

**SCHOOL DISTRICT  
OF  
STOW CREEK TOWNSHIP**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**of the**

**Stow Creek Township Board of Education**

**Cumberland, New Jersey**

**For the Fiscal Year Ended June 30, 2024**

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**of the**

**Stow Creek Township Board of Education**

**Cumberland, New Jersey**

**For the Fiscal Year Ended June 30, 2024**

**Prepared by**

**Stow Creek Township Board of Education**

**Finance Department**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
OF THE STOW CREEK TOWNSHIP SCHOOL DISTRICT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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## **INTRODUCTORY SECTION**

# *Stow Creek Township School District*

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BUSINESS OFFICE TEL (856) 299-4240

BRIDGETON, NJ 08302-8951  
FAX (856) 455-0833  
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**Fred Hovermann**  
Board President

**Brandon Cobb**  
Chief School Administrator

**Kim Fleetwood**  
Board Secretary/School  
Business Administrator

December 6, 2024

Honorable President and  
Members of the Board of Education  
Stow Creek Township School District  
Cumberland County, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Stow Creek Township 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 Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, the financial position and results of operations of the various funds of the District. All disclosures that we feel are necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), "Audits of States, Local Governments, and Non-Profit Organizations" and the State Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

**1. REPORTING ENTITY AND ITS SERVICES:**

Stow Creek Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the district is organized on a basis of governmental, business-type and fiduciary funds, which are all included in this report. The Stow Creek Township Board of Education and its one school constitute the District's reporting entity.

Stow Creek Township School District provides a full range of educational services appropriate for grade levels Pre-K through Eighth grade. These include regular education, as well as special education for handicapped students. Our students in grades 9-12 are sent to Cumberland Regional High. The Stow Creek Township School District completed the 2023-2024 fiscal year with an enrollment of 137 students, which was thirteen more than the number of students in the prior year. The following changes in the student enrollment of the District over the last ten years show a leveling off for the later years.

**Average Daily Enrollment**

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2023-24	137	10.4%
2022-23	124	.8%
2021-22	123	1.7%
2020-21	121	7%
2019-20	113	3%
2018-19	116	5%
2017-18	110	(6)%
2016-17	117	4%
2015-16	112	0%
2014-15	112	(3)%

**2. ECONOMIC CONDITION AND OUTLOOK:**

Stow Creek Township continues to experience limited growth, as depicted in the enrollment statistics. Approximately three-quarters of the total area of the Township is considered prime farmland, which has been a significant factor in terms of Stow Creek's planned development, encouraging the retention of prime farmland for agricultural use.

Future development in Stow Creek is governed by natural or environmental factors, in addition to agricultural suitability of soils. The Township has no central sewer system and therefore, soil suitability for on-site waste disposal systems is crucial in terms of development potential. In addition, the recent upgrading of requirements by the New Jersey Department of Health, regarding on-site systems, mandates that areas with only slight limitations will be further restricted in density. Wetland regulations also impact on development potential. Several landowners have sold properties to NJ Fish and Wildlife Management and the State has also established a state park in the Township.

### **3. MAJOR INITIATIVES:**

#### **Bearing on the District's Future**

The Greenwich-Stow Creek Partnership between Greenwich and Stow Creek Township is has been in existence since 2009. At the beginning of the 2024-2025 school year both Greenwich and Stow Creek passed referendums on creating a Limited Purpose Regional School District between Greenwich and Stow Creek. It is anticipated that new and innovative uses of the regional school district will allow the continued enhancement of the quality of instruction and the expansion of educational opportunities available to the children of both districts while at the same time maintaining fiscally prudent stewardship of taxpayers' dollars.

The state commitment to the SFRA (Full Funding Formula) was in full effect for the 2024-25 school year. Stow Creek saw an increase in state aid of over \$354,000 for the 2024-25 school year, allowing the district to see aid figures close to what they received in 2009, before the state began cutting their aid year after year. We anticipate flat enrollment for the 2024-2025 school year and with it, hope for flat funding for the 2025-2026 school year as a regional school district with Greenwich.

Greenwich School District partnered with Stow Creek School District to secure a Preschool Education Expansion Aid (PEEA) grant to open a full-day, preschool for four year old district residents on January 2, 2020 and expanded it in September, 2020 to include three year olds. By this partnership and in collaboration with six other districts for various parts of the program, the Greenwich Stow Creek Partnership Schools will be able to provide a high-quality preschool for our students and provide them with all the social, educational, and developmental benefits of such a program. Extensive professional development featuring cross-content and multi-year staff training this year will focus on the preschool curriculum and the changes necessary to Kindergarten and beyond to ensure a smooth and productive transition. Our preschool program has functioned at capacity since its inception, with no preschool disabled students being sent out of district.

Over the 2024 calendar year, Stow Creek completed a multipurpose room rebuild after the roof blew off during a storm in January of 2024. Greenwich was able to complete a much needed full septic replacement and metal roof replacement on the main school building. With the assistance of the Greenwich Township, the Morris Goodwin School tennis courts were also completely rehabbed. These projects in Greenwich were completed by the beginning of the 2024-25 school year. Stow Creek School will be working on a parking lot replacement and the Morris Goodwin School will be working on replacing the roof, replacing concrete steps and painting the 1909 school building.

The Partnership is continuing its major technology initiatives this year. Both Greenwich and Stow Creek upgraded their phone and internet service before the 2024-25 school year. Both Greenwich and Stow Creek now have VoIP phones in every classroom and the office phones are LTE phones. Broadband speeds in both districts went from 10Mbps to 1Gb connections. This increase in internet speed gives staff and students more flexibility on how technology is utilized in the classroom. The district has been able to secure self-paced, standards-based web-based programs such as IXL, Flocabulary, Achieve3000, ALEKS, and Reading Plus. All of these programs have assisted in increasing student achievement. We have seen reading levels increase as much as three grade levels over the course of the school year. The rents received from the cell tower erected on school property continue to help fund these educational technology advances. With its 4-G capabilities the on-site tower has the extra advantage, in addition to the rent earned, of providing cost competition for internet service since previously only one internet provider operated in the district.

Greenwich is also expanding the integrated, global computerized information system installed ten years ago. In addition to a complete Student Information System, Discipline system online, teacher lesson plans online, grade books, and teacher websites, we are utilizing a student statistics tool to drill down on the specific skills that our students need to improve their understanding of the subject area and a curriculum building tool.

We are also using this integrated system as the technology tool to go along with the Danielson teacher evaluation model for Achieve NJ. We are doing this in partnership with the six neighboring districts which make up the constituency of the local regional high school to allow us to reap considerable economies of scale in the required staff training.

As part of our Curriculum Revision Cycle the district will be revising special area curriculum during the 2024-2025 school year.

The Partnership is continuing to enter into other collaborative relationships with surrounding districts and businesses. We now share a CST services with Salem County Special Services as well as Lawrence Township, IT computer services with Cumberland Regional High School, Librarian services with Upper Deerfield School District, as well as our numerous shared services within the Partnership. The district partners with Fairfield Township School for Preschool Master Teacher services. By negotiating as one larger entity and sharing those services and costs with Stow Creek, Stow Creek has negotiated better contract terms with our Student Information System provider, our outsourced IT provider and our automated telephone contact system provider, technology providers, textbook publishers, and others.

In conclusion, the Greenwich Stow Creek Partnership Schools has committed itself to educational excellence and continued parsimony. The new collaborations are allowing both Greenwich and Stow Creek to provide better and new educational services to our children and keep costs in check. The Partnership is taking the steps necessary to keep up with today's changing economic and regulatory conditions and still provide a world-class education for the children of Greenwich and Stow Creek Townships.

#### **4. INTERNAL ACCOUNTING CONTROLS:**

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

#### **5. BUDGETARY CONTROLS:**

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund and, 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 are included as re-appropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2024.

#### **6. ACCOUNTING SYSTEM AND REPORTS:**

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

#### **7. FINANCIAL INFORMATION AT FISCAL YEAR END:**

As demonstrated by the various statements and schedules included in the financial statements section of the report, the District continues to meet its responsibility for sound financial management.

**8. DEBT ADMINISTRATION:**

As of June 30, 2024, the District does not have any debt, other than \$37,278 in compensated absences, \$1,705 in Right-to-Use Lease Liability and Net Pension Liability of \$323,006. The amount available to authorize debt is \$3,931,039, as shown on Exhibit J-13.

**9. CASH MANAGEMENT:**

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

**10. RISK MANAGEMENT:**

The Board carries various forms of insurance, including but not limited to general liability, automobile liability, and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

**11. OTHER INFORMATION:**

**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nightlinger, Colavita and Volpa, PA. was appointed by the Board. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Title 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Treasury Circular 15-08 OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's report related specifically to the single audit are included in the single audit section of this report.

**12. ACKNOWLEDGMENTS:**

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

Respectfully submitted,

*Brandon Cobb*

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Brandon Cobb  
Chief School Administrator

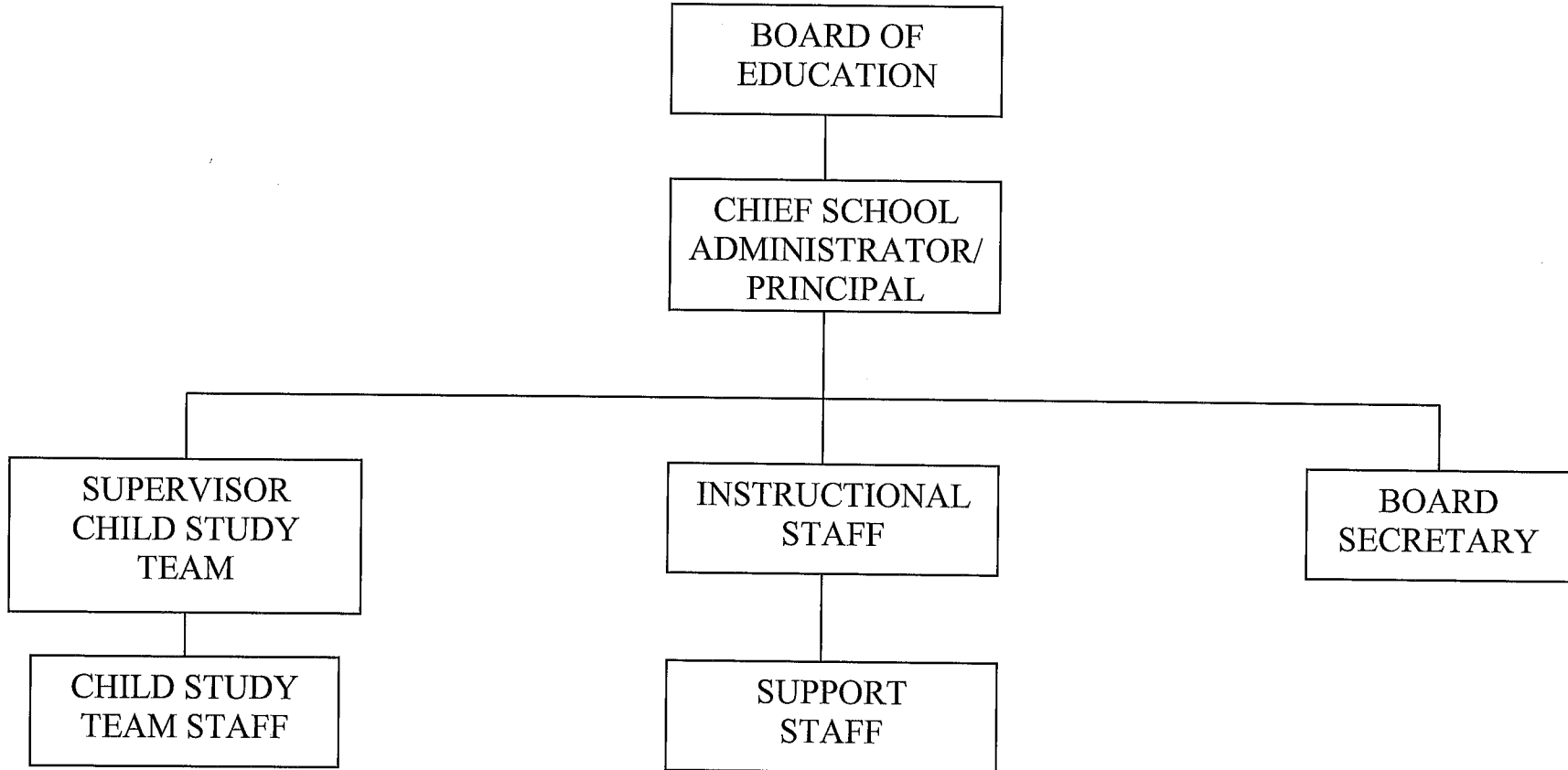
*Kim Fleetwood*

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Kim Fleetwood  
Board Secretary / Business Administrator

# STOW CREEK TOWNSHIP SCHOOL DISTRICT

## ORGANIZATIONAL CHART (UNIT CONTROL)



**STOW CREEK TOWNSHIP BOARD OF EDUCATION**

**ROSTER OF OFFICIALS**

**JUNE 30, 2024**

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Fred Hovermann, President	2024
Erin Hurff	2024
Maura Mazza	2026
Andrea Levick, Vice President	2026
Courtney Mattus	2024
Lewis DePietro	2026
Robert DeMasse	2025

<u>OTHER OFFICIALS</u>	<u>Bond Coverage</u>
Brandon Cobb, Chief School Administrator	
Kim Fleetwood, Board Secretary/Business Administrator	
Susan G Robostello, Treasurer of School Monies	\$ 135,000
Sanmathi Dev, Esq., Solicitor	

**STOW CREEK TOWNSHIP SCHOOL DISTRICT  
CONSULTANTS AND ADVISORS**

**AUDIT FIRM**

**Raymond Colavita, CPA, RMA  
Nightlinger, Colavita and Volpa, P. A.**  
Certified Public Accountants  
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P.O. Box 799  
Williamstown, NJ 08094

**ATTORNEY**

**Sanmathi Dev, Esq.  
Capehart Scatchard**  
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PO Box 5016  
Mount Laurel, NJ 08054

**OFFICIAL DEPOSITORY**

**Newfield National Bank**  
720 Shiloh Pike  
Bridgeton, NJ 08302

**FINANCIAL SECTION**

# NIGHTLINGER, COLAVITA & VOLPA

*A Professional Association*

*Certified Public Accountants*

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P.O. Box 799  
Williamstown, NJ 08094

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## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Stow Creek Township School District  
County of Cumberland, New Jersey 08302

### **Opinions**

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

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

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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. 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 School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School 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 auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School 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 School District's ability to continue as a going concern for a reasonable period of time.

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the School District's proportionate share of the net pension liability, schedule of the School District's pension contributions, and schedule of changes in the School District's total OPEB liability and related ratios, as listed 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 School District's basic financial statements. The combining statements and related major fund supporting statements and schedules, are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the 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, and is also 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 statements and related major fund supporting statements and schedules, and schedules 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, as required by the Office of School Finance, Department of Education, State of New Jersey. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

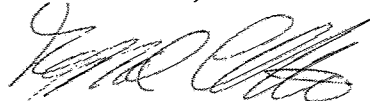
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.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

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2024, on our consideration of the Stow Creek Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 effectiveness of the Stow Creek Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governments Auditing Standards* in considering Stow Creek School District's internal control over financial reporting and compliance.

Respectfully submitted,

**NIGHTLINGER, COLAVITA & VOLPA, P.A.**



Raymond Colavita, C.P.A., R.M.A.  
Licensed Public School Accountant  
No. 915  
December 6, 2024

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

# Stow Creek Township School District Management Discussion and Analysis (Unaudited)

This section of the Stow Creek Township School District's Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year ending on June 30, 2024. Comparative information between the current year (2023-2024) and the prior year (2022-2023) is required to be presented in the MD&A. The intent of the discussion and analysis is to look at the District's financial performance as a whole. Interested parties should review the basic financial statements and notes in concert with this document in order to enhance and clarify their understanding of the finances of the District.

## Using the Annual Comprehensive Financial Report (ACFR)

The Annual Comprehensive Financial Report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information.

The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status and performance.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the *district-wide statements*, with the focus on operations.
- The *governmental fund statements* tell how *basic* services such as regular and special education were financed in the *short-term*, as well as what remains for future spending.
- *Proprietary fund statements* offer *short-* and *long-term* financial information about activities the District operates *like businesses*.
- *Fiduciary fund statements* provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The financial statements also include *notes* that explain various information in the statements and provide more detail. The statements are followed by a section of *required supplementary information* that further explains and supports the financial statements with a comparison of the District's budget for the year.

Key financial highlights for 2024 are as follows:

- The assets of the Stow Creek School District exceeded its liabilities at the close of the most recent fiscal year on June 30, 2024 by \$1,763,207.
- Total net position of governmental activities increased by \$196,840, comprised of changes in various assets and liabilities. The net position of Business-type Activities decreased by \$24,237.
- As of the close of the current fiscal year, the Township of Stow Creek School District's Governmental Funds reflected combined ending fund balances of \$1,426,842, which is an increase of \$126,296 from the prior year.

- General revenues accounted for \$2,409,181, which was 75.8% percent of total revenues. Program specific revenues in the form of charges for services, operating grants and contributions accounted for \$768,453 or 24.2% percent to total revenues of \$3,177,634.
- The School District had \$3,005,031 in expenses, of which \$768,453 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily federal awards, state aid and property taxes) were adequate to provide for these programs, which include the Business-type Activities.
- The Governmental Funds had \$3,089,503 in revenues, \$2,963,207 in expenditures and \$0 in other net financing uses transferred to the Food Service Enterprise Fund. The General Fund balance increased \$126,296 over 2023. This increase was anticipated by the Board of Education, although fund balance of \$198,506 was used to balance the budget, as shown on Exhibit C-1.

### **District-wide Financial Statements – Reporting the School District as a Whole**

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

The two district-wide statements report the District's *net position* and how they have changed. Net position – the difference between the District's assets and liabilities – are one way to measure the District's overall financial position.

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. Non-financial 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, which represent the district-wide financial statements, 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, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation, extracurricular activities and internal service funds.
- Business – Type Activities – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service and After School Child Care enterprise funds are reported as a business-type activity.

### **Reporting the School District's Most Significant Funds**

#### **Fund Financial Statements**

The analysis of the School District's major (all) funds begins on page 22. Fund financial reports provide detailed information about these major funds. The School District uses numerous funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds.

The District may implement four types of funds:

- *Governmental funds:* Most of the District’s basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District’s programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental fund statements explains the relationship (or differences) between them.
- *Proprietary funds:* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The District’s *enterprise funds* (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows.
- *Internal service funds:* (Also considered proprietary funds) are optional and utilized to report activities that provide supplies and services for other District programs and activities. The District currently does not have any internal service funds.
- *Fiduciary funds:* The District is the trustee, or *fiduciary*, for assets that belong to others, such as the student activity fund. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the district-wide financial statements, as these assets may not be used to finance the District’s operations.

### The School District as a Whole

Table 1 provides a comparative summary of the School District’s net position for the years ended in 2024 and 2023.

	2024	2023
<b>Assets</b>		
Current and Other Assets	\$ 1,713,137	\$ 1,473,759
Capital Assets, Net	635,584	559,308
Total Assets	2,348,721	2,033,067
<b>Deferred Outflow of Resources</b>	96,197	153,009
<b>Liabilities</b>		
Current Liabilities	247,109	105,413
Long-term Liabilities	361,999	426,369
Total Liabilities	609,108	531,782
<b>Deferred Inflow of Resources</b>	72,603	63,690
<b>Net Position</b>		
Invested in Capital Assets, Net of Debt	633,879	552,001
Restricted	1,205,488	892,292
Committed	28,659	28,659
Unrestricted (Deficit)	(104,819)	117,652
Total Net Position	\$ 1,763,207	\$ 1,590,604

Table 2 shows the changes in net position from fiscal year's 2024 and 2023.

