of all prior year recommendations. All prior year findings are repeated in the current year as finding 2024-001 and 2024-002.