Table 2  
Changes in Net Position

	<u>2024</u>	<u>2023</u>
<b>Revenues</b>		
Programs Revenues		
Charges for Services	\$ 56,011	\$ 84,280
Operating Grants	712,442	649,311
General Revenues		
Property Taxes	1,366,405	1,326,975
Grants and Entitlements	777,681	1,323,373
Other	265,095	197,420
Total Revenues	<u>3,177,634</u>	<u>3,581,359</u>
<b>Program Expenses</b>		
Instruction	892,052	890,146
Tuition	139,105	117,201
Pupil and Instructional Staff	314,794	279,556
General Administration, School		
Administration, Business	175,709	181,570
Operations and Maintenance of Facilities	183,986	264,821
Pupil Transportation	193,559	175,004
Employee Benefits	993,774	965,635
Food Service & After School Care	111,313	106,364
Interest on Debt	739	739
Total Expenses	<u>3,005,031</u>	<u>2,981,036</u>
Less: Fixed Asset Adjustment		
Increase in Net Position	<u>\$ 172,603</u>	<u>\$ 600,323</u>

**Governmental Activities**

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. The District's Property taxes made up 44.2% percent of the total revenues for governmental activities of \$3,090,558. Federal, State, and local grants accounted for another 46.8% and other net revenues were 9%. The total cost of services was \$3,005,031, of which \$2,212,323 was for governmental activities as shown below. The net cost of all governmental programs and services excludes charges for services and operating grants of \$681,395. Instruction comprises 27% of these net District expenses.

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

Table 3

	<b>Total Cost of Services 2024</b>	<b>Net Cost of Services 2024</b>	<b>Total Cost of Services 2023</b>	<b>Net Cost of Services 2023</b>
Instruction	\$ 892,052	\$ 595,230	\$ 890,146	\$ 615,289
Tuition	139,105	139,105	117,201	117,201
Pupil and Instructional Staff	314,794	134,430	279,556	108,004
General Administration, School				
Administration, Business	175,709	175,709	181,570	181,570
Operation and Maintenance of Facilities	183,986	183,986	264,821	264,821
Pupil Transportation	193,559	193,559	175,004	175,004
Employee Benefits	993,774	789,565	965,635	819,931
Enterprise Funds	111,313		106,364	
Interest on Debt	739	739	739	739
<b>Total Expenses</b>	<b>\$ 3,005,031</b>	<b>\$ 2,212,323</b>	<b>\$ 2,981,036</b>	<b>\$ 2,282,559</b>

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

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development. Curriculum and staff development expenses (included in support services) are related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

Co-curricular activities include instructional expenses related to student activities provided by the School district, which are designated to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

General administration, school administration and business include expenses associated with administrative and financial supervision of the District as well as internal service fund expenses.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition as well as internal service fund expenses.

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

Unallocated Depreciation reflects the cost of fixed assets spread over the estimated useful lives of the individual assets

### **Business-Type Activities**

Revenues for the District's business-type activities (Food Service and After School Child Care Programs) were comprised of charges for services and federal and state reimbursements.

- Expenditures exceeded revenues by \$31,991 in the Food Service Fund and revenues exceeded expenditures by \$7,736 in the After School Childcare Program. The net deficit of \$24,255 was offset by interest of \$18. This resulted in a negative change in net position of \$27,237.

- Charges for services represent \$18,068 in the Food Service Fund and \$25,365 in the After School Childcare Program. This represents amount paid by patrons for daily food service activities and after school childcare.
- Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities, were \$43,625.

### The School District's Funds

Information about the School District's major funds starts on page 22. These funds are accounted for using the modified accrual basis of accounting. The governmental funds used (i.e., General Fund, Special Revenue Fund and Capital Project Fund presented in the fund-based statements) had total revenues of \$3,089,503, expenditures of \$2,963,207 and other net financing uses of \$0. The net change in fund balance for the year was an increase of \$126,296. This demonstrates that the District was able to meet current operating costs with no urgent need for additional funds other than \$198,506 in surplus appropriated to balance the 2023-2024 budget.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the Governmental Funds (excluding Capital Projects) for the fiscal year ended June 30, 2024, and the amount and percentage of increases and decreases in relation to prior year revenues.

Table 4

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2023</u>	<u>Percent Increase (Decrease)</u>
Local Sources	\$ 1,631,482	52.81%	\$ 122,466	8.12%
State Sources	1,242,189	40.21%	(151,100)	-10.84%
Federal Sources	215,832	6.98%	(165,036)	-43.33%
Total	\$ 3,089,503	100.00%	\$ (193,670)	-5.90%

The increase in Local sources is attributed to increases in the tax levy of \$39,430, tuition of \$6,050, miscellaneous revenue of \$4,904, interest of \$657, and local grants of \$90,774, offset by a decrease in general fund transportation of \$19,349.

The decrease in State sources is attributed to a decrease in State Public School aid of \$167,807, offset by an increase in Special Revenue Fund Grants of \$16,707.

The above schedule includes the two last state aid payments for 2022-2023 of \$63,915 received in July 2023 and does not include the two last state aid payments for 2023-2024 received in July 2024 in the amount of \$60,035.

The increase in Federal sources is due to various decreases in the Special Revenue Fund Grants. In addition, the 2024 figures do not include deferred revenue in accordance with GAAP accounting.

The following schedule presents a summary of General Fund and Special Revenue Fund Expenditures for the fiscal year ended June 30, 2024 and the percentage of increases and decreases in relation to prior year amounts.

- Charges for services represent \$18,068 in the Food Service Fund and \$25,365 in the After School Childcare Program. This represents amount paid by patrons for daily food service activities and after school childcare.
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The following schedule presents a summary of General Fund and Special Revenue Fund Expenditures for the fiscal year ended June 30, 2024 and the percentage of increases and decreases in relation to prior year amounts.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2023</u>	<u>Percent Increase (Decrease)</u>
Current:				
Instruction	\$ 851,961	28.75%	\$ (10,484)	-1.22%
Undistributed expenditures	1,971,744	66.54%	113,505	6.11%
Capital Outlay	139,502	4.71%	(89,966)	-39.21%
Total	\$ 2,963,207	100.00%	\$ 13,055	0.44%

The decrease in Instructional Expenditures is attributed to decreases in Regular Instruction of \$10,859, and Other Instructional Expenses of \$4,659, offset by an increase in Special Education Instruction of \$5,034.

The increase in Undistributed Expenditures was due to increases in Tuition of \$21,904, Student and Instruction Related Services of \$33,612, Central Services of \$5,050, Employee Benefits of \$128,471, and Pupil Transportation of \$18,555, offset by decreases in General Administration of \$4,471, School Administrative Services of \$7,857 and Plant Operations and Maintenance of \$81,759.

The decrease in Capital Outlay is attributed to an decrease in facility acquisition costs.

### **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 modified accrual and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2024, the School District amended its General Fund budget as needed. The School District uses program-based budgeting. These budgeting systems are designed to tightly control total program budgets while providing flexibility for program management to address the following:

- Staffing changes based on student needs
- Additional costs for student transportation both in regular education and special education
- Changes in maintenance and operations
- Changes in appropriations to prevent budget overruns

While the District's final budget for the general fund anticipated that revenues, including surplus appropriated, would roughly equal expenditures, the actual results for the year show an increase of \$124,374 as shown on Exhibit C-1, which included a transfer to the food service fund of \$0 and \$14,045 for Preschool inclusion.

- Actual revenues were \$81,120 more than expected, excluding on-behalf pension and social security reimbursements of \$502,637.
- Actual expenditures were \$384,720 less than expected. This excludes state on-behalf pension and social security reimbursements of \$502,637 and reflects favorable variances in most expenditure accounts.

## Capital Assets

At the end of the fiscal year 2024, the School District had \$635,584 (net of accumulated depreciation) invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2024 balances compared to 2023.

Table 6  
Capital Assets (Net of Depreciation) at June 30

	<u>2024</u>	<u>2023</u>
Land Improvements	\$ 6,207	\$ 6,207
Building and Improvements	354,511	365,523
Vehicles	170,923	62,047
Equipment	103,228	119,485
Right-to-Use Lease Assets	715	6,046
Totals	<u>\$ 635,584</u>	<u>\$ 559,308</u>

Overall net Capital Assets increased by \$76,276 from fiscal year 2023 fiscal year 2024, representing fixed asset additions of \$144,730 and adjustments of \$0, offset by depreciation expense of \$68,454.

### Long-Term Debt:

At year-end, the District had outstanding long-term debt of \$37,288 in compensated absences, \$323,006 in Net Pension Liability and \$1,705 in Right-to-Use Lease Liability. There was no other outstanding debt authorized or issued (Note 6 to the Financial Statements). The amount of debt available for authorization by statute is \$3,931,039, as shown on Exhibit J-13.

### Factors Bearing on the District's Future

The Greenwich-Stow Creek Partnership between Stow Creek and Greenwich Township is entering its twelfth year. As the Partnership matures and continues to develop in new productive modes, Stow Creek Township School District foresees gaining increasingly more benefits from the economies of scale and opportunities generated by this alliance. It is anticipated that new and innovative uses of the partnership will allow the continued enhancement of the quality of instruction and the expansion of educational opportunities available to the children of both districts while at the same time maintaining fiscally prudent stewardship of taxpayers' dollars.

### 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 Kim Fleetwood, School Business Administrator/Board Secretary, at Stow Creek Township School District, 11 Gum Tree Corner Road, Bridgeton, NJ 08302.

**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.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2024**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 877,186	\$ 8,946	\$ 886,132
Receivables, Net	181,736	29,292	211,028
Inventory		1,577	1,577
Restricted Assets:			
Cash	614,400		614,400
Capital Assets, Net (Note 6)	625,301	10,283	635,584
<b>Total Assets</b>	<b>2,298,623</b>	<b>50,098</b>	<b>2,348,721</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred Pension Outflows	96,197		96,197
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	10,430		10,430
Payable to State Governments	9,615		9,615
Payroll Deductions Payable	15,777		15,777
Unearned Revenue	74,017	629	74,646
Prepaid Tax	136,641		136,641
Noncurrent Liabilities:			
Due Within One Year	1,705		1,705
Due Beyond One Year	360,294		360,294
<b>Total Liabilities</b>	<b>608,479</b>	<b>629</b>	<b>609,108</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Pension Inflows	72,603		72,603
<b>Net Position</b>			
Invested in Capital Assets, Net of Related Debt	623,596	10,283	633,879
Restricted for:			
Capital Projects	500,000		500,000
Excess Surplus	343,212		343,212
Unemployment Compensation	36,433		36,433
Student Activities	26,638		26,638
Other Purposes	299,205		299,205
Committed	28,659		28,659
Unrestricted	(144,005)	39,186	(104,819)
<b>Total Net Position</b>	<b>\$ 1,713,738</b>	<b>\$ 49,469</b>	<b>\$ 1,763,207</b>

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

**STOW CREEK TOWNSHIP SCHOOL DISTRICT  
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	Governmental Activities	Business- Type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 838,936	\$	\$ 296,822	\$ (542,114)	\$	\$ (542,114)
Special Education	51,346			(51,346)		(51,346)
Other Instruction	1,770			(1,770)		(1,770)
Support Services:						
Tuition	139,105			(139,105)		(139,105)
Student & Instruction Related Services	314,794	12,578	167,786	(134,430)		(134,430)
General and Business Administrative Services	91,668			(91,668)		(91,668)
School Administrative Services	19,936			(19,936)		(19,936)
Central Services	64,105			(64,105)		(64,105)
Plant Operations and Maintenance	183,986			(183,986)		(183,986)
Pupil Transportation	193,559			(193,559)		(193,559)
Unallocated Benefits	993,774		204,209	(789,565)		(789,565)
Interest on Debt	739			(739)		(739)
<b>Total Governmental Activities</b>	<b>2,893,718</b>	<b>12,578</b>	<b>668,817</b>	<b>(2,212,323)</b>		<b>(2,212,323)</b>
Business-type Activities:						
Food Service	93,684	18,068	43,625		(31,991)	(31,991)
After School Childcare	17,629	25,365			7,736	7,736
<b>Total Business-type Activities</b>	<b>111,313</b>	<b>43,433</b>	<b>43,625</b>		<b>(24,255)</b>	<b>(24,255)</b>
<b>Total Primary Government</b>	<b>\$ 3,005,031</b>	<b>\$ 56,011</b>	<b>\$ 712,442</b>	<b>(2,212,323)</b>	<b>(24,255)</b>	<b>(2,236,578)</b>
General revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				1,366,405		1,366,405
Federal and State Aid not restricted				777,681		777,681
Transportation Fees from Other LEAs				108,075		108,075
Tuition from Individuals				6,050		6,050
Miscellaneous Income				150,295		150,295
Interest Earned - Unrestricted				657	18	675
<b>Total General Revenues, Special Items, Extraordinary Items and Transfers</b>				<b>2,409,163</b>	<b>18</b>	<b>2,409,181</b>
				Change in Net Position		172,603
				Net Position - Beginning		1,590,604
				Net Position - Ending	\$ 1,713,738	\$ 1,763,207

The accompanying Notes to 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.

**GOVERNMENTAL FUNDS**

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2024**

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 803,445	\$ 2,126	\$ 28,659	\$ 834,230
Cash - Capital Reserve	500,000			500,000
Cash - Maintenance Reserve	114,400			114,400
Accounts Receivables:				
Federal		143,422		143,422
State Aid	38,314			38,314
Interfund Receivable	87,467			87,467
<b>Total Assets</b>	<b>\$ 1,543,626</b>	<b>\$ 145,548</b>	<b>\$ 28,659</b>	<b>\$ 1,717,833</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$	\$ 10,430	\$	\$ 10,430
Interfund Payable		44,511		44,511
Payroll Deductions and Withholdings Payable	15,777			15,777
Payable to State Government		9,615		9,615
Unearned Revenue		74,017		74,017
Prepaid Tax	136,641			136,641
<b>Total Liabilities</b>	<b>152,418</b>	<b>138,573</b>	<b>28,659</b>	<b>290,991</b>
<b>Fund Balances:</b>				
<b>Restricted For:</b>				
Capital Reserve	500,000			500,000
Maintenance Reserve	114,400			114,400
Unemployment Compensation	36,433			36,433
Excess Surplus - Designated for Subsequent Year's Expenditu	267,524			267,524
Excess Surplus	75,688			75,688
Student Activities		26,638		26,638
<b>Assigned Fund Balance:</b>				
Encumbrances	24,673			24,673
Designated for Subsequent Year's Expenditures	160,132			160,132
Committed			28,659	28,659
<b>Unassigned, Reported In:</b>				
General Fund	212,358			212,358
Special Revenue Fund (Deficit)		(19,663)		(19,663)
<b>Total Fund Balances</b>	<b>1,391,208</b>	<b>6,975</b>	<b>28,659</b>	<b>1,426,842</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,543,626</b>	<b>\$ 145,548</b>	<b>\$ 28,659</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$6,211,067 and the accumulated depreciation is \$5,585,766 (Note 6).	625,301
Deferred Outflows of Resources - Deferred Pension Contributions	96,197
Deferred Inflows of Resources - Pension Actuarial gains	(72,603)
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.	(323,006)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7).	(38,993)
<b>Net Position of Governmental Activities</b>	<b>\$ 1,713,738</b>

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

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	General Fund	Special Revenue Fund	Capital Project Fund	Total Governmental Funds
<b>REVENUES</b>				
Local Sources:				
Local Tax Levy	\$ 1,366,405		\$	\$ 1,366,405
Transportation Fees from Other LEAs	108,075			108,075
Tuition from Individuals	6,050			6,050
Unrestricted Miscellaneous Revenues	43,765			43,765
Interest Earned	657			657
Local Sources		106,530		106,530
Total Local Sources	1,524,952	106,530		1,631,482
State Sources	997,358	244,831		1,242,189
Federal Sources		215,832		215,832
Total Revenues	2,522,310	567,193		3,089,503
<b>EXPENDITURES</b>				
Current:				
Regular Instruction	503,848	296,822		800,670
Special Education Instruction	49,748			49,748
Other Instruction	1,543			1,543
Support Services:				
Tuition	139,105			139,105
Student & Instruction Related Services	136,470	167,786		304,256
General Administration	89,522			89,522
School Administrative Services	15,683			15,683
Central Services	61,323			61,323
Plant Operations and Maintenance	182,534			182,534
Pupil Transportation	193,559			193,559
Employee Benefits	868,487	117,275		985,762
Capital Outlay	137,101	2,401		139,502
Total Expenditures	2,378,923	584,284		2,963,207
Excess (Deficiency) of Revenues Over Expenditures	143,387	(17,091)		126,296
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer to Preschool - Inclusion	(14,045)	14,045		
Total Other Financing Sources and Uses	(14,045)	14,045		
Net Change in Fund Balances	129,342	(3,046)		126,296
Fund Balance—July 1	1,261,866	10,021	28,659	1,300,546
Fund Balance—June 30	\$ 1,391,208	\$ 6,975	\$ 28,659	\$ 1,426,842

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

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**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**

<b>Total Net Change in Fund Balances - Governmental Funds (from B-2)</b>		\$ 126,296
<p>Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:</p> <p>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.</p>		
Depreciation expense	\$ (66,864)	
Capital Outlays	138,763	
		71,899
<p>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 cost, 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.</p>		
Repayment of right-to-use lease 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.		5,602
<p>The issuance of long-term debt through bonds or leases provides current financial resources to the governmental funds, while the repayment of principal on long-term debt represents a use of resources in governmental funds. The payment of long-term debt principal is not a use of funds in the statement of activities.</p>		
Pension Expense recognized for GAAP but not for budgetary purposes.		4,097
<p>In the Statement of Activities, certain operating expenses are measured by the amounts earned during the year, such as compensated absences. In the governmental funds, however, expenditures are reported when the corresponding financial resources are used or paid.</p>		
		(11,054)
<b>Change in Net Position of Governmental Activities (A-2)</b>		<b>\$ 196,840</b>

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

**PROPRIETARY FUNDS**

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2024**

	<b>Business-Type Activities</b>		
	<b>Enterprise Fund</b>		
	<b>Food Service</b>	<b>After School Childcare</b>	<b>Total Enterprise</b>
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 12,980	\$ 38,922	\$ 51,902
Accounts Receivable:			
State	385		385
Federal	1,577		1,577
Other Program Fees	11	1,684	1,695
Intergovernmental Accounts Receivable	25,635		25,635
Inventory	1,577		1,577
<b>Total Current Assets</b>	<b>42,165</b>	<b>40,606</b>	<b>82,771</b>
Noncurrent Assets:			
Furniture, Machinery & Equipment	34,922		34,922
Less Accumulated Depreciation	(24,639)		(24,639)
<b>Total Noncurrent Assets</b>	<b>10,283</b>		<b>10,283</b>
<b>Total Assets</b>	<b>\$ 52,448</b>	<b>\$ 40,606</b>	<b>\$ 93,054</b>
<b>LIABILITIES AND FUND EQUITY:</b>			
Current Liabilities:			
Accounts Payable	\$	\$	\$
Interfund Payable	30,422	12,534	42,956
Unearned Revenue	629		629
<b>Total Current Liabilities</b>	<b>31,051</b>	<b>12,534</b>	<b>43,585</b>
Net Position			
Invested in Capital Assets, Net of Related Debt	10,283		10,283
Unrestricted	11,114	28,072	39,186
<b>Total Net Position</b>	<b>21,397</b>	<b>28,072</b>	<b>49,469</b>
<b>Total Liabilities &amp; Net Position</b>	<b>\$ 52,448</b>	<b>\$ 40,606</b>	<b>\$ 93,054</b>

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

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**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	After School Childcare	Total Enterprise
Operating Revenues:			
Charges for Services:			
Food Sales Reimbursable Programs	\$ 13,256	\$	\$ 13,256
Food Sales Non-Reimbursable Programs	4,812		4,812
After School Childcare Fees		25,365	25,365
Total Operating Revenue:	18,068	25,365	43,433
Operating Expenses:			
Salaries	22,458	16,157	38,615
Supplies and Materials	27,329	1,472	28,801
Cost of Sales	31,819		31,819
Cost of Sales - Non Program Food	2,961		2,961
Management Fee	6,441		6,441
Miscellaneous	1,086		1,086
Depreciation	1,590		1,590
Total Operating Expenses	93,684	17,629	111,313
Operating Income (Loss)	(75,616)	7,736	(67,880)
Non-operating Revenues (Expenses):			
State Sources:			
State School Breakfast Program	158		158
State School Lunch Program	894		894
Summer-EBT Administrative Cost	321		321
Federal Sources:			
School Breakfast Program	4,117		4,117
National School Lunch Program	18,050		18,050
Summer-EBT Administrative Cost	322		322
Supply Chain Assistance Funding	9,660		9,660
Food Distribution Program	10,103		10,103
Interest	18		18
Total Non-operating Revenues (Expenses)	43,643		43,643
Income (Loss) before Contributions & Transfers	(31,973)	7,736	(24,237)
Change in Net Position	(31,973)	7,736	(24,237)
Total Net Position - Beginning	53,370	20,336	73,706
Total Net Position - Ending	\$ 21,397	\$ 28,072	\$ 49,469

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

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	<b>Business-Type Activities</b>		
	<b>Enterprise Funds</b>		
	<b>Food Service</b>	<b>After School Childcare</b>	<b>Total Enterprise</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 18,068	\$ 25,365	\$ 43,433
Payments to Employees	(22,458)	(16,157)	(38,615)
Payments to Suppliers	(50,487)		(50,487)
Payment to Others	(1,086)	(2,410)	(3,496)
Net Cash Provided by (used for) Operating Activities	<u>(55,963)</u>	<u>6,798</u>	<u>(49,165)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
State Sources	1,373		1,373
Federal Sources	42,252		42,252
Interfund Transfer	-		
Net Cash Provided by (used for) Non-capital Financing Activities	<u>43,625</u>		<u>43,625</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>			
Purchase of Fixed Assets	(5,967)		(5,967)
Net Cash Used by Capital Financing	<u>(5,967)</u>		<u>(5,967)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and Dividends	18		18
Net Cash Provided by (used for) Investing Activities	<u>18</u>		<u>18</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(18,287)	6,798	(11,489)
Balances—Beginning of Year	31,267	32,124	63,391
Balances—End of Year	<u>\$ 12,980</u>	<u>\$ 38,922</u>	<u>\$ 51,902</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (75,616)	\$ 7,736	\$ (67,880)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation and Net Amortization	1,590		1,590
(Increase)Decrease in Accounts Receivable, Net	18,797		17,859
(Increase)Decrease in Inventories	19		19
Increase(Decrease) in Accounts Payable			
Increase(Decrease) in Interfund Payable			
Increase(Decrease) in Unearned Revenue	(100)		(100)
Total Adjustments	<u>19,653</u>		<u>18,715</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (55,963)</u>	<u>\$ 6,798</u>	<u>\$ (49,165)</u>

Noncash Investing, Capital, and Financing Activities:

During the year, the District received \$3,118 of food commodities from the U.S. Department of Agriculture

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

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

**A. Reporting Entity:**

The Stow Creek Township School District is a Type II district located in the County of Cumberland, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of seven members elected to three-year terms. These terms are staggered so that two or three members' terms expire each year. The purpose of the district is to educate students in grades PreK-8. The Stow Creek Township School District had an approximate enrollment at June 30, 2024 of 137 students.

Business Administrator/Board Secretary services are contracted with the Upper Deerfield School District including responsibility for the administrative control of the district.

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, as stipulated in GASB No. 114, the District has no component units.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Presentation:**

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

The District's financial reporting consist of a Management's Discussion and Analysis (MD&A) providing an analysis of the District's over-all financial position and results of operations, as well as Basic financial statements prepared using full-accrual accounting for all of the District's activities.

District-wide Statements: The statement of net position and the statements of activities display information about 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. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of net position presents the financial condition of the governmental and business-type activities of the District at the fiscal year end while the statement of activities presents a comparison between direct expenses and program revenues for each different 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. Indirect expenses—expenses of the District related to the administration and support of the District's programs, such as personnel and accounting—are not allocated to programs.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**A. Basis of Presentation: (cont'd)**

- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state formula aid, are presented as general revenues.

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*, *proprietary*, and *fiduciary* – are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in 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.

**B. Fund Accounting:**

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds and accounts are grouped in the financial statements in this report as follows:

**GOVERNMENTAL FUNDS**

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

As required by the 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 capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

As a result of implementing GASB Statement No. 84, Fiduciary Activities, amounts maintained for unemployment claims and payroll withholdings for employee salary deductions are included in the general fund. Amounts maintained for unemployment claims are used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the Benefit Reimbursement Method.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**B. Fund Accounting: (cont'd)**

**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.

As a result of implementing GASB Statement No. 84, Fiduciary Activities, amounts maintained for student activities and private purpose scholarships are included in the special revenue fund. The amounts are considered to be restricted and available to use for specific expenditures. Amounts maintained for student activities are derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities

**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. The district currently has no capital projects and, therefore, has not included a capital projects fund.

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

**Permanent Fund** - The Permanent Fund is used to account for resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the District's programs, which are stipulated for the benefit of the School District or its students. The School District does not maintain a non-expendable scholarship fund that would require a permanent fund.

**PROPRIETARY FUNDS**

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District.

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

**Food Service Fund** - This fund accounts for the financial transactions of the food service operations of the District.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**B. Fund Accounting: (cont'd)**

**School Age Child Care Program** - This fund accounts for the financial activity related to providing day care services to the students.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets.

Their reported fund equity (net total assets) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

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

Food Service Fund - Equipment	10 to 20 Years
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**FIDUCIARY FUNDS**

**Expendable Trust Fund** - An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. They account for assets where both the principal and interest may be spent. Expendable Trusts include Unemployment Compensation Insurance and scholarship funds, if any:

**Nonexpendable Trust Fund** - A Nonexpendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal. The District does not maintain a nonexpendable trust fund.

**C. Basis of Accounting and Measurement Focus:**

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

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989. The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**C. Basis of Accounting and Measurement Focus: Continued**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and postemployment healthcare benefits, are recorded only when payment is due.

**D. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds, which are submitted to the county office. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012 and to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2 (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:23A-13.3. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the 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, which differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports. Exhibit C-3 presents a reconciliation of the general fund and special revenue fund from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Special Revenue and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types.

**E. 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.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**E. Encumbrance Accounting: Continued**

Open encumbrances in the special revenue fund, for which the District has received advances, are reflected in the balance sheet as Unearned Revenues at fiscal year-end. The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

**F. Tuition Receivable:**

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

**G. Tuition Payable:**

Tuition charges for the fiscal years 2021-2022, 2022-2023, and 2023-2024 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

**H. Inventories and Prepaid Expenses:**

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

On district-wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2024.

**I. Short-term Interfund Receivables/Payables:**

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

**J. Assets, Liabilities and Equity:**

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

Inventories - On District-wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method and is expended when used. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2024.

At June 30, 2024, there was an ending inventory of \$1,577 in the Food Service Fund, of which \$11 was federal commodities.

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1986, 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. The District receives federal commodity food for meal service provided through a vended meal contract.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**J. Assets, Liabilities and Equity: Continued**

Capital Assets - General fixed assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed prior to June 30, 2022 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. General fixed assets are reflected as expenditures in the applicable governmental funds, and the related assets are reported in the general fixed assets account group. Expenditures that enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the fixed asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized. Assets in the general fixed assets account group are not depreciated.

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

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements & portable classroom	20 -50
Land improvements	20
Furniture	20
Maintenance equipment	15
Musical instruments	10
Athletic equipment	10
Audio visual equipment	10
Office equipment	5 – 10
Computer equipment	5 – 10

**K. Compensated Absences:**

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the district- wide statement of net position. In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

**L. Unearned Revenue:**

Unearned Revenue in the special revenue fund represents cash that has been received but not yet earned.

**M. 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.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**N. 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 not 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.

**O. 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.

**P. Fund Equity:**

Contributed capital represents fund capital contributed to the proprietary funds from other funds. Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

**Q. Comparative Data/Reclassifications:**

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain immaterial amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**R. Management Estimates:**

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

**S. Accrued Liabilities and Long-term Obligations:**

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**T. Net position**

Net position represents the difference between the sum of assets and deferred outflows of resources, and the sum of liabilities and deferred inflows of resources. Net position is classified into the following three components:

- Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.
- Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by credits, grantors, or laws or regulations of their governments.
- Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The school district applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**U. Fund balances - Governmental Funds**

In the fund financial statements, governmental funds report the following classifications of fund balance:

- Non-spendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.
- Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the general fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

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

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**V. Revenues – Exchange and Non-exchange Transactions:**

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

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned.

Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or for the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year-end: property taxes available as an advance, interest, and tuition.

**W. New Accounting Standards:**

Accounting standards that the School District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB Statement No. 96 – Subscription-Based Information Technology Arrangements was effective after June 15, 2022 and was considered by Management.
- GASB Statement No. 99 - *Omnibus 2022*: The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Management is evaluating the potential impact of the adoption of GASB 99 on the School District's financial statements.
- GASB Statement No. 100 - *Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62*: The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Management is evaluating the potential impact of the adoption of GASB 100 on the School District's financial statements.
- GASB Statement No. 101 - *Compensated Absences*: The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management is evaluating the potential impact of the adoption of GASB 101 on the School District's financial statements.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**X. Bond and Lease Acquisition Costs:**

As part of any long-term Bond or lease agreement, providing for the use of school buildings, payments constituting professional fees will be expensed when incurred in accordance with GASB Statement No. 65. There were no such bonds or leases for the year ended June 30, 2024.

**Y. Tax assessments and property taxes:**

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

School taxes are guaranteed, as to amount of collection, by the municipality (the collection agency) and are transmitted to the school district in accordance with the Schedule of Tax Installments as certified by the school district's Board of Education on an annual basis.

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S.

Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Investments are stated at cost, or amortized cost, which approximates market. The amortized cost method involves valuing a security at its cost on the date of purchase and thereafter assuming a constant amortization to maturity for any discount or premium. The Board classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)**

Deposits:

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

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

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

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

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

Investments:

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

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives, which have a maturity date no greater than twelve months from the date of purchase.
- c. Bonds of other obligations of the School District.

As of June 30, 2024, cash and cash equivalents in the fund financial statements of the District consisted of the following:

	<b><u>Cash and Cash</u></b>	
	<b><u>Equivalents</u></b>	
Checking accounts	\$ 1,500,532	
Total	<u>\$ 1,500,532</u>	
Unrestricted cash		
Governmental funds, Balance Sheet	B-1	\$ 834,230
Enterprise funds, Statement of Net Position	B-4	51,902
Restricted cash		
Governmental funds, Balance Sheet	B-1	<u>614,400</u>
Total cash		<u>\$ 1,500,532</u>

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)**

**Custodial Credit Risk** – Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 t seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA).

GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies. The program is administered by the Commissioner of the NJ Department of Banking and Insurance.

Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. As of June 30, 2024, the School District's bank balance of \$1,609,760 was subject to custodial credit risk as follows:

Insured	\$	250,000
Uninsured and collateralized with securities held by pledging financial institutions		<u>1,359,760</u>
	\$	<u><u>1,609,760</u></u>

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4. CAPITAL ASSETS**

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

	<u>Beginning Balance 7/1/23</u>	<u>Additions</u>	<u>Adjustment/ Retirements</u>	<u>Ending Balance 6/30/24</u>
Governmental Activities:				
Capital Assets that are not being Depreciated:				
Land	\$ 6,207	\$	\$	\$ 6,207
Total Capital Assets not being Depreciated	6,207			6,207
Capital Assets Being Depreciated and Amortized				
Vehicles	374,219	136,362		510,581
Building and Building Improvements	5,427,243	2,401		5,429,644
Machinery and Equipment	237,981			237,981
Right-to-Use Lease Assets	26,654			26,654
Totals at Historical Cost	6,066,097	138,763	-	6,204,860
Less Accumulated Depreciation and Amortization				
Building and Improvements	(5,061,720)	(13,413)		(5,075,133)
Vehicles	(312,172)	(27,486)		(339,658)
Equipment	(124,402)	(20,634)		(145,036)
Right-to-Use Lease Assets	(20,608)	(5,331)		(25,939)
Total Accumulated Depreciation and Amortization	(5,518,902)	(66,864)	-	(5,585,766)
Total Capital Assets being Depreciated and Amortized, Net of Accumulated Depreciation and Amortization	547,195			619,094
<b>Government Activities Capital Assets, Net</b>	<b>\$ 553,402</b>	<b>\$ 71,899</b>	<b>\$ -</b>	<b>\$ 625,301</b>
	To A-1			To A-1
Business-type Activities - Equipment	\$ 28,955	\$ 5,967	\$	\$ 34,922
Less Accumulated Depreciation	(23,049)	(1,590)		(24,639)
<b>Business-type Activities Capital Assets, Net</b>	<b>\$ 5,906</b>	<b>\$ 4,377</b>	<b>\$ -</b>	<b>\$ 10,283</b>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 38,266
Special Education	1,598
Other Instruction	227
Support Services:	
Student & Instruction Related Services	10,538
School Administration	4,253
General & Business Administrative Services	2,146
Central Services	2,782
Plant Operations and Maintenance	7,054
Total Depreciation Expense	<b>\$ 66,864</b>

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 5. LONG-TERM OBLIGATIONS**

During the fiscal year ended June 30, 2024, the following changes occurred in long-term obligations:

	<u>Beginning Balance 7/1/2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance 6/30/2024</u>	<u>Amounts Due within One Year</u>	<u>Long-term Portion</u>
<b>Governmental Activities:</b>						
Capital Lease	\$	\$	\$	\$	\$	\$
Compensated Absences Payable	26,234	11,054		37,288		37,288
Net Pension Liability	392,828		69,822	323,006		323,006
Right-to-Use Lease Liability	7,307		5,602	1,705	1,705	-
Total Long-term Obligations	<u>\$ 426,369</u>	<u>\$ 11,054</u>	<u>\$ 75,424</u>	<u>\$ 361,999</u>	<u>\$ 1,705</u>	<u>\$ 360,294</u>

Payments on the general obligation bonds are made in the debt service fund from property taxes and state aid. The other long-term debts are paid in the current expenditures budget of the District's general fund. The District did not have any Serial Bonds or Capital Leases payable as of June 30, 2023.

**Bonds Authorized and Issued** -- As of June 30, 2024, the District had no bonds authorized but not issued.

**Capital Leases** – As of June 30, 2024, the District had no capital leases.

**NOTE 6. PENSION PLANS**

**Description of Plans** - Eligible employees of the School District can be covered by Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), or Defined Contribution Retirement Program (DCRP). PERS and TPAF are administered by the New Jersey Division of Pension and Benefits (NJDPB) and the DCRP is jointly administered by Prudential and NJDPB. The NJDPB issues publicly available financial reports that include financial statements and required supplementary information for the systems. These reports may be obtained online at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

**Public Employees' Retirement System**

The PERS is a cost sharing multiple-employer defined benefit pension plan that was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under the disability provisions of PERS.

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

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 6. PENSION PLANS (CONTINUED)**

**Public Employees' Retirement System (Continued)**

The following represents the membership tiers for PERS:

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

**Contributions** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The PERS member total contribution rate as of July 1, 2023 was 7.5% of base salary. The District employees' contributions for the year ended June 30, 2024 were \$9,704. Employers in PERS are required to contribute at an actuarially determined rate which includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The PERS employer rate due in 2024 is 17.11% of covered payroll. The District is billed annually for its normal contribution plus any accrued liability. These contributions were paid by the District and equal to the required contributions for each year. The District's contributions to PERS for the years ended June 30, 2024, and 2023, were \$29,805 and \$32,825 respectively.

The total payroll for the year ended June 30, 2024 was \$1,393,388. Payroll covered by PERS was \$129,385 for fiscal year 2024.

**Components of Net Pension Liability** - At June 30, 2024, the District's proportionate share of the PERS net pension liability was \$323,006. The net pension liability was measured as of June 30, 2023. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The District's proportion measured as of June 30, 2023 was 0.002230% which was a decrease of 0.00037% from its proportion measured as of June 30, 2022.

**Pension Expense and Deferred Outflows/Inflows of Resources** - The District's 2024 PERS pension expense, with respect to GASB 68, was \$24,256. The District's 2024 deferred outflows of resources and deferred inflows of resources were from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 3,088	\$ 1,320
Changes of assumptions	710	19,576
Net difference between projected and actual earnings on pension plan investments	1,487	
Changes in proportion	61,107	51,707
Contributions subsequent to the measurement date	29,805	
<b>Total</b>	<b>\$ 96,197</b>	<b>\$ 72,603</b>

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 6. PENSION PLANS (CONTINUED)**

**Public Employees' Retirement System (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year		PERS
2024	\$	10,358
2025		5,133
2026		(10,346)
2027		(10,746)
2028		(610)
Thereafter		
Total	\$	(6,211)

**Additional Information** - Collective Balances at June 30, 2024 and 2023 are as follows:

Year		2024		2023
Collective deferred outflows of resources	\$	96,197	\$	153,009
Collective deferred inflows of resources	\$	72,603	\$	63,690
Collective Net Pension Liability	\$	323,006	\$	392,828
District's Proportion		0.002230%		0.002603%

**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:

	PERS
Investment Rate of Return	7.00%
Salary Increases:	
(Based on Years of Service):	2.75 – 6.55%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

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.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 6. PENSION PLANS (CONTINUED)**

**Public Employees' Retirement System (Continued)**

**Long-Term Expected Rate of Return** – In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of 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:

Asset Class	PERS Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
Total	100.00%	

**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.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 6. PENSION PLANS (CONTINUED)**

**Public Employees' Retirement System (Continued)**

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate** - The following presents the collective net pension liability of the participating employers as of June 30, 2023, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	\$ <u>424,031</u>	\$ <u>323,006</u>	\$ <u>242,062</u>

**Teachers' Pension and Annuity Fund**

The State of New Jersey Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special funding situation that was established in 1955. As under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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

The following represents the membership tiers for TPAF:

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

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

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 6. PENSION PLANS (CONTINUED)**

**Teachers' Pension and Annuity Fund (Continued)**

**Contributions** - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The member contribution rate was 7.5% in as of July 1, 2023. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2023, the State's pension contribution was less than the actuarial determined amount. Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, Accounting and Financial Reporting for Pensions. The District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2024 because of the 100% special funding situation with the State of New Jersey.

During the fiscal year ended June 30, 2024, the State of New Jersey contributed \$340,054 to the TPAF for pension contributions, \$92,550 for post-retirement benefits on behalf of the School, and \$70 for long-term disability. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$69,963 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.

**Components of Net Pension Liability** - At June 30, 2024, the District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the District.

**Pension Expense** - For the year ended June 30, 2024, the District recognized pension expense of \$86,934 and revenue of \$86,934 for support provided by the State.

**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:

	<b><u>TPAF</u></b>
Investment Rate of Return	7.00%
Salary Increases	
(Based on Years of Service):	2.75 – 4.25%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 6. PENSION PLANS (CONTINUED)**

**Teachers' Pension and Annuity Fund (Continued)**

**Long-Term Expected Rate of Return** - 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:

Asset Class	TPAF Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
Total	<u>100.00%</u>	

**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.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 6. PENSION PLANS (CONTINUED)**

**Teachers' Pension and Annuity Fund (Continued)**

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate** - The following presents the collective net pension liability of the participating employers as of June 30, 2023, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount (7.00%)</u>	<u>1% Increase (8.00%)</u>
State's Share of the Net Pension Liability associated with the District	\$ 4,179,026	\$ 3,538,647	\$ 3,009,168
State's Share of the Net Pension Liability	<u>\$ 60,267,919,597</u>	<u>\$ 51,109,961,824</u>	<u>\$ 43,396,784,734</u>

**Defined Contribution Retirement Program (DCRP)**

The Defined Contribution Retirement Program (DCRP) is a multiple-employer defined contribution pension fund that was established in 2007 under the provisions of N.J.S.A 43:15C-1. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and long-term disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et seq.

The following represents the individuals eligible for membership in the DCRP:

	<u>Eligibility</u>
1. State or Local Officials who are elected or appointed on or after July 1, 2007	
2. Employees enrolled in the PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits	
3. Employees enrolled in the PFRS or SPRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits	
4. Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually	
5. Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually	

**Contributions** – The contribution policy is set by N.J.S.A 43:15C-3 and requires contributions by active members and contributing employers. Plan members are required to contribute 5.5% of their base salary and the District's employer match is an additional 3% contribution. For the year ended June 30, 2024, employee contributions totaled \$5,433 and the District's employer contribution, recognized in pension expense, was \$4,001. There were no forfeitures during the fiscal year.

**Pension Plan Fiduciary Net Position** - Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

**General Information about the OPEB Plan**

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

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

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**General Information about the OPEB Plan (Continued)**

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14- 17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to

Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

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

**Special Funding Situation**

The participating local education employer allocations included in the supplemental Schedule of special funding amounts by employer are provided as each local education employer is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation and to include their respective amount of total OPEB liability in their notes to their financial statements. The total OPEB liability and service cost for each employer was determined separately based on actual data for each employer's participants.

**Total OPEB Liability**

The State of New Jersey's total OPEB liability, as of the measurement date of June 30, 2023, was \$52,361,668,239. Of this amount, the total OPEB liability attributable to the School District was \$6,749,542. The State of New Jersey's proportionate share of the total OPEB liability is 100%, including the proportion attributable to the School District of 0.01289%. The total OPEB liability for the School District measured as of June 30, 2023 is zero as a result of the Special Funding Situation with the State of New Jersey. The School District's proportionate share of the total OPEB liability measured as of June 30, 2023 is 0.00%. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**Total Nonemployer OPEB Liability**

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

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

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

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

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**Discount rate**

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

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**Changes in the Total OPEB Liability**

	<b><u>Total OPEB Liability</u></b>
State of New Jersey	
<b>Balance as of June 30, 2022 Measurement Date</b>	<b>\$ 50,646,462,967</b>
Changes for the year:	
Service Cost	2,136,235,476
Interest	1,844,113,951
Changes of Benefit Terms	0
Differences between Expected and Actual	(980,424,863)
Changes of Assumptions	105,539,463
Benefit Payments	(1,437,516,858)
Contributions from Members	47,258,104
<b>Net Changes</b>	<b>1,715,205,273</b>
<b>Balance as of June 30, 2023 Measurement Date</b>	<b>\$ 52,361,668,240</b>

**Sensitivity of Total Nonemployer OPEB Liability to changes in the discount rate:**

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

<b><u>June 30, 2023</u></b>		
<u>At 1.00% Decrease</u>	<u>At Discount Rate</u>	<u>At 1.00% Increase</u>
2.65%	3.65%	4.65%
\$ 61,385,066,712	52,361,668,239	45,116,926,835

**Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:**

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

<b><u>June 30, 2023</u></b>		
<u>1.00% Decrease</u>	<u>Healthcare Cost</u>	<u>1.00% Increase</u>
	<u>Trend Rate</u>	
\$ 43,468,257,358	52,361,668,239	63,998,719,320

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

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

For the year ended June 30, 2024, the School District recognized OPEB expense of \$346,725. The School District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences Between Expected and Actual Experience	\$ 984,778	\$ (1,777,762)
Changes of Assumptions	959,793	(1,862,632)
Net difference Between Projected and Actual Earnings on OPEB Plan Investments		
Changes in Proportion	1,593,210	(459,914)
Contributions Subsequent to the Measurement Date		
Total	\$ 3,537,781	\$ (4,100,308)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows.

Measurement Period Ending June 30,		OPEB
2024	\$	1,035,654
2025		1,035,654
2026		1,067,645
2027		1,135,739
2028		1,208,636
Thereafter		2,154,760
Total	\$	7,638,088

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 8. COMPENSATED ABSENCES**

The School 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 that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the School District and its employees, is accrued as employees earn the rights to the benefits.

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

In the District Wide-Statement of Net Position, the liabilities whose average maturities are greater than one year should be reported in two components-the amount due within one year and the amount due in more than one year. The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2024, a liability existed for compensated absences in the General Fund of \$37,288 and none in the Food Service Fund.

**NOTE 9. DEFERRED COMPENSATION**

The Board offers its employees a choice of various 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 administrator is as follows:

Lincoln Investments  
GWN Marketing  
LSW

**NOTE 10. 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 Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and prior 2 years.

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023-2024	\$	\$ 2,749	\$	\$ 36,433
2022-2023		1,574		33,684
2021-2022		3,003		32,110

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 11. INTERFUND RECEIVABLES AND PAYABLES**

The following Interfund Balances remained on the balance sheet at June 30, 2024:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 87,467	\$
Special Revenue		44,511
Food Service Fund		30,422
After School Childcare		12,534
Total	<u>\$ 87,467</u>	<u>\$ 87,467</u>

**NOTE 12. FUND BALANCE APPROPRIATED**

**General Fund** - Of the \$1,391,208 General Fund balance at June 30, 2024, \$500,000 is restricted for Capital Reserve, of which \$0 has been assigned and appropriated as anticipated revenue in the year ending June 30, 2025; \$343,212 has been restricted for excess surplus, of which \$267,524 has been assigned and appropriated as anticipated revenue in the year ending June 30, 2025; \$114,400 is restricted for Maintenance Reserve, of which \$0 has been assigned and appropriated as anticipated revenue in the year ending June 30, 2025; \$36,433 is reserved for Unemployment Compensation; \$24,673 is assigned for encumbrances: \$0 has been assigned and appropriated as anticipated revenue in the year ending June 30, 2025; \$160,132 is designated for subsequent year's expenditures, and \$212,358 is unreserved and undesignated.

**Debt Service Fund** - There was no undesignated Debt Service fund balance at June 30, 2024.

**NOTE 13. LITIGATION**

The District is from time to time involved in claims and lawsuits incidental to its operations. Per confirmation by the District's legal counsel, there is one pending litigation which has been assigned to the insurance.

**NOTE 14. CALCULATION OF EXCESS SURPLUS**

In accordance with N.J.S.A.18A:7F-7, as amended by P.L. 2005, c.73(S1701), the designation for Reserved Fund Balance -- Excess Surplus is a required calculation pursuant to the New Jersey School Funding Reform Act of 2008 (SFRA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2024 is \$343,212, of which \$267,524 must be budgeted in the 2024-2025 budget and \$75,688 must be budgeted in 2025-2026.

**NOTE 15. TAX ABATEMENT**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 15. TAX ABATEMENT - Continued**

If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because NJSA 54:4-75 and NJSA 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district. For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at NJSA 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

**NOTE 16. DEFICIT FUND BALANCES**

The District had no deficit fund balance in the General Fund and a (\$19,663) deficit in unassigned fund balance 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 year, districts must record the last state aid payment as revenue, for budgeted purposes only, in the current 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 as 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 cannot 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 deficit in the Special Revenue Fund does not alone indicate that the district is facing financial difficulties. The deficit in the Special Revenue Fund is equal to the 19<sup>th</sup> and 20<sup>th</sup> state aid payments received in July 2024.

**NOTE 17. RECEIVABLES**

Receivables at June 30, 2024 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Receivables as of year-end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

<b>Receivables:</b>	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Proprietary Funds</b>	<b>Total</b>
Intergovernmental	\$ 38,314	\$ 143,422	\$ 27,597	\$ 209,333
Other			1,695	1,695
<b>Totals</b>	<b>\$ 38,314</b>	<b>\$ 143,422</b>	<b>\$ 29,292</b>	<b>\$ 211,028</b>

**NOTE 18. OPERATING LEASES**

The School is a lessee for various copiers and a postage meter. The District recognizes a lease liability – finance purchase and a capital asset or recognizes a lease liability – right to use and an intangible right-to use lease asset in the district-wide financial statements based on the criteria dictated in GASB Statement No. 87 – Leases. At the commencement of a lease, the School determines based on the criteria dictated in GASB Statement No. 87 – Leases, if the lease is a finance purchase or a right to use lease liability.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 18. OPERATING LEASES - Continued**

Then the School initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease liabilities are reported with the long-term obligations on the statement of net position.

A finance purchased asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The asset is depreciated on a straight-line basis over the life of the lease which is considered the asset's useful life. The asset is reported with the School capital assets as land, land improvements, buildings and improvements or furniture and equipment.

An intangible right-to use lease asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date. The intangible right-to use lease asset is amortized on a straight-line basis over the life of the lease. The intangible right-to use lease asset is reported with the School's capital assets in its own category called Right-to-Use Lease Assets.

Key estimates and judgements related to leases include how the School determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District is utilizing the treasury bill rate (corresponding to length of lease) in place at the date of implementation along with other risk factors to determine the discount interest rate for leases.

The School has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

The District has determined all of their copier lease agreements qualify as right-to-use assets. As of June 30, 2024, total future minimum lease payments under right-to-use lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 8,244
2026	2,748
Total	<u>\$ 10,992</u>

**NOTE 19. CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Stow Creek Township School District by inclusion of a transfer from unassigned surplus. 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. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 19. CAPITAL RESERVE ACCOUNT – Continued**

Districts are also permitted, as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit into the legal reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District did not deposit any additional funds into their Capital Reserve Account by Board Resolution in June 2024.

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	\$	200,000
Interest Earnings		
Deposits - Approved by Resolution		300,000
Transfer to Capital Projects Fund		
		<hr/>
Ending Balance, June 30, 2024	\$	<u>500,000</u>

The balance in Capital Reserve at June 30, 2024 is within the LRFP maximum balance of local support costs of uncompleted capital projects in the amount of \$2,038,710.

**NOTE 20 – MAINTENANCE RESERVE**

The Maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701). Districts may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes (N.J.A.C. 6A:23-2.14) or by transfer by board resolution at year end of any anticipated revenue or unexpended line item appropriations, or both.

New Jersey Statute 18A:7G-9 permits school districts to accumulate funds for the required maintenance of a facility in accordance with EFCFA. The balance may only be increased through an appropriation in the annual general fund budget certified for taxes. Upon completion of a school facilities projects, districts are required to submit a plan for maintenance of that facility. 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	\$	114,400
Withdrawn 2023-24 Budget		(60,000)
Added by Resolution		<u>60,000</u>
Ending Balance June 30, 2024	\$	<u>114,400</u>

Districts are also permitted, as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit into the legal reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District did not deposit any additional funds into their Maintenance Reserve Account by Board Resolution in June 2024. In addition, the reserve is at the maximum amount of \$114,400 per the M-1.

**NOTE 21. SUBSEQUENT EVENTS**

There were no subsequent events affecting the District between June 30, 2024 and the Audit Report Date of December 6, 2024.

**REQUIRED SUPPLEMENTARY INFORMATION – PART II**

**BUDGETARY COMPARISON SCHEDULES**

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL 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 Favorable (Unfavorable)</u>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 1,366,405	\$	\$ 1,366,405	\$ 1,366,405	\$
Tuition from Individuals				6,050	6,050
Transportation Fees from Other LEAs	62,000		62,000	108,075	46,075
Unrestricted Miscellaneous Revenues	50,100		50,100	43,765	(6,335)
Interest Earned				657	657
Interest Earned on Maintenance Reserve	15		15		(15)
<b>Total - Local Sources</b>	<u>1,478,520</u>		<u>1,478,520</u>	<u>1,524,952</u>	<u>46,432</u>
State Sources:					
Categorical Special Education Aid	88,149		88,149	88,149	
Equalization Aid	294,671		294,671	294,671	
Categorical Security Aid	17,125		17,125	17,125	
Categorical Transportation Aid	55,120		55,120	55,120	
Additional Non Public Transportation				2,730	2,730
Supplemental Stabilization Aid					
Extraordinary Aid				31,958	31,958
Lead Testing for Schools Aid					
On-Behalf TPAF Pension Contrib (Non-budgeted)				340,054	340,054
On-behalf Post-Retirement Medical Contribution				92,550	92,550
On-behalf Long-term Disability Contribution				70	70
Reimbursed TPAF Social Security Contributions (Non-budgeted)				69,963	69,963
<b>Total - State Sources</b>	<u>455,065</u>		<u>455,065</u>	<u>992,390</u>	<u>537,325</u>
<b>TOTAL REVENUES</b>	<u>1,933,585</u>		<u>1,933,585</u>	<u>2,517,342</u>	<u>583,757</u>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
Salaries of Teachers:					
Kindergarten	86,671		86,671	76,263	10,408
Grades 1-5	311,290	(14,326)	296,964	225,164	71,800
Grades 6-8	230,558		230,558	137,379	93,179
Regular Programs - Home Instruction:					
Salaries of Teachers	1,000		1,000		1,000
Regular Programs - Undistributed Instruction:					
Other Purchased Services	53,000	3,234	56,234	53,381	2,853
General Supplies	14,570	(1,806)	12,764	11,661	1,103
Other Objects	835		835		835
<b>Total Regular Programs - Instruction</b>	<u>\$ 697,924</u>	<u>\$ (12,898)</u>	<u>\$ 685,026</u>	<u>\$ 503,848</u>	<u>\$ 181,178</u>

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL 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 Favorable (Unfavorable)</u>
<b>EXPENDITURES:</b>					
Resource Room/Resource Center					
Salaries of Teachers	\$ 53,062	\$	\$ 53,062	49,748	\$ 3,314
General Supplies	750		750		750
Total Resource Room/Resource Center	<u>53,812</u>		<u>53,812</u>	<u>49,748</u>	<u>4,064</u>
Total Special Education - Instruction	<u>53,812</u>		<u>53,812</u>	<u>49,748</u>	<u>4,064</u>
Basic Skills/Remedial - Instruction					
Other Salaries for Instruction					
General Supplies					
Total Basic Skills/Remedial - Instruction					
School Sponsored Co-curricular Activities - Instruction					
Salaries of Teachers	3,500		3,500		3,500
Total School Sponsored Co-curr. Act. - Instr.	<u>3,500</u>		<u>3,500</u>		<u>3,500</u>
School Sponsored Athletics - Athletics					
Salaries of Teachers	5,000	1,500	6,500		6,500
Other Purchased Services	1,800		1,800	1,350	450
Supplies and Materials	700		700	193	507
Total School Sponsored Athletics - Instruction	<u>7,500</u>	<u>1,500</u>	<u>9,000</u>	<u>1,543</u>	<u>7,457</u>
Total Instruction	<u>762,736</u>	<u>(11,398)</u>	<u>751,338</u>	<u>555,139</u>	<u>196,199</u>
Undistributed Expenditures:					
Instruction					
Tuition - CSSD & Regular Day Schools	151,864		151,864	139,105	12,759
Total Instruction	<u>151,864</u>		<u>151,864</u>	<u>139,105</u>	<u>12,759</u>
Attendance and Social Work Services:					
Salaries	22,275		22,275	22,196	79
Total Attendance and Social Work Services	<u>22,275</u>		<u>22,275</u>	<u>22,196</u>	<u>79</u>
Health Services:					
Salaries	58,728		58,728	58,728	
Purch Professional/Technical Services	1,500		1,500	1,000	500
Other Purchased Services	500		500		500
Supplies and Materials	1,500	53	1,553	916	637
Total Health Services	<u>\$ 62,228</u>	<u>\$ 53</u>	<u>\$ 62,281</u>	<u>\$ 60,644</u>	<u>\$ 1,637</u>

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL 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 Favorable (Unfavorable)</u>
<b>EXPENDITURES: (Continued)</b>					
Undistributed Expenditures: (Continued)					
Speech, OT, PT and Related Services:					
Purchased Professional/Educational Services	\$ 10,000	\$	\$ 10,000	\$	\$ 10,000
Total Speech, OT, PT and Related Services	<u>10,000</u>	<u></u>	<u>10,000</u>	<u></u>	<u>10,000</u>
Other Support Services-Students-Extra Services:					
Purchased Professional/Educational Services					
Total Other Support Serv-Students-Extra Services					
Other Support Services - Students-Regular:					
Salaries Other Prof Staff		26,001	26,001	26,001	
Total Other Support Services - Students - Regular		<u>26,001</u>	<u>26,001</u>	<u>26,001</u>	
Guidance					
Salaries of Other Professional Staff	13,500		13,500		13,500
Total Undistributed Services Guidance	<u>13,500</u>		<u>13,500</u>		<u>13,500</u>
Other Support Services-Students-Child Study Teams:					
Purchased Professional - Educational Services	6,500		6,500		6,500
Total Other Support Serv-Child Study Teams	<u>6,500</u>		<u>6,500</u>		<u>6,500</u>
Improvement of Instruction Services:					
Purchased Prof - Ed Services	26,000		26,000	26,000	
Total Improvement of Instruction Services	<u>26,000</u>		<u>26,000</u>	<u>26,000</u>	
Educational Media Services/School Library:					
Other Purchased Services	800		800	758	42
Supplies and Materials	1,000		1,000	871	129
Total Educational Media Services/School Library	<u>1,800</u>		<u>1,800</u>	<u>1,629</u>	<u>171</u>
Instructional Staff Training Services:					
Purchased Professional/Educational Services					
Other Purchased Services					
Total Instructional Staff Training Services	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL 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 Favorable (Unfavorable)</u>
<b>EXPENDITURES: (Continued)</b>					
Undistributed Expenditures: (Continued)					
Support Services - General Administration:					
Salaries	\$ 61,345	\$	\$ 61,345	52,910	\$ 8,435
Legal Fees	4,500	3,564	8,064	8,064	
Audit Fees	16,000	2,905	18,905	18,905	
Other Purchased Prof Services	5,875	(3,566)	2,309	2,218	91
Communications/Telephone	4,500	(782)	3,718	3,078	640
BOE Other Purchased Services	1,500	(455)	1,045	724	321
Miscellaneous Purch Serv.	5,000	(1,666)	3,334	2,869	465
General Supplies	1,300		1,300	754	546
<b>Total Support Services - General Administration</b>	<b>100,020</b>		<b>100,020</b>	<b>89,522</b>	<b>10,498</b>
Support Services - School Administration:					
Salaries of Secretarial/Clerical Assistants	20,491		20,491	14,861	5,630
Other Purchased Services	500	100	600	575	25
Supplies and Materials	2,000	(600)	1,400	247	1,153
<b>Total Support Services - School Administration</b>	<b>22,991</b>	<b>(500)</b>	<b>22,491</b>	<b>15,683</b>	<b>6,808</b>
Central Services:					
Salaries	57,454		57,454	53,172	4,282
Purchased Professional Services	3,060	400	3,460	3,460	
Purchased Technical Services	3,500	(210)	3,290	3,290	
Supplies and Maintenance	1,000	410	1,410	1,401	9
<b>Total Central Services</b>	<b>65,014</b>	<b>600</b>	<b>65,614</b>	<b>61,323</b>	<b>4,291</b>
Operation and Maintenance of Plant Services:					
Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	65,956	36,543	102,499	92,191	10,308
General Supplies	4,500		4,500	4,290	210
<b>Total Required Maintenance for School Facilities</b>	<b>70,456</b>	<b>36,543</b>	<b>106,999</b>	<b>96,481</b>	<b>10,518</b>
Other Operation and Maintenance of Plant Services:					
Salaries	12,890		12,890	10,636	2,254
Purchased Professional/Technical Services	34,400	(3,926)	30,474	7,453	23,021
Cleaning, Repair and Maintenance Services	15,000	(2,796)	12,204	7,588	4,616
Other Purchased Property Services	12,480	(408)	12,072	11,037	1,035
Insurance	17,048	(5,374)	11,674	11,674	
General Supplies	5,000	1,522	6,522	6,522	
Energy (Electricity)	21,000	2,247	23,247	23,247	
Energy (Oil)	20,000	(6,959)	13,041	7,896	5,145
<b>Total Other Operation and Maint. of Plant Services</b>	<b>137,818</b>	<b>(15,694)</b>	<b>122,124</b>	<b>86,053</b>	<b>36,071</b>
<b>Total Operation and Maintenance of Plant Services</b>	<b>\$ 208,274</b>	<b>\$ 20,849</b>	<b>\$ 229,123</b>	<b>\$ 182,534</b>	<b>\$ 46,589</b>

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL 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 Favorable (Unfavorable)</u>
<b>EXPENDITURES: (Continued)</b>					
Undistributed Expenditures: (Continued)					
Student Transportation Services:					
Sal. For Pupil Trans (Btw Home & School) - Reg	\$ 84,686	\$ 1,392	\$ 86,078	\$ 86,078	\$
Other Purch, Prof. & Tech Svc.		3,426	3,426	3,426	
Management Fee - ESC & CTSA Trans. Program	1,800	(1,510)	290	200	90
Cleaning, Repair and Maintenance Services	42,638	27,660	70,298	70,298	
Contracted Services - Aid in Lieu Payments - Non-Pub.	7,000		7,000	6,990	10
Miscellaneous Purchased Services - Transportation	3,300	3,161	6,461	5,805	656
General Supplies	30,000	(9,238)	20,762	20,762	
<b>Total Student Transportation Services</b>	<b>169,424</b>	<b>24,891</b>	<b>194,315</b>	<b>193,559</b>	<b>756</b>
Regular Programs - Instruction - Employee Benefits					
Social Security Contributions	25,000	9,505	34,505	32,289	2,216
Other Retirement Contributions - PERS	34,666		34,666	33,806	860
Workmen's Compensation	15,000		15,000	15,000	
Health Benefits	410,000	(63,403)	346,597	284,755	61,842
Other Employee Benefits	10,000		10,000		10,000
<b>Total Allocated Benefits</b>	<b>494,666</b>	<b>(53,898)</b>	<b>440,768</b>	<b>365,850</b>	<b>74,918</b>
Unallocated Benefits					
Tuition Reimbursement					
<b>Total Unallocated Benefits</b>					
On-Behalf TPAF Pension Contrib (Non-budgeted)				340,054	(340,054)
On-Behalf TPAF Post Retirem. Medical Contrib.(Non-budgeted)				92,550	(92,550)
On-behalf Long-term Disability Contribution				70	(70)
Reimbursed TPAF Soc. Sec. Contrib. (Non-budgeted)				69,963	(69,963)
<b>Total Undistributed Expenditures</b>	<b>1,354,556</b>	<b>17,996</b>	<b>1,372,552</b>	<b>1,686,683</b>	<b>(314,131)</b>
Interest Earned on Maintenance Reserve	15		15		15
<b>TOTAL EXPENDITURES - CURRENT EXPENSE</b>	<b>\$ 2,117,307</b>	<b>\$ 6,598</b>	<b>\$ 2,123,905</b>	<b>\$ 2,241,822</b>	<b>\$ (117,917)</b>

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL 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 Favorable (Unfavorable)</u>
<b>CAPITAL OUTLAY:</b>					
Undistributed Expenditures:					
Equipment					
Undistributed Expenditures					
Undist. Exp-School Buses - regular	\$	\$ 136,362	\$ 136,362	\$ 136,362	\$
Total Undistributed Expenditures		136,362	136,362	136,362	
Facilities Acquisition and Construction Services:					
Assessment for Debt Service on SDA Funding					
Other Purchased Prof. and Tech. Services	739		739	739	
Total Facilities Acquisition and Construction Services	739		739	739	
Interest Deposit to Capital Reserve					
TOTAL CAPITAL OUTLAY	739	136,362	137,101	137,101	
TOTAL EXPENDITURES	2,118,046	142,960	2,261,006	2,378,923	(117,917)
Excess (Deficiency) of Revenues and Other Over (Under) Expenditures	(184,461)	(142,960)	(327,421)	138,419	465,840
Other Financing Sources (Uses):					
Transfer to Food Service					
Transfer to Preschool - Inclusion	(14,045)		(14,045)	(14,045)	
Total Other Financing Sources	(14,045)		(14,045)	(14,045)	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(198,506)	(142,960)	(341,466)	124,374	465,840
Fund Balances, July 1	1,307,206		1,307,206	1,307,206	
Fund Balances, June 30	\$ 1,108,700	\$ (142,960)	\$ 965,740	\$ 1,431,580	\$ 465,840
<b>RECAPITULATION :</b>					
<b>Restricted Fund Balance:</b>					
Capital Reserve				\$ 500,000	
Maintenance Reserve				114,400	
Unemployment Compensation				36,433	
Excess Surplus				75,688	
Excess Surplus - Designated for Subsequent Year's Expenditures				267,524	
<b>Assigned Fund Balance:</b>					
Encumbrances				24,673	
Designated for Subsequent Year's Expenditures				160,132	
				252,730	
<b>Unassigned Fund Balance</b>				1,431,580	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				(40,372)	
Fund Balance per Governmental Funds (GAAP)				\$ 1,391,208	

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
Local Sources	\$ 2,000	\$ 14,536	\$ 16,536	\$ 107,910	\$ 91,374
Federal Sources	341,405	26,226	367,631	246,098	(121,533)
State Sources	366,954		366,954	228,751	(138,203)
<b>Total Revenues</b>	<u>710,359</u>	<u>40,762</u>	<u>751,121</u>	<u>582,759</u>	<u>(168,362)</u>
<b>EXPENDITURES:</b>					
<b>Instruction</b>					
Salaries of Teachers	202,348		185,348	139,393	45,955
Other Salaries for Instruction	65,866		65,768	65,764	4
Purchased Professional and Technical Services	37,893	6,388	44,281	22,971	21,310
General Supplies	64,273	7,618	71,891	47,387	24,504
Textbooks	5,608		5,608	5,518	90
<b>Total Instruction</b>	<u>375,988</u>	<u>(3,092)</u>	<u>372,896</u>	<u>281,033</u>	<u>91,863</u>
<b>Support Services</b>					
Salaries of Teachers	8,000	5,000	13,000	13,000	
Salaries of Other	10,159		10,159	9,406	753
Salaries of Secretaries and Clerical Assistants	7,370		7,370	7,365	5
Employee Benefits	128,305		128,242	117,275	10,967
Purchased Professional Technical Services	19,310		3,173	3,173	
Purchased Property Services	46,834		46,834	46,834	
Other Purchased Services	85,621	31,883	117,504	92,600	24,904
Materials and Supplies	26,371	8,635	35,006	11,139	23,867
Student Activities		14,536	14,536	14,536	
<b>Total Support Services</b>	<u>331,970</u>	<u>29,318</u>	<u>375,824</u>	<u>315,328</u>	<u>60,496</u>
<b>Facilities Acquisition and Construction Services:</b>					
Facilities					
Buildings	2,401		2,401	2,401	
<b>Total Facilities Acquisition and Constr. Serv.</b>	<u>2,401</u>		<u>2,401</u>	<u>2,401</u>	
<b>Total Expenditures</b>	<u>710,359</u>	<u>26,226</u>	<u>751,121</u>	<u>598,762</u>	<u>152,359</u>
<b>Other Financing Sources (Uses)</b>					
<b>Total Outflows</b>	<u>710,359</u>	<u>26,226</u>	<u>751,121</u>	<u>598,762</u>	<u>152,359</u>
<b>Transfer of Preschool Inclusion from General Fund</b>				14,045	14,045
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<u>\$</u>	<u>\$ 14,536</u>	<u>\$</u>	<u>\$ (1,958)</u>	<u>\$ (1,958)</u>
Fund Balance, July 1				28,596	
Fund Balance, June 30	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 26,638</u>	<u>\$</u>
<b>Recapitulation:</b>					
Restricted					
Student Activities				\$ 26,638	
<b>Total Fund Balance</b>				<u>\$ 26,638</u>	

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**BUDGET-TO-GAAP RECONCILIATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Explanation of Differences between Budgetary Inflows and Outflows and  
GAAP Revenues and Expenditures**

	General Fund	Special Revenue Fund
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1] \$ 2,517,342	[E-1] \$ 582,759
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		33,959
Current Year		(48,437)
State aid payment recognized for Gaap statements in the current year, previously recognized for budgetary purposes.	45,340	18,575
State aid payment recognized for budgetary purposes, not recognized for GAAP statements	(40,372)	(19,663)
	<u>2,522,310</u>	<u>567,193</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2] \$ <u>2,522,310</u>	[B-2] \$ <u>567,193</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 2,378,923	[E-1] \$ 598,762
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		33,959
Current Year		(48,437)
	<u>2,378,923</u>	<u>584,284</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2] \$ <u>2,378,923</u>	[B-2] \$ <u>584,284</u>

**REQUIRED SUPPLEMENTARY INFORMATION – PART III**

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employees' Retirement System (PERS)**  
**Last Ten Fiscal Years\***

	<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>	<u>2014</u>
District's Proportion of the Net Pension Liability	0.002230%	0.002603%	0.002619%	0.002124%	0.001811%	0.001758%	0.001689%	0.001830%	0.001992%	0.002094%
District's Proportionate Share of the Net Pension Liability	\$ 323,006	\$ 392,828	\$ 310,204	\$ 346,406	\$ 326,283	\$ 346,094	\$ 393,178	\$ 542,012	\$ 447,142	\$ 392,153
District's Covered-Employee Payroll	\$ 129,385	\$ 138,988	\$ 173,985	\$ 239,383	\$ 183,305	\$ 138,666	\$ 121,829	\$ 123,440	\$ 117,014	\$ 120,042
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	249.65%	282.63%	178.29%	144.71%	178.00%	249.59%	322.73%	439.09%	382.13%	326.68%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	48.10%	40.14%	47.93%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**Schedule of District Contributions**  
**Public Employees' Retirement System (PERS)**  
**Last Ten Fiscal Years\***

	<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>	<u>2014</u>
Contractually Required Contribution	\$ 29,805	\$ 32,825	\$ 30,666	\$ 23,238	\$ 17,750	\$ 17,591	\$ 15,966	\$ 16,406	\$ 17,125	\$ 17,267
Contributions in relation to the Contractually Required Contribution	(29,805)	(32,825)	(30,666)	(23,238)	(17,750)	(17,591)	(15,966)	(16,406)	(17,125)	(17,267)
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	\$ 129,385	\$ 138,988	\$ 173,985	\$ 239,383	\$ 183,305	\$ 138,666	\$ 121,829	\$ 123,440	\$ 117,014	\$ 120,042
Contributions as a Percentage of Covered-Employee Payroll	23.04%	23.62%	17.63%	9.71%	9.68%	12.69%	13.11%	13.29%	14.64%	14.38%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund (TPAF)**  
**Last Ten Fiscal Years\***

	<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>	<u>2014</u>
District's Proportion of the Net Pension Liability	0.006934%	0.009086%	0.009007%	0.008659%	0.008365%	0.008102%	0.008148%	0.008006%	0.007886%	0.007244%
District's Proportionate Share of the Net Pension Liability	\$ 3,538,647	\$ 4,688,014	\$ 4,330,254	\$ 5,702,164	\$ 5,133,856	\$ 5,154,033	\$ 5,493,835	\$ 6,928,203	\$ 4,984,452	\$ 3,871,470
District's Covered-Employee Payroll	\$ 932,925	\$ 935,011	\$ 869,419	\$ 828,195	\$ 884,249	\$ 915,652	\$ 898,562	\$ 857,458	\$ 837,974	\$ 838,960
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	379.31%	501.39%	498.06%	688.51%	580.59%	562.88%	611.40%	807.99%	594.82%	461.46%
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: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information - Part III**  
**Schedule of Changes in the Total OPEB Liability and Related Ratios**  
**State Health Benefit Local Education Retired Employees Plan**  
**Last Ten Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB Liability</b>							
Service Cost	\$ 236,033	\$ 295,975	\$ 306,666	\$ 167,635	\$ 153,821	\$ 166,595	\$ 201,147
Interest Cost	237,711	178,490	188,172	168,281	196,011	190,825	165,585
Changes of Benefit Terms			(7,721)				
Differences Between Expected and Actual Experiences	(293,785)	984,802	(316,162)	985,586	(559,513)	95,660	
Changes of Assumptions	13,604	(1,806,774)	7,156	1,318,686	70,089	(571,528)	(689,409)
Member Contributions	6,092	5,672	4,811	3,809	4,277	4,603	4,458
Gross Benefit Payments	(185,299)	(176,799)	(148,227)	(125,679)	(144,301)	(133,175)	(121,079)
<b>Net Change in Total OPEB Liability</b>	<u>14,356</u>	<u>(518,634)</u>	<u>34,695</u>	<u>2,518,318</u>	<u>(279,616)</u>	<u>(247,020)</u>	<u>(439,298)</u>
<b>Total OPEB Liability - Beginning</b>	<u>6,735,186</u>	<u>7,253,820</u>	<u>7,219,125</u>	<u>4,700,807</u>	<u>4,980,423</u>	<u>5,227,443</u>	<u>5,666,741</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 6,749,542</u>	<u>\$ 6,735,186</u>	<u>\$ 7,253,820</u>	<u>\$ 7,219,125</u>	<u>\$ 4,700,807</u>	<u>\$ 4,980,423</u>	<u>\$ 5,227,443</u>
<b>Covered-Employee Payroll</b>	\$ 1,062,310	\$ 1,073,999	\$ 1,043,404	\$ 1,067,578	\$ 1,067,554	\$ 1,054,318	\$ 1,020,391
<b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	635.36%	627.11%	695.21%	676.22%	440.33%	472.38%	512.30%

Notes to Schedule:

Changes of Benefit Terms: The decrease in liability from June 30, 2020 to June 30, 2021 is due to employers adopting Chapter 44 provisions.

Differences Between Expected and Actual Experiences: The decrease in liability from June 30, 2020 to June 30, 2021 is due to changes in the census.

Changes in Assumptions: The increase in the liability from June 30, 2020 to June 30, 2021 is due to the combined effect of Trend Updates, Mortality Projection Scale Updates, Discount Rate Changes, and Salary Scale changes.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**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.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
SPECIAL REVENUE FUND - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2023)**

	IDEA								Totals	
	Title I	Title I	NCLB Title IIA	Title IV ESEA	IDEA	Pre- School	Sub-Total	Sub-Total	2024	2023
	2023-24	Reall 2023-24			Basic Flow- Through		Per E-1(2)	Per E-1(3)		
<b>REVENUES:</b>										
Local Sources							12,578	\$ 95,332	\$ 107,910	\$ 17,756
Federal Sources	\$ 26,338	\$ 10,289	\$ 3,600	\$ 1,050	\$ 65,110	\$ 1,248	\$ 138,463		246,098	406,737
State Sources								228,751	228,751	233,260
<b>Total Revenues</b>	<b>26,338</b>	<b>10,289</b>	<b>3,600</b>	<b>1,050</b>	<b>65,110</b>	<b>1,248</b>	<b>151,041</b>	<b>324,083</b>	<b>582,759</b>	<b>657,753</b>
<b>EXPENDITURES:</b>										
Instruction:										
Salaries of Teachers							20,371	119,022	139,393	141,425
Other Salaries for Instruction	17,136							48,628	65,764	63,635
Purchased Professional and Technical Services				1,050			15,000	6,921	22,971	20,957
General Supplies		10,289					17,266	19,832	47,387	50,548
Textbooks								5,518	5,518	6,382
<b>Total Instruction</b>	<b>17,136</b>	<b>10,289</b>		<b>1,050</b>			<b>52,637</b>	<b>199,921</b>	<b>281,033</b>	<b>282,947</b>
Support Services:										
Salaries of Teachers							13,000		13,000	22,000
Salaries of Other								9,406	9,406	
Salaries of Secretaries and Clerical Assistants								7,365	7,365	
Employee Benefits								117,275	117,275	19,536
Purchased Professional Technical Services			3,173						3,173	15,485
Purchased Property Services							44,053	2,781	46,834	29,614
Other Purchased Services	9,202				65,110	1,248	17,040		92,600	96,653
Materials and Supplies			427				9,332	1,380	11,139	4,885
Student Activities							14,536		14,536	13,028
<b>Total Support Services</b>	<b>9,202</b>		<b>3,600</b>		<b>65,110</b>	<b>1,248</b>	<b>97,961</b>	<b>138,207</b>	<b>315,328</b>	<b>201,201</b>
Facilities Acquisition/Construction:										
Facilities										
Instructional Equipment										
Building							2,401		2,401	184,145
<b>Total Facilities Acquisition/Construction</b>							<b>2,401</b>		<b>2,401</b>	<b>184,145</b>
<b>Total Expenditures</b>	<b>\$ 26,338</b>	<b>\$ 10,289</b>	<b>\$ 3,600</b>	<b>\$ 1,050</b>	<b>\$ 65,110</b>	<b>\$ 1,248</b>	<b>\$ 152,999</b>	<b>\$ 338,128</b>	<b>598,762</b>	<b>\$ 668,293</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures							(1,958)	\$ (14,045)	(16,003)	\$ (10,540)
Transfer from General Fund								14,045	14,045	13,268
									(1,958)	2,728
<b>Fund Balance, July 1</b>							<b>28,596</b>		<b>28,596</b>	<b>25,868</b>
<b>Fund Balance, June 30</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$ 26,638</b>	<b>\$</b>	<b>\$ 26,638</b>	<b>\$ 28,596</b>

**STOW CREEK TOWNSHIP SCHOOL DISTRICT  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
SPECIAL REVENUE FUND - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2023)**

	CRRSA			ARP					REAP	Student Activity	Totals 2024	Totals 2023
	ESSER II	Learning ACC	Mental Health	ESSER III	Accel. Learning	Summer Learning	Esser Beyond	Mental Health				
<b>REVENUES:</b>												
Local sources										\$ 12,578	\$ 12,578	\$ 15,756
Federal Sources	\$ 44,053	\$ 112	\$ 180	\$ 25,273	\$ 37,425	\$ 11,044	\$ 13,118	\$ 2,902	\$ 4,356		138,463	306,420
State Sources												
<b>Total Revenues</b>	<b>44,053</b>	<b>112</b>	<b>180</b>	<b>25,273</b>	<b>37,425</b>	<b>11,044</b>	<b>13,118</b>	<b>2,902</b>	<b>4,356</b>	<b>12,578</b>	<b>151,041</b>	<b>322,176</b>
<b>EXPENDITURES:</b>												
Instruction:												
Salaries of Teachers		112				10,388	9,871				20,371	13,347
Other Salaries for Instruction												
Purchased Professional and Technical Services					15,000						15,000	2,255
General Supplies				2,011	9,883	656	360		4,356		17,266	29,882
Textbooks												
<b>Total Instruction</b>		<b>112</b>		<b>2,011</b>	<b>24,883</b>	<b>11,044</b>	<b>10,231</b>		<b>4,356</b>		<b>52,637</b>	<b>45,484</b>
Support Services:												
Salaries of Teachers				13,000							13,000	22,000
Salaries of Other												
Salaries of Secretaries and Clerical Assistants												
Employee Benefits												10,806
Purchased Professional Technical Services											44,053	24,161
Purchased Property Services	44,053										17,040	17,378
Other Purchased Services			180	3,127	11,444		1,544	745			9,332	2,446
Materials and Supplies				4,734	1,098		1,343	2,157			14,536	13,028
Student Activities												
<b>Total Support Services</b>	<b>44,053</b>		<b>180</b>	<b>20,861</b>	<b>12,542</b>		<b>2,887</b>	<b>2,902</b>		<b>14,536</b>	<b>97,961</b>	<b>89,819</b>
Facilities Acquisition/Construction:												
Facilities				2,401							2,401	184,145
Instructional Equipment												
<b>Total Facilities Acquisition/Construction</b>				<b>2,401</b>							<b>2,401</b>	<b>184,145</b>
<b>Total Expenditures</b>	<b>\$ 44,053</b>	<b>\$ 112</b>	<b>\$ 180</b>	<b>\$ 25,273</b>	<b>\$ 37,425</b>	<b>\$ 11,044</b>	<b>\$ 13,118</b>	<b>\$ 2,902</b>	<b>\$ 4,356</b>	<b>\$ 14,536</b>	<b>\$ 152,999</b>	<b>\$ 319,448</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures										(1,958)	(1,958)	2,728
Fund Balance, July 1										28,596	28,596	25,868
Fund Balance, June 30	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 26,638	\$ 26,638	\$ 28,596

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**COMBINING SCHEDULE OF REVENUES AND EXPENDITURES**  
**SPECIAL REVENUE FUND - BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2023)**

	N.J. Nonpublic Security Aid	N.J. Nonpublic Textbook Aid	Non Public Nursing	Non Public Technology	SDA Emergent	Safety Grant Supplies	Preschool Education	Totals 2024	Totals 2023
<b>REVENUES:</b>									
Local Sources						\$ 1,380	\$ 93,952	\$ 95,332	2,000
Federal Sources									
State Sources	\$ 19,832	\$ 5,518	\$ 2,445	\$ 4,476	\$ 2,781		193,699	228,751	\$ 233,260
<b>Total Revenues</b>	<b>19,832</b>	<b>5,518</b>	<b>2,445</b>	<b>4,476</b>	<b>2,781</b>	<b>1,380</b>	<b>287,651</b>	<b>324,083</b>	<b>235,260</b>
<b>EXPENDITURES:</b>									
Instruction:									
Salaries of Teachers							119,022	119,022	128,078
Other Salaries for Instruction							48,628	48,628	46,518
Purchased Professional and Technical Services			2,445	4,476				6,921	15,652
General Supplies	19,832							19,832	18,254
Textbooks		5,518						5,518	6,382
<b>Total Instruction</b>	<b>19,832</b>	<b>5,518</b>	<b>2,445</b>	<b>4,476</b>			<b>167,650</b>	<b>199,921</b>	<b>214,884</b>
Support Services:									
Salaries of Teachers									
Salaries of Other							9,406	9,406	
Salaries of Secretaries and Clerical Assistants							7,365	7,365	
Employee Benefits							117,275	117,275	
Purchased Professional Technical Services									
Purchased Property Services					2,781			2,781	5,453
Other Purchased Services									26,191
Materials and Supplies						1,380		1,380	2,000
Student Activities									
<b>Total Support Services</b>					<b>2,781</b>	<b>1,380</b>	<b>134,046</b>	<b>138,207</b>	<b>33,644</b>
Facilities Acquisition/Construction:									
Instructional Equipment									
<b>Total Facilities Acquisition/Construction</b>									
<b>Total Expenditures</b>	<b>\$ 19,832</b>	<b>\$ 5,518</b>	<b>\$ 2,445</b>	<b>\$ 4,476</b>	<b>\$ 2,781</b>	<b>\$ 1,380</b>	<b>\$ 301,696</b>	<b>\$ 338,128</b>	<b>\$ 248,528</b>
Transfer from General Fund							14,045	14,045	13,268
Excess (Deficiency) of Revenues Over (Under) Expenditures							\$	\$	

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
**SCHEDULE OF PRESCHOOL EDUCATION AID**  
**BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>EXPENDITURES:</b>			
Instruction:			
Salaries of Teachers	\$ 120,201	\$ 119,022	\$ 1,179
Other Salaries for Instruction	48,632	48,628	4
PEA in Supplies & Materials	3,615		3,615
Total Instruction	<u>172,448</u>	<u>167,650</u>	<u>4,798</u>
Support:			
Salaries of Other	10,159	9,406	753
Salaries of Secretaries and Clerical Assistants	7,370	7,365	5
Other Purchased Services	117,275	117,275	
Total Support Services	<u>134,804</u>	<u>134,046</u>	<u>758</u>
Facilities Acquisition and Const. Services:			
Instructional Equipment			
Non-instructional Equipment			
Total Facilities Acquisition and Const. Services:			
Total Expenditures	<u>\$ 307,252</u>	<u>\$ 301,696</u>	<u>\$ 5,556</u>

**CALCULATION OF BUDGET & CARRYOVER**

Total revised 2022-2023 Preschool Education Aid Allocation \$	196,630	(1)
Tuition from Greenwich Board of Education	93,952	(2)
Add: Actual ECPA/PEA Carryover (June 30, 2023)	2,625	(3)
Add: Budgeted Transfer from the General Fund 2023-2024	14,045	(4)
Total Preschool Education Aid Funds Available for 2023-2024 Budget	307,252	(5)
Less: 2023-2024 Budgeted Preschool Education Aid (including prior year budget carryover)	(307,252)	(6)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2024	-	(7)
Add: June 30, 2024 Unexpended Preschool Education Aid	5,556	(8)
Less: 2023-2024 Commissioner-approved Transfer to the General Fund		(9)
2023-2024 Carryover - Preschool Education Aid/Preschool Programs \$	<u>5,556</u>	(10)
2023-2024 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2024-2025 \$	<u>1,767</u>	(11)
The Board should consider appropriating this additional carry-over into the 2024-2025 budget \$	<u>3,789</u>	

## **CAPITAL PROJECTS FUND DETAIL STATEMENT**

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.

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**CAPITAL PROJECTS FUND**  
**SUMMARY SCHEDULE OF PROJECT EXPENDITURES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Number</u>	<u>Issue/Project Title</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance 6/30/24</u>	<u>Memo Only</u>	
			<u>Prior Year</u>	<u>Current Year</u>		<u>Encumbrances</u>	<u>Available Balance</u>
2020-1	Acquisition of Fire Doors	\$ 65,000	\$ 36,341	\$	\$ 28,659	\$	\$ 28,659
		<u>\$ 65,000</u>	<u>\$ 36,341</u>	<u>\$</u>	<u>\$ 28,659</u>	<u>\$</u>	<u>\$ 28,659</u>

**STOW CREEK TOWNSHIP BOARD OF EDUCATION**  
**CAPITAL PROJECTS FUND**  
**SUMMARY SCHEDULE OF REVENUES AND EXPENDITURES**  
**FOR THE YEAR ENDED JUNE 30, 2024**

**Revenues and Other Financing  
Sources**

Transfer from Capital Reserve	\$ _____
Total Revenues	_____

**Expenditures and Other Financing  
Uses**

Other Professional and Technical Services	
Construction Services	_____
Total Expenditures	_____

Excess (Deficiency) of Revenues Over (Under) Expenditures

Fund Balance - Beginning	28,659
Fund Balance - Ending	\$ <u><u>28,659</u></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 for the schools within the school district.

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

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**FOOD SERVICES ENTERPRISE FUND**  
**COMBINED SCHEDULE OF NET POSITION**  
**AS OF JUNE 30, 2024 AND 2023**

	<u>Food Service Fund</u>	<u>After School Childcare</u>	<u>Total</u>	
			<u>2024</u>	<u>2023</u>
<b>ASSETS:</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 12,980	\$ 38,922	\$ 51,902	\$ 63,391
Accounts Receivable:				
State	385		385	40
Federal	1,577		1,577	20,884
Other	11	1,684	1,695	753
Intergovernmental	25,635		25,635	25,474
Inventories	1,577		1,577	1,596
<b>Total Current Assets</b>	<b>42,165</b>	<b>40,606</b>	<b>82,771</b>	<b>112,138</b>
Fixed Assets:				
Equipment	34,922		34,922	28,955
Accumulated Depreciation	(24,639)		(24,639)	(23,049)
<b>Total Fixed Assets</b>	<b>10,283</b>		<b>10,283</b>	<b>5,906</b>
<b>Total Assets</b>	<b>52,448</b>	<b>40,606</b>	<b>93,054</b>	<b>118,044</b>
<b>LIABILITIES:</b>				
Current Liabilities:				
Accounts Payable				
Interfund Payable	30,422	12,534	42,956	43,609
Unearned Revenue	629		629	729
<b>Total Current Liabilities</b>	<b>31,051</b>	<b>12,534</b>	<b>43,585</b>	<b>44,338</b>
<b>Total Liabilities</b>	<b>31,051</b>	<b>12,534</b>	<b>43,585</b>	<b>44,338</b>
<b>NET POSITION:</b>				
Investment in Fixed Assets	10,283		10,283	5,906
Unrestricted	11,114	28,072	39,186	67,800
<b>Total Net Position</b>	<b>\$ 21,397</b>	<b>\$ 28,072</b>	<b>\$ 49,469</b>	<b>\$ 73,706</b>

**STOW CREEK TOWNSHIP SCHOOL DISTRICT  
FOOD SERVICES ENTERPRISE FUND  
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

	Food Service Fund		After School Childcare		Total	
					2024	2023
<b>OPERATING REVENUES:</b>						
Local Sources:						
Food Sales Reimbursable Programs	\$	13,256	\$		\$	13,256
Food Sales Non-Reimbursable Programs		4,812			4,812	12,975
After School Childcare Fees				25,365	25,365	20,194
<b>Total Operating Revenue</b>		<b>18,068</b>		<b>25,365</b>	<b>43,433</b>	<b>68,524</b>
<b>OPERATING EXPENSES:</b>						
Salaries and Benefits		22,458		16,157	38,615	37,233
Supplies and Materials		27,329		1,472	28,801	35,648
Cost of Sales		31,819			31,819	20,664
Cost of Sales - Non Program Food		2,961			2,961	2,758
Management Fee		6,441			6,441	6,459
Miscellaneous		1,086			1,086	1,457
Depreciation		1,590			1,590	2,145
<b>Total Operating Expenses</b>		<b>93,684</b>		<b>17,629</b>	<b>111,313</b>	<b>106,364</b>
<b>Operating Income/(Loss)</b>		<b>(75,616)</b>		<b>7,736</b>	<b>(67,880)</b>	<b>(37,840)</b>
<b>NON-OPERATING REVENUES:</b>						
State Sources:						
State School Breakfast Program		158			158	208
State School Lunch Program		894			894	718
Summer-EBT Administrative Cost		321			321	
Federal Sources:						
National School Breakfast Program		4,117			4,117	5,106
National School Lunch Program		18,050			18,050	14,434
CNP School Meals Equip.						35,003
CFDA LFS						1,045
Summer-EBT Administrative Cost		322			322	
P-EBT Administrative Cost Reimbursement						653
Supply Chain Assistance Funding		9,660			9,660	11,888
Food Distribution Program		10,103			10,103	3,899
Interest		18			18	17
<b>Total Non-Operating Revenues</b>		<b>43,643</b>			<b>43,643</b>	<b>72,971</b>
<b>Change in Net Assets Before Operating Transfers</b>						
In/(out)		(31,973)		7,736	(24,237)	35,131
Operating Transfer In - General Fund						6,842
Fixed Asset Adjustment						(1,860)
<b>Net (Loss)/Income</b>		<b>(31,973)</b>		<b>7,736</b>	<b>(24,237)</b>	<b>40,113</b>
<b>Net Position - July 1</b>		<b>53,370</b>		<b>20,336</b>	<b>73,706</b>	<b>33,593</b>
<b>Net Position - June 30</b>	<b>\$</b>	<b>21,397</b>	<b>\$</b>	<b>28,072</b>	<b>\$</b>	<b>49,469</b>
					<b>\$</b>	<b>73,706</b>

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**ENTERPRISE FUND**  
**COMBINING SCHEDULE OF CASH FLOWS**  
**AS OF JUNE 30, 2024**

	<u>Food Service Fund</u>	<u>After School Childcare</u>	<u>Total</u>	
			<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 18,068	\$ 25,365	\$ 43,433	\$ 68,524
Payments to Employees	(22,458)	(16,157)	(38,615)	(37,233)
Payments to Suppliers	(50,487)		(50,487)	(103,055)
Payments to Others	(1,086)	(2,410)	(3,496)	(1,668)
Net Cash Provided by (Used for) Operating Activities	<u>(55,963)</u>	<u>6,798</u>	<u>(49,165)</u>	<u>(73,432)</u>
Cash Flows from Non-capital Financing Activities				
State Sources	1,373		1,373	926
Federal Sources	42,252		42,252	72,028
Interfund Transfer				6,842
Net Cash Provided by (Used for) Non-capital Financing Activities	<u>43,625</u>		<u>43,625</u>	<u>79,796</u>
Cash Flows from Capital Financing Activities				
Purchase of Fixed Assets	(5,967)		(5,967)	
Net Cash Provided by (Used for) Capital Financing	<u>(5,967)</u>		<u>(5,967)</u>	
Cash Flows from Investing Activities				
Interest and Dividends	18		18	17
Net Cash Provided by (Used for) Investing Activities	<u>18</u>		<u>18</u>	<u>17</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(18,287)	6,798	(11,489)	6,381
Balances - Beginning of Year	31,267	32,124	63,391	57,010
Balances - End of Year	<u>\$ 12,980</u>	<u>\$ 38,922</u>	<u>\$ 51,902</u>	<u>\$ 63,391</u>
Operating Income/(Loss)	\$ (75,616)	\$ 7,736	\$ (67,880)	\$ (37,840)
Adjustments to Reconcile Operating Income/(Loss) to Cash Used by Operating Activities:				
Depreciation	1,590		1,590	2,145
Change in Assets and Liabilities:				
Decrease/(Increase) in Accounts Receivable	18,797		17,859	(36,939)
Decrease/(Increase) in Interfund Receivable				
Decrease/(Increase) in Inventory	19		19	(592)
Increase/(Decrease) in Accounts Payable				
Increase/(Decrease) in Interfund Payable	(653)			
Increase/(Decrease) in Cash Overdraft				
Increase/(Decrease) in Unearned Revenue	(100)		(100)	(206)
Total Adjustments	<u>19,653</u>		<u>18,715</u>	<u>(35,592)</u>
Net Cash Used by Operating Activities	<u>\$ (55,963)</u>	<u>\$ 6,798</u>	<u>\$ (49,165)</u>	<u>\$ (73,432)</u>

**STATISTICAL SECTION**

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
*(Accrual Basis of Accounting)*  
**(UNAUDITED)**

	Fiscal Year Ending,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Governmental Activities</b>										
Invested in Capital Assets, Net of Related Debt	\$ 374,058	\$ 383,497	\$ 376,841	\$ 367,725	\$ 395,828	\$ 398,228	\$ 167,238	\$ 345,049	\$ 546,095	\$ 623,596
Restricted	180,035	317,106	388,213	367,016	384,474	685,210	813,850	797,328	920,951	1,234,147
Unrestricted (Deficit)	(254,332)	(279,417)	(307,854)	(259,728)	(321,269)	(340,416)	(287,462)	(185,689)	49,852	(144,005)
<b>Total Governmental Activities Net Position</b>	<b>\$ 299,761</b>	<b>\$ 421,186</b>	<b>\$ 457,200</b>	<b>\$ 475,013</b>	<b>\$ 459,033</b>	<b>\$ 743,022</b>	<b>\$ 693,626</b>	<b>\$ 956,688</b>	<b>\$ 1,516,898</b>	<b>\$ 1,713,738</b>
<b>Business-Type Activities</b>										
Invested in Capital Assets, Net of Related Debt	\$ 5,320	\$ 4,813	\$ 4,306	\$ 3,800	\$ 3,293	\$ 2,746	\$ 12,056	\$ 9,911	\$ 5,906	\$ 10,283
Unrestricted	5,741	5,963	12,525	18,635	20,114	20,623	10,837	23,682	67,800	39,186
<b>Total Business-Type Activities Net Position</b>	<b>\$ 11,061</b>	<b>\$ 10,776</b>	<b>\$ 16,831</b>	<b>\$ 22,435</b>	<b>\$ 23,407</b>	<b>\$ 23,369</b>	<b>\$ 22,893</b>	<b>\$ 33,593</b>	<b>\$ 73,706</b>	<b>\$ 49,469</b>
<b>District-Wide</b>										
Invested in Capital Assets, Net of Related Debt	\$ 379,378	\$ 388,310	\$ 381,147	\$ 371,525	\$ 399,121	\$ 400,974	\$ 179,294	\$ 354,960	\$ 552,001	\$ 633,879
Restricted	180,035	317,106	388,213	367,016	384,474	685,210	813,850	797,328	920,951	1,234,147
Unrestricted (Deficit)	(248,591)	(273,454)	(295,329)	(241,093)	(301,155)	(319,793)	(276,625)	(162,007)	117,652	(104,819)
<b>Total District-Wide Net Position</b>	<b>\$ 310,822</b>	<b>\$ 431,962</b>	<b>\$ 474,031</b>	<b>\$ 497,448</b>	<b>\$ 482,440</b>	<b>\$ 766,391</b>	<b>\$ 716,519</b>	<b>\$ 990,281</b>	<b>\$ 1,590,604</b>	<b>\$ 1,763,207</b>

Source: ACFR Schedule A-1

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
*(Accrual Basis of Accounting)*  
*(UNAUDITED)*

	Fiscal Year Ending,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
<b>Governmental Activities</b>										
<b>Instruction</b>										
Regular	\$ 760,729	717,894	700,516	794,950	858,470	710,666	828,456	913,124	837,686	838,936
Special Education	51,425	52,738	87,246	1,209	62,884	103,919	95,820	102,201	46,066	51,346
Other	23,154	34,190	31,755	54,895	38,505	32,957	70,507	27,765	6,394	1,770
<b>Support Services</b>										
Tuition	34,831	11,175	20,258	7,451	51,371	46,889	43,247	56,885	117,201	139,105
Student and Instruction Related Services	153,350	144,172	157,887	127,865	134,896	216,555	183,021	194,256	279,556	314,794
General Administrative Services	129,742	129,081	114,353	141,760	143,265	183,654	123,265	102,343	95,808	91,668
School Administrative Services	21,145	21,095	24,060	25,558	26,622	27,114	30,700	25,712	27,137	19,936
Central Services	32,700	32,635	23,337	20,899	51,795	34,558	25,369	54,742	58,625	64,105
Plant Operations and Maintenance	191,315	199,520	220,251	198,128	184,299	183,010	204,839	225,555	264,821	183,986
Pupil Transportation	171,145	167,778	118,682	169,573	192,512	163,602	155,346	174,073	175,004	193,559
Other Support Services	676,487	847,299	1,069,535	1,249,367	1,090,513	1,116,099	1,287,400	1,043,509	965,635	993,774
Interest on Debt	739	739	739	739	739	739	739	739	739	739
<b>Total Governmental Activities Expenses</b>	<b>2,246,762</b>	<b>2,358,316</b>	<b>2,568,619</b>	<b>2,792,394</b>	<b>2,835,871</b>	<b>2,819,762</b>	<b>3,048,709</b>	<b>2,920,904</b>	<b>2,874,672</b>	<b>2,893,718</b>
<b>Business-Type Activities</b>										
Food Service	80,173	77,461	78,724	77,729	77,495	66,356	91,301	114,787	89,736	93,684
Child Care	11,413	13,332	11,977	11,976	16,016	20,207	8,882	14,647	16,628	17,629
<b>Total Business-Type Activities Expense</b>	<b>91,586</b>	<b>90,793</b>	<b>90,701</b>	<b>89,705</b>	<b>93,511</b>	<b>86,563</b>	<b>100,183</b>	<b>129,434</b>	<b>106,364</b>	<b>111,313</b>
<b>Total District Expenses</b>	<b>\$ 2,338,348</b>	<b>2,449,109</b>	<b>2,659,320</b>	<b>2,882,099</b>	<b>2,929,382</b>	<b>2,906,325</b>	<b>3,148,892</b>	<b>3,050,338</b>	<b>2,981,036</b>	<b>3,005,031</b>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
Operating Grants and Contributions	\$ 451,899	400,065	559,625	503,651	527,558	590,916	709,624	525,424	576,357	668,817
Charges for Services							3,884	5,492	15,756	12,578
<b>Total Governmental Activities Program Revenues</b>	<b>451,899</b>	<b>400,065</b>	<b>559,625</b>	<b>503,651</b>	<b>527,558</b>	<b>590,916</b>	<b>713,508</b>	<b>530,916</b>	<b>592,113</b>	<b>681,395</b>
<b>Business-Type Activities</b>										
<b>Charges for Services</b>										
Food Service	43,041	46,045	47,978	33,285	46,678	31,823	16,621	49,024	48,330	18,068
Child Care	12,451	16,299	16,584	21,999	19,204	15,558	2,545	20,580	20,194	25,365
Operating Grants and Contributions	25,277	20,872	21,176	20,306	19,547	14,018	53,941	58,695	72,954	43,625
<b>Total Business-Type Activities Program Revenues</b>	<b>80,769</b>	<b>83,216</b>	<b>85,738</b>	<b>75,590</b>	<b>85,429</b>	<b>61,399</b>	<b>73,107</b>	<b>128,299</b>	<b>141,478</b>	<b>87,058</b>
<b>Total District Program Revenues</b>	<b>\$ 532,668</b>	<b>483,281</b>	<b>645,363</b>	<b>579,241</b>	<b>612,987</b>	<b>652,315</b>	<b>786,615</b>	<b>659,215</b>	<b>733,591</b>	<b>768,453</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (1,794,863)	(1,958,251)	(2,008,994)	(2,288,743)	(2,308,313)	(2,228,846)	(2,335,201)	(2,389,988)	(2,282,559)	(2,212,323)
Business-Type Activities	(10,817)	(7,577)	(4,963)	(14,115)	(8,082)	(25,164)	(27,076)	(1,135)	35,114	(24,255)
<b>Total District-Wide Net Expense</b>	<b>\$ (1,805,680)</b>	<b>(1,965,828)</b>	<b>(2,013,957)</b>	<b>(2,302,858)</b>	<b>(2,316,395)</b>	<b>(2,254,010)</b>	<b>(2,362,277)</b>	<b>(2,391,123)</b>	<b>(2,247,445)</b>	<b>(2,236,578)</b>
<b>General Revenues and Other Changes in Net Assets</b>										
<b>Governmental Activities</b>										
Property Taxes Levied for General Purposes, Net	\$ 1,019,220	1,030,397	1,044,065	1,078,995	1,100,575	1,158,624	1,215,796	1,276,797	1,326,975	1,366,405
Unrestricted Grants and Contributions	831,394	965,397	975,767	1,177,083	1,102,869	986,957	1,138,359	1,161,923	1,323,373	777,681
Tuition Received	6,240	12,960	6,720	3,200						6,050
Transportation Fees Received	35,800	37,250	6,710		41,078	39,910	49,255	97,670	127,424	108,075
Investment Earnings										657
Miscellaneous Income	24,098	40,937	22,746	66,956	56,811	352,367	42,216	124,515	54,617	150,295
Fixed Asset Adjustment							(185,561)		17,222	
Right-to-Use Lease Adjustment								3,963		
Transfers	(1,000)	(7,265)	(11,000)	(19,678)	(9,000)	(25,023)	(23,675)	(11,818)	(6,842)	
<b>Total Governmental Activities</b>	<b>1,915,752</b>	<b>2,079,676</b>	<b>2,045,008</b>	<b>2,306,556</b>	<b>2,292,333</b>	<b>2,512,835</b>	<b>2,236,390</b>	<b>2,653,050</b>	<b>2,842,769</b>	<b>2,409,163</b>
<b>Business-Type Activities</b>										
Investment and Miscellaneous Earnings	59	27	18	41	54	103	80	17	17	18
Fixed Asset Adjustment							2,845		(1,860)	
Transfers	1,000	7,265	11,000	19,678	9,000	25,023	23,675	11,818	6,842	
<b>Total Business-Type Activities</b>	<b>1,059</b>	<b>7,292</b>	<b>11,018</b>	<b>19,719</b>	<b>9,054</b>	<b>25,126</b>	<b>26,600</b>	<b>11,835</b>	<b>4,999</b>	<b>18</b>
<b>Total District-Wide</b>	<b>\$ 1,916,811</b>	<b>2,086,968</b>	<b>2,056,026</b>	<b>2,326,275</b>	<b>2,301,387</b>	<b>2,537,961</b>	<b>2,262,990</b>	<b>2,664,885</b>	<b>2,847,768</b>	<b>2,409,181</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 120,889	121,425	36,014	17,813	(15,980)	283,989	(98,811)	263,062	560,210	196,840
Business-Type Activities	(9,758)	(285)	6,055	5,604	972	(38)	(476)	10,700	40,113	(24,237)
<b>Total District-Wide</b>	<b>\$ 111,131</b>	<b>121,140</b>	<b>42,069</b>	<b>23,417</b>	<b>(15,008)</b>	<b>283,951</b>	<b>(99,287)</b>	<b>273,762</b>	<b>600,323</b>	<b>172,603</b>

Source: ACFR Schedule A-2

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*  
*(UNAUDITED)*

	Fiscal Year Ending,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Capital Reserve Account	119,991	116,391	197,690	75,580	75,958	353,630	353,880		200,000	500,000
Excess Surplus	42,047	122,610	77,125	186,436	120,660	179,802	178,531	160,206	372,652	343,212
Maintenance Reserve		60,000	105,000	105,000	73,332	40,818	80,833	114,400	114,400	114,400
Unemployment Compensation							29,107	32,110	33,684	36,433
Assigned:										
Capital Reserve Account					65,000	73,582		132,789		
Year-end Encumbrances	17,152	16,539	7,528		3,364	8,719	117,875	53,296	142,960	24,673
Subsequent Year's Expenditures	845	1,566	870	46,392	46,160			580		160,132
Maintenance Reserve								50,000		
Unassigned	173,329	169,622	171,836	174,195	173,155	178,338	186,119	195,988	398,170	212,358
<b>Total General Fund</b>	<b>\$ 353,364</b>	<b>\$ 486,728</b>	<b>\$ 560,049</b>	<b>\$ 587,603</b>	<b>\$ 557,629</b>	<b>\$ 834,889</b>	<b>\$ 946,345</b>	<b>\$ 739,369</b>	<b>\$ 1,261,866</b>	<b>\$ 1,391,208</b>
All Other Governmental Funds										
Restricted	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Committed						28,659	28,659	28,659	28,659	28,659
Unassigned, Reported in:										
Special Revenue Fund (Deficit)					(8,660)	(17,623)	(17,924)	(19,529)	(18,575)	(19,663)
<b>Total All Other Governmental Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (8,660)</b>	<b>\$ 11,036</b>	<b>\$ 35,700</b>	<b>\$ 34,998</b>	<b>\$ 38,680</b>	<b>\$ 35,634</b>

Source: ACFR Schedule B-1

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
 (UNAUDITED)

	Fiscal Year Ending,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax Levy	\$ 1,019,220	\$ 1,030,397	\$ 1,044,065	\$ 1,078,995	\$ 1,100,575	\$ 1,158,624	\$ 1,215,796	\$ 1,276,797	\$ 1,326,975	\$ 1,366,405
Tuition Charges	6,240	12,960	6,720	3,200						6,050
Transportation Charges	35,800	37,250	6,710		41,078	39,910	49,255	97,670	127,424	108,075
Interest Earnings		736	736	500	378	500	317	265		657
Miscellaneous	24,098	40,201	22,010	66,456	56,433	351,867	41,899	124,250	54,617	150,295
State Sources	991,955	1,048,328	1,079,912	1,102,886	1,217,578	1,292,506	1,312,943	1,380,528	1,393,289	1,242,189
Federal Sources	125,653	76,889	73,910	106,868	110,559	80,606	148,734	194,438	380,868	215,832
<b>Total Revenues</b>	<b>2,202,966</b>	<b>2,246,761</b>	<b>2,234,063</b>	<b>2,358,905</b>	<b>2,526,601</b>	<b>2,924,013</b>	<b>2,768,944</b>	<b>3,073,948</b>	<b>3,283,173</b>	<b>3,089,503</b>
Expenditures										
Instruction										
Regular Instruction	753,704	710,869	694,592	789,417	853,084	704,749	820,536	893,253	811,529	800,670
Special Education Instruction	51,425	52,738	87,246	1,209	62,884	103,919	95,820	102,201	44,714	49,748
Other Instruction	23,154	34,190	31,755	54,895	38,505	32,957	70,507	27,765	6,202	1,543
Support Services										
Tuition	34,831	11,175	20,258	7,451	51,371	46,889	43,247	56,885	117,201	139,105
Student and Instruction Related Services	153,350	144,172	157,887	127,865	134,896	216,555	183,021	194,256	270,644	304,256
General Administration	129,722	129,061	114,336	141,744	143,250	183,637	123,243	96,703	93,993	89,522
School Administrative Services	21,145	21,095	24,060	25,558	26,622	27,114	30,700	25,712	23,540	15,683
Central Services	32,700	32,635	23,337	20,899	51,795	34,558	25,369	54,742	56,273	61,323
Plant Operations and Maintenance	191,025	197,825	218,822	196,793	182,999	181,583	202,928	219,734	264,293	182,534
Pupil Transportation	139,588	136,221	92,071	167,341	168,315	137,022	119,770	153,123	175,004	193,559
Employee Benefits	506,107	585,676	657,314	777,762	782,774	895,971	942,684	1,018,565	857,291	985,762
Capital Outlay	181,479	50,475	28,064	739	59,740	37,080	739	226,869	229,468	139,502
<b>Total Expenditures</b>	<b>2,218,230</b>	<b>2,106,132</b>	<b>2,149,742</b>	<b>2,311,673</b>	<b>2,556,235</b>	<b>2,602,034</b>	<b>2,658,564</b>	<b>3,069,808</b>	<b>2,950,152</b>	<b>2,963,207</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,264)	140,629	84,321	47,232	(29,634)	321,979	110,380	4,140	333,021	126,296
Other Financing Sources (Uses)										
Transfers Out	(1,000)	(7,265)	(11,000)	(19,678)	(9,000)	(25,023)	(23,675)	(11,818)	(6,842)	
<b>Total Other Financing Sources (Uses)</b>	<b>(1,000)</b>	<b>(7,265)</b>	<b>(11,000)</b>	<b>(19,678)</b>	<b>(9,000)</b>	<b>(25,023)</b>	<b>(23,675)</b>	<b>(11,818)</b>	<b>(6,842)</b>	
<b>Net Change in Fund Balances</b>	<b>\$ (16,264)</b>	<b>\$ 133,364</b>	<b>\$ 73,321</b>	<b>\$ 27,554</b>	<b>\$ (38,634)</b>	<b>\$ 296,956</b>	<b>\$ 86,705</b>	<b>\$ (7,678)</b>	<b>\$ 326,179</b>	<b>\$ 126,296</b>
Debt Service as a Percentage of Noncapital Expenditures	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Source: ACFR Schedule B-2

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**GENERAL FUND OTHER LOCAL REVENUE BY SOURCE**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<u>Fiscal Year</u> <u>Ended</u> <u>June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Transport-</u> <u>ation</u>	<u>Prior</u> <u>Year</u> <u>Revenue</u>	<u>Cell</u> <u>Tower</u> <u>Rent</u>	<u>ERATE</u>	<u>Prior</u> <u>Year</u> <u>Refunds</u>	<u>Misc.</u>	<u>Total</u>
2024	\$ 657	\$ 6,050	\$ 108,075	\$	\$ 23,460	\$	\$ 2,558	\$ 17,747	\$ 158,547
2023			127,424		23,000	6,975	2,501	6,385	166,285
2022			38,861	(373)	2,501	6,975		20,236	68,200
2021	1,291		49,255		24,659		2,097	9,313	86,615
2020	1,150		39,910		21,950			326,681	389,691
2019	1,573		41,078		23,244			29,433	95,328
2018	1,280	3,200			33,136	17,837		14,703	70,156
2017	981	6,720	6,710		14,624		3,522	3,619	36,176
2016	1,184	12,960	37,250		21,271		15,608	2,874	91,147
2015	1,402	6,240	34,425		20,600			2,096	64,763

Source: District Records

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
 (UNAUDITED)

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual County Equalized Value
2024	\$ 1,318,100	\$ 65,137,700	\$ 33,500,500	\$ 4,309,500	\$ 4,738,200	\$ 109,004,000	\$ 446,426	\$ 109,450,426	1.697	\$ 131,124,744
2023	1,391,600	64,920,300	33,082,900	4,321,200	4,588,200	108,304,200	413,313	108,717,513	1.876	141,852,259
2022	1,261,100	65,138,300	32,330,300	4,277,100	4,618,600	107,625,400	459,165	108,084,565	1.840	123,344,160
2021	1,303,100	64,898,100	32,040,700	4,460,300	4,630,100	107,332,300	423,274	107,755,574	1.734	119,497,105
2020	1,215,600	64,891,300	32,081,000	4,479,600	4,630,100	107,297,600	405,263	107,702,863	1.694	113,602,541
2019	1,328,500	64,634,300	32,605,600	4,489,900	4,165,700	107,224,000	405,263	107,629,263	1.647	117,338,586
2018	1,289,000	65,098,500	31,826,300	4,561,700	4,291,400	107,066,900	440,610	107,507,510	1.694	118,279,828
2017	1,428,400	64,871,200	32,077,800	4,373,700	3,850,100	106,601,200	442,943	107,044,143	1.559	106,134,209
2016	1,251,700	64,025,500	32,998,600	4,396,700	3,850,100	106,522,600	444,192	106,966,792	1.559	102,811,119
2015	1,389,600	64,176,800	32,264,900	4,412,700	3,850,100	106,094,100	419,884	106,513,984	1.595	105,692,469 R

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

R Revaluation

**STOW CREEK TOWNSHIP SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(Rate Per \$100 of Assessed Value)  
(UNAUDITED)**

Year Ended June 30,	Stow Creek Township and Regional Boards of Education			Overlapping Rates		
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total District	Stow Creek Township	Cumberland County	Total
2024	\$ 1.697	\$ 0.000	\$ 1.697	\$ 0.271	\$ 1.092	\$ 3.060
2023	1.876	0.000	1.876	0.210	1.363	3.449
2022	1.840	0.000	1.840	0.210	1.338	3.388
2021	1.734	0.000	1.734	0.210	1.384	3.328
2020	1.694	0.000	1.694	0.210	1.322	3.226
2019	1.647	0.000	1.647	0.209	1.320	3.176
2018	1.694	0.000	1.694	0.208	1.308	3.210
2017	1.559	0.000	1.559	0.179	1.164	2.902
2016	1.595	0.000	1.595	0.178	1.089	2.862
2015	1.603	0.000	1.603	0.179	1.111	2.893

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 pre-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 th Net Valuation Taxable.

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

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**  
*(UNAUDITED)*

Taxpayer	2024		2015	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Taxpayer #1	\$ 828,500	0.76%	\$ 953,600	0.90%
Taxpayer #2	827,800	0.76%	747,600	0.70%
Taxpayer #3	655,500	0.60%	655,500	0.62%
Taxpayer #4	560,200	0.51%	557,800	0.52%
Taxpayer #5	557,500	0.51%	555,700	0.52%
Taxpayer #6	555,100	0.51%	542,500	0.51%
Taxpayer #7	504,100	0.46%	500,800	0.47%
Diamond Materials. LLC	998,200	0.91%		
Taxpayer #8	460,700	0.42%	461,900	0.43%
Taxpayer #9		0.00%		
Farm-Rite		0.00%	878,600	0.82%
Verizon		0.00%	444,192	0.42%
REM Farms, LLC	520,000	0.48%		
<b>Total</b>	<b>\$ 6,467,600</b>	<b>5.43%</b>	<b>\$ 6,298,192</b>	<b>5.91%</b>

Source: District ACFR & Municipal Tax Assessor

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	% of Levy	
2024	\$ 1,366,405	\$ 1,366,405	100%	\$
2023	1,326,975	1,326,975	100%	
2022	1,276,797	1,276,797	100%	
2021	1,215,796	1,215,796	100%	
2020	1,158,624	1,158,624	100%	
2019	1,100,575	1,100,575	100%	
2018	1,078,995	869,467	81%	209,528
2017	1,044,065	1,044,065	100%	
2016	1,030,397	1,030,397	100%	
2015	1,019,220	1,019,220	100%	

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, the amount voted upon or certified prior to the end of the school year.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

N/A

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income <sup>a</sup>	
	General Obligation Bonds <sup>b</sup>	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Per Capita <sup>a</sup>			
2024	\$	\$	\$	\$	\$		\$	
2023								
2022								
2021								
2020								
2019								
2018								
2017								
2016								
2015								

**Note:** This statement is not applicable the district does not have any debt in any of the years reported herein.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

N/A

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions			
2024	\$	\$	\$	\$	\$
2023					
2022					
2021					
2020					
2019					
2018					
2017					
2016					
2015					

**Note:** This statement is not applicable the district does not have any debt in any of the years reported herein.

If a district has resources that are restricted to repaying the principal of debt outstanding, these amounts should be shown in a separate column "Deductions" and be subtracted from the total, and the schedule should be named ratios of net general bonded debt outstanding.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF JUNE 30, 2024**  
*(UNAUDITED)*

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable<sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
Township of Stow Creek	\$ 30,000	100%	\$ 30,000
<b>Other debt</b>			
County of Cumberland - Township's share	89,195,482	1.137%	1,013,881
Cumberland Regional School Debt	2,102,000	6.646%	139,706
Subtotal, Overlapping Debt			1,183,587
<b>Stow Creek Township School District Direct Debt</b>			
<b>Total Direct and Overlapping Debt</b>			\$ 1,183,587

**Sources:** Stow Creek Township Finance Officer and Cumberland County Finance Office

**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 Stow Creek. 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.

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**  
 (UNAUDITED)

**Legal Debt Margin Calculation for Fiscal Year 2023**

	Equalized Valuation Basis	
	2023	\$ 130,282,930
	2022	140,963,196
	2021	121,857,743
	<b>[A]</b>	<b>\$ 393,103,869</b>
Average Equalized Valuation of Taxable Property	<b>[A/3]</b>	<b>\$ 131,034,623</b>
Debt Limit (3% of Average Equalization Value)	<b>[B]</b>	3,931,039 <sup>a</sup>
Net Bonded School Debt	<b>[C]</b>	
Legal Debt Margin	<b>[B-C]</b>	<b>\$ 3,931,039</b>

	<b>Fiscal Year,</b>									
	<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	\$ 2,192,474	\$ 3,216,449	\$ 3,136,062	\$ 3,262,189	\$ 3,409,880	\$ 3,484,566	\$ 3,501,498	\$ 3,548,408	\$ 3,822,794	\$ 3,931,039
Total Net Debt Applicable to Limit										
Legal Debt Margin	<u>\$ 2,192,474</u>	<u>\$ 3,216,449</u>	<u>\$ 3,136,062</u>	<u>\$ 3,262,189</u>	<u>\$ 3,409,880</u>	<u>\$ 3,484,566</u>	<u>\$ 3,501,498</u>	<u>\$ 3,548,408</u>	<u>\$ 3,822,794</u>	<u>\$ 3,931,039</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit										

Source: Abstract of Ratables and District Records ACFR Schedule J-7

<sup>a</sup> Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<b>Year</b>	<b>Population <sup>(1)</sup></b>	<b>Personal Income (thousands of dollars) <sup>(2)</sup></b>	<b>Per Capita Personal Income <sup>(3)</sup></b>	<b>Unemployment Rate <sup>(4)</sup></b>
2024 *	1,285	\$ 58,925,842	\$ 45,860	4.36%
2023	1,298	60,122,275	46,323	4.00%
2022	1,311	61,343,001	46,791	3.70%
2021	1,326	63,063,234	47,559	6.20%
2020	1,359	61,831,782	45,498	7.40%
2019	1,365	56,411,355	41,327	3.20%
2018	1,379	54,398,792	39,448	4.70%
2017	1,389	53,272,317	38,353	5.60%
2016	1,404	52,088,400	37,100	6.70%
2015	1,415	51,395,630	36,322	7.50%

\* Estimate

**Source:**

- <sup>1</sup> Population information provided by the NJ Dept of Labor and Workforce Development
- <sup>2</sup> Personal income
- <sup>3</sup> Per Capita
- <sup>4</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**  
*(UNAUDITED)*

<b>Employer*</b>	<b>2024</b>		<b>2015</b>	
	<b>Employees*</b>	<b>Percentage of Total Employment</b>	<b>Employees</b>	<b>Percentage of Total Employment</b>
Inspira Health Network	3,874	5.37%	2,911	4.16%
F & S Produce/Pipcp Transportation	1,201	1.67%	684	0.98%
Wal-Mart	791	1.10%	916	1.31%
Wawa	777	1.08%	605	0.86%
Durand Glass Manufacturing Co./ARC Internationor	580	0.80%	1,000	1.43%
ShopRite	751	1.04%		
Sheppard Bus Service	575	0.80%	650	0.93%
Elwyn New Jersey	236	0.33%	458	0.65%
AJM Packaging	481	0.67%	229	0.33%
Northeast Precasg	436	0.60%		
Ardagh Group	366	0.51%		
Seabrook Brothers & Sons, Inc	271	0.38%	571	0.82%
Ardagh Group	363	0.50%	363	0.52%
Complete Care	305	0.42%	345	0.49%
South State, Inc	345	0.48%	298	0.43%
Corning Glass	245	0.34%	200	0.29%
Nipro PharmaPackaging Americas Corp	274	0.38%	277	0.40%
Gerresheimer Glass	174	0.24%	300	0.43%
	<b>12,045</b>	<b>16.70%</b>	<b>9,807</b>	<b>14.02%</b>

\*Cumberland County

\*\* Number of employees will vary seasonally.

Source: Cumberland County

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<b>Function/Program</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Instruction										
Regular	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7
Special education	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Other special Education										
Vocational										
Other Instruction	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Nonpublic School Programs										
Adult/Continuing Education Programs										
Support Services:										
Student & Instruction Related Services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
General Administrative Services										
School Administrative Services	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Other Administrative Services										
Central Services										
Administrative Information Technology										
Plant Operations and Maintenance	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Pupil Transportation	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Other Support Services										
Contracted Service - Speech	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Special Schools										
Food Service - Contracted										
<b>Totals</b>	<b>19.1</b>	<b>19.1</b>	<b>19.1</b>	<b>19.1</b>	<b>19.1</b>	<b>19.1</b>	<b>19.1</b>	<b>19.1</b>	<b>19.1</b>	<b>19.1</b>

Source: District Personnel Records

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures<sup>a</sup></u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff<sup>b</sup></u>	<u>Pupil/Teacher Ratio Elementary</u>	<u>Average Daily Enrollment (ADE)<sup>c</sup></u>	<u>Average Daily Attendance (ADA)<sup>c</sup></u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2015	112	2,060,078	18,394	8.65%	11.7	12.4 to 1	111.8	107.5	-3.54%	96.15%
2016	112	2,036,751	18,185	-1.13%	11.7	12.4 to 1	111.7	107.3	-0.09%	96.06%
2017	117	2,055,657	17,570	-3.38%	11.7	12.4 to 1	117.5	112.3	5.19%	95.57%
2018	110	2,310,934	21,008	19.57%	11.7	9.4 to 1	110.2	108.0	-6.21%	98.00%
2019	116	2,496,495	21,522	2.44%	11.7	12.4 to 1	111.0	106.8	0.73%	96.22%
2020	113	2,564,954	22,699	5.47%	11.7	9.7 to 1	126.9	123.3	15.15%	97.16%
2021	121	2,657,825	21,965	-3.23%	11.7	10.3 to 1	130.9	127.4	18.78%	97.33%
2022	123	2,842,939	15,251	-30.57%	11.7	10.5 to 1	122.9	114.9	4.60%	93.46%
2023	124	2,092,861	14,216	-6.79%	11.7	10.5 to 1	123.2	115.3	11.80%	93.59%
2024	137	1,977,445	17,363	22.14%	11.7	10.5 to 1	134.2	127.4	20.90%	94.93%

**Sources:** District records, ASSA

**Note:** Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-1
- 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).

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

	<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>
<b><u>District Building</u></b>										
<b><u>Elementary</u></b>										
Stow Creek Township School (19..)										
Square Feet	20,461	20,461	20,461	20,461	20,461	20,461	20,461	20,461	20,461	20,461
Capacity (Students)	191	191	191	191	191	191	191	191	191	191
Enrollment	112	112	117	110	116	113	111	123	124	137

Number of Schools at June 30, 2024  
Elementary = 1

**Source:** District records, ASSA

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

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**GENERAL FUND**  
**SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES FOR SCHOOL FACILITIES**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

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

<u>School Facilities</u>	<u>Project #</u>	<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>
Stow Creek Township School		\$ 96,481	\$ 100,661	\$ 56,056	\$ 43,469	\$ 31,385	\$ 31,548	\$ 14,172	\$ 43,939	\$ 30,206	\$ 33,835
Total School Facilities		<u>96,481</u>	<u>100,661</u>	<u>43,469</u>	<u>31,385</u>	<u>31,548</u>	<u>14,172</u>	<u>43,939</u>	<u>30,206</u>	<u>33,835</u>	<u>50,917</u>
Other Facilities											
Grand Total		<u>\$ 96,481</u>	<u>\$ 100,661</u>	<u>\$ 43,469</u>	<u>\$ 31,385</u>	<u>\$ 31,548</u>	<u>\$ 14,172</u>	<u>\$ 43,939</u>	<u>\$ 30,206</u>	<u>\$ 33,835</u>	<u>\$ 50,917</u>

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**INSURANCE SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**  
**(UNAUDITED)**

Company	Type of Coverage	Coverage	Deductible
New Jersey School Boards Association Insurance Group	School Package Policy		
	Blanket Real and Personal Property	\$ 3,133,770	\$ 1,000
	Extra Expense	50,000,000	1,000
	Valuable Papers & Records	10,000,000	1,000
	Flood	10,000,000	500,000
	Earthquake	50,000,000	
	Demolition and Increased Cost of Construction	1,000,000	
	Electronic Data Processing	150,000	1,000
	Boiler & Machinery	100,000,000	5,000
	Commercial General Liability:		
	Aggregate	17,000,000	1,000
	Commercial Automobile Liability	16,000,000	1,000
	Professional Liability Errors & Omission	6,000,000	5,000
	Professional Liability	100,000/300,000	5,000
	Public Employee Dishonesty -		
	Per Loss & Faithful Performance	25,000	500
	Money and Securities	5,000	500
	Loss of Income	10,000	
	Workers Compensation		
	Each Accident	2,000,000	
	Disease per Employee	2,000,000	
	Disease Policy Limit	2,000,000	
Markel Insurance Company	Student Accident Coverage		
	Accidental Death Principal Sum	10,000	
	Medical Expense	1,000,000	
	Accidental Dismemberment	50,000	
	Accident Medical Expense Benefit	1,000,000	
American International Company - AIG	Student Accident Coverage		
	Catastrophic Cash Benefit	1,000,000	
C.N.A Surety Surety Bonds	Treasurer of School Monies	130,000	
	Board Secretary/Business Administration	2,000	

**SINGLE AUDIT SECTION**

# **NIGHTLINGER, COLAVITA & VOLPA**

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

The Honorable President and  
Members of the Board of Education  
Stow Creek Township School District  
County of Cumberland, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund of the Board of Education of the Stow Creek Township School District, in the County of Cumberland, State of New Jersey, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Board of Education of the Stow Creek Township School District's basic financial statements, and have issued our report thereon dated December 6, 2024.

### **Report on Internal Control Over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Respectfully submitted,

**NIGHTLINGER, COLAVITA & VOLPA, PA**



Raymond Colavita, CPA  
Licensed Public School Accountant  
No. 915  
December 6, 2024

# NIGHTLINGER, COLAVITA & VOLPA

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

The Honorable President and  
Members of the Board of Education  
Stow Creek Township School District  
County of Cumberland, New Jersey

### Report on Compliance for Each Major State Program

#### *Opinion on Each Major State Program*

We have audited The Board of Education of the Stow Creek Township School District, in the County of Cumberland, State of New Jersey's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of The Board of Education of the Stow Creek Township School District, in the County of Cumberland, State of New Jersey's major state programs for the year ended June 30, 2024. The Board of Education of the Stow Creek Township School District, in the County of Cumberland, State of New Jersey's major 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 Board of Education of the Stow Creek Township School District, in the County of Cumberland, State of New Jersey 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 state programs for the year ended June 30, 2024.

#### *Basis for Opinion on Each Major State Program*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of the Office of School Finance, *Department of Education, State of New Jersey*, and New Jersey OMB 15-08. Our responsibilities under those standards 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 Board of Education of the Stow Creek Township School District, in the County of Cumberland, State of New Jersey and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of The Board of Education of the Stow Creek Township School District, in the County of Cumberland, State of New Jersey's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to The Board of Education of the Stow Creek Township School District, in the County of Cumberland, State of New Jersey's 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 Board of Education of the Stow Creek Township School District, in the County of Cumberland, State of New Jersey'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*, and New Jersey OMB 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 Board of Education of the Stow Creek Township School District, in the County of Cumberland, State of New Jersey's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and New Jersey OMB 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 Board of Education of the Stow Creek Township School District, in the County of Cumberland, State of New Jersey'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 Board of Education of the Stow Creek Township School District, in the County of Cumberland, State of New Jersey'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 New Jersey OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of The Board of Education of the Stow Creek Township School District, in the County of Cumberland, State of New Jersey's internal control over compliance. Accordingly, no such opinion is expressed.

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

## Report on Internal Control over Compliance

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

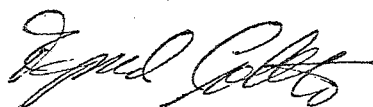
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

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

Respectfully submitted,

**NIGHTLINGER, COLAVITA & VOLPA, PA**



Raymond Colavita, CPA  
Licensed Public School Accountant  
No. 915  
December 6, 2024

**TOWNSHIP OF STOW CREEK SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SCHEDULE A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-Through Grant Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2023			Budgetary Expenditures	Total Budgetary Expenditures (A)	Balance at June 30, 2024													
					From	To	Accounts Receivable	Unearned Revenue	Cash Received	Pass Through Funds		Budgetary Expenditures Direct	Accounts Receivable	Unearned Revenue	Due to Grantor										
U.S. Department of Education General Fund																									
U.S. Department of Education Passed-through State Department of Education: Special Revenue Fund: E.S.E.A.																									
Title I, Part A	84.010	S010A220030	ESEA 5070-23	\$ 25,848	7/1/22	9/30/23	\$ (17,220)	\$	\$ 17,220	\$	\$	\$	\$	\$	\$	\$	\$								
Title I, Part A	84.010	S010A230030	ESEA 5070-24	28,265	7/1/23	9/30/24			5,170	(26,338)		(26,338)	(21,168)												
Title I, Part A Reallocated									10,289	(10,289)		(10,289)													
Title II, A	84.367A	S367A220029	ESEA 5070-23	3,628	7/1/22	9/30/23	(1,377)		1,377																
Title II, A	84.367A	S367A230029	ESEA 5070-24	3,990	7/1/23	9/30/24			3,600	(3,600)		(3,600)													
Title IV, A	84.424	S424A220031	ESEA 5070-23	10,000	7/1/22	9/30/23	(4,826)		4,826																
Title IV, A	84.424	S424A230031	ESEA 5070-24	10,000	7/1/23	9/30/24				(1,050)		(1,050)	(1,050)												
REAP	84.358A	S358A202503	S358A202503		7/2/21	9/30/22			4,356	(4,356)		(4,356)													
IDEA Cluster:																									
I.D.E.A. Part B, Basic Regular	84.027A	H027A210100	IDEA507023	52,677	7/1/22	9/30/23	(18,671)		18,671																
I.D.E.A. Part B, Basic Regular	84.027A	H027A230100	IDEA507024	57,071	7/1/23	9/30/24			29,389	(65,110)		(65,110)	(35,721)												
ARP IDEA Part B-Basic	84.027X	H027X210100	IDEA507022	10,917	7/1/21	9/30/22	(9,750)		9,750																
I.D.E.A. Part B, Pre-School	84.173	H173A220114	IDEA507023	1,246	7/1/22	9/30/23	(1,246)		1,246																
I.D.E.A. Part B, Pre-School	84.173	H173A230114	IDEA507024	1,248	7/1/23	9/30/24			1,248	(1,248)		(1,248)													
Education Stabilization Fund:																									
CRRSA:																									
CRRSA ESSER II	84.425D	S425D230027	CRRSA-5070-23	103,755	3/13/20	9/30/23	(38,148)		82,201	(44,053)		(44,053)													
CRRSA ESSER Learning	84.426D	S425D230027	CRRSA-5070-23	25,000	3/13/20	9/30/23	(4,222)		4,334	(112)		(112)													
CRRSA ESSER Mental Health	84.426D	S425D230027	CRRSA-5070-23	45,000	3/13/20	9/30/23	(6,806)		6,986	(180)		(180)													
ARP:																									
ARP ESSER III	84.425U	S425D240027	ARP-5070-24	233,183	3/13/20	9/30/24	(32,129)		25,386	(25,273)		(25,273)	(32,016)												
ARP Accel Learning	84.425U	S425D240027	ARP-5070-24	50,000	3/13/20	9/30/24	(2,596)		3,262	(37,425)		(37,425)	(36,759)												
ARP Summer	84.425U	S425D240027	ARP-5070-24	40,000	3/13/20	9/30/24			12,004	(11,044)		(11,044)					960								
ARP Beyond	84.425U	S425D240027	ARP-5070-24	40,000	3/13/20	9/30/24	(6,314)		3,163	(13,118)		(13,118)	(16,269)												
ARP Mental Health (Emergency)	84.425U	S425D240027	ARP-5070-24	45,000	3/13/20	9/30/24	(27,839)		30,302	(2,902)		(2,902)	(439)												
Total Special Revenue Fund							(171,144)		274,780	(246,098)		(246,098)	(143,422)			960									
U.S. Department of Agriculture Passed-through State Department of Education: Enterprise Fund:																									
Non-Cash Assistance:																									
Food Distribution Program	10.565	Unknown	NA	4,004	7/1/22	6/30/23			105	(105)		(105)													
Food Distribution Program	10.565	Unknown	NA	10,009	7/1/23	6/30/24			10,009	(9,998)		(9,998)				11									
Child Nutrition Cluster:																									
Cash Assistance:																									
Summer-EBT Administrative Cost	10.646	202424N180341	NA	322	7/1/23	6/30/24				(322)		(322)	(322)												
P-EBT Administrative Cost Reimb.	10.649	2022225900941	NA	653	7/1/22	6/30/23	(653)		653																
Supply Chain Assistance Funding	10.555	231NJ344N8903	NA	9,660	10/1/22	9/30/24			9,660	(9,660)		(9,660)													
School Equipment	10.579	231NJ354N8103	NA	35,003	7/1/22	6/30/23	(19,236)		19,236																
Local Food for Schools	10.185	Unknown	NA	1,045	7/1/22	6/30/25																			
National School Breakfast Program	10.553	221NJ304N1099	NA	5,106	7/1/22	6/30/23	(320)		320																
National School Breakfast Program	10.553	231NJ304N1099	NA	4,117	7/1/23	6/30/24			3,897	(4,117)		(4,117)	(220)												
National School Lunch Program	10.555	221NJ304N1099	NA	14,434	7/1/22	6/30/23	(675)		675																
National School Lunch Program	10.555	231NJ304N1099	NA	18,050	7/1/23	6/30/24			17,015	(18,050)		(18,050)	(1,035)												
Total Enterprise Fund							(20,884)	105	61,465	(42,252)		(42,252)	(1,577)		11										
Total Federal Financial Awards							\$ (192,028)	\$ 105	\$ 336,245	\$ (288,350)	\$	\$ (288,350)	\$ (144,999)	\$ 971	\$	\$	\$	\$							

(A) There were no awards passed through to sub-recipients.

See accompanying notes to schedules of financial assistance  
These funds were not audited in accordance with the Uniform Guidance since the total of all grant expenditures did not exceed \$750,000.

**TOWNSHIP OF STOW CREEK SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (SCHEDULE B)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2023					Budgetary Expenditures	Repaymt. of Prior Year Balances	Balances at June 30, 2024			MEMO				
			From	To	(Accounts Receivable)	Unearned Revenue	Due to Grantor	Carry Over	Cash Received			(Accounts Receivable)	Unearned Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures			
State Department of Education																			
General Fund:																			
Equalization Aid	23-495-034-5120-078	342,607	7/1/22	6/30/23	\$ (30,882)	\$	\$	\$	\$ 30,882	\$	\$	\$	\$	\$	\$	\$	\$		
Equalization Aid	24-495-034-5120-078	294,671	7/1/23	6/30/24					268,528	(294,671)			(26,143)		*	(26,143)	(294,671)		
Transportation Aid	23-495-034-5120-014	55,120	7/1/22	6/30/23	(4,968)				4,968										
Transportation Aid	24-495-034-5120-014	55,120	7/1/23	6/30/24					50,230	(55,120)			(4,890)		*	(4,890)	(55,120)		
Special Education Categorical Aid	23-495-034-5120-089	88,149	7/1/22	6/30/23	(7,946)				7,946										
Special Education Categorical Aid	24-495-034-5120-089	88,149	7/1/23	6/30/24					80,329	(88,149)			(7,820)		*	(7,820)	(88,149)		
Security Aid	23-495-034-5120-084	17,125	7/1/22	6/30/23	(1,544)				1,544										
Security Aid	24-495-034-5120-084	17,125	7/1/23	6/30/24					15,606	(17,125)			(1,519)		*	(1,519)	(17,125)		
Additional Non Public School Trans Costs	23-495-034-5120-014	1,872	7/1/22	6/30/23	(1,872)				1,872										
Additional Non Public School Trans Costs	24-495-034-5120-014	2,730	7/1/23	6/30/24						(2,730)			(2,730)		*		(2,730)		
Extraordinary Aid	23-495-034-5120-473	23,663	7/1/22	6/30/23	(23,663)				23,663										
Extraordinary Aid	24-495-034-5120-473	31,958	7/1/23	6/30/24						(31,958)			(31,958)		*		(31,958)		
Reimbursed TPAF Social Security Contrib.	23-495-034-5094-003	71,126	7/1/22	6/30/23	(6,759)				6,759										
Reimbursed TPAF Social Security Contrib.	24-495-034-5094-003	69,963	7/1/23	6/30/24					66,337	(69,963)			(3,626)		*		(69,963)		
On-Behalf TPAF Pension Contribution	24-495-034-5094-002	340,054	7/1/23	6/30/24					340,054	(340,054)					*		(340,054)		
On-Behalf TPAF Post Retirement Medical	24-495-034-5094-001	92,550	7/1/23	6/30/24					62,550	(62,550)					*		(62,550)		
On-Behalf TPAF Long-Term Disability	24-495-034-5094-004	70	7/1/23	6/30/24					70	(70)					*		(70)		
<b>Total General Fund</b>					<b>(77,634)</b>				<b>961,338</b>	<b>(962,390)</b>			<b>(78,686)</b>			<b>(40,372)</b>	<b>(962,390)</b>		
Special Revenue Fund:																			
Preschool Education Expansion Aid	23-495-034-5120-086	185,752	7/1/22	6/30/23	(18,575)	2,625		(2,625)	18,575										
Preschool Education Expansion Aid	24-495-034-5120-086	304,627	7/1/23	6/30/24				2,625	284,964	(301,696)			(19,663)	5,556	*		(301,696)		
SDA Emergent Needs & Capital Maintenan	22-100-034-5120-086	2,667	7/1/21	6/30/22					2,781	(2,781)					*		(2,781)		
N.J. Nonpublic Aid:																			
Nursing	23-100-034-5120-070	11,424	7/1/22	6/30/23				56											
Nursing	24-100-034-5120-070	11,640	7/1/23	6/30/24					11,640	(2,445)				9,195	*		(2,445)		
Textbooks	23-100-034-5120-064	6,732	7/1/22	6/30/23				350					(350)						
Textbooks	24-100-034-5120-064	5,608	7/1/23	6/30/24					5,608	(5,518)				90	*		(5,518)		
Technology	24-100-034-5120-373	4,753	7/1/23	6/30/24					4,753	(4,476)				277	*		(4,476)		
Security	23-100-034-5120-509	20,910	7/1/22	6/30/23			2,656					(2,656)							
Security	24-100-034-5120-509	19,885	7/1/23	6/30/24					19,885	(19,832)				53	*		(19,832)		
<b>Total Special Revenue Fund</b>					<b>(18,575)</b>	<b>2,625</b>	<b>3,062</b>		<b>348,206</b>	<b>(338,748)</b>			<b>(3,062)</b>	<b>(19,663)</b>		<b>9,615</b>	<b>(19,663)</b>	<b>(338,748)</b>	
State Department of Agriculture																			
Enterprise Fund:																			
State School Breakfast Program	23-100-010-3350-023	208	7/1/22	6/30/23	(9)				9										
State School Breakfast Program	24-100-010-3350-023	158	7/1/23	6/30/24					147	(158)			(11)		*		(158)		
State School Lunch Program	23-100-010-3350-023	718	7/1/22	6/30/23	(31)				31										
State School Lunch Program	24-100-010-3350-023	894	7/1/23	6/30/24					841	(894)			(53)		*		(894)		
Summer-EBT Administrative Cost	N/A	321	7/1/23	6/30/24						(321)			(321)		*		(321)		
<b>Total Enterprise Fund</b>					<b>(40)</b>				<b>1,028</b>	<b>(1,373)</b>			<b>(385)</b>				<b>(1,373)</b>		
<b>Total State Financial Assistance</b>					<b>\$ (96,249)</b>	<b>\$ 2,625</b>	<b>\$ 3,062</b>		<b>\$ 1,310,572</b>	<b>\$ (1,300,511)</b>			<b>\$ (3,062)</b>	<b>\$ (98,734)</b>		<b>\$ 5,556</b>	<b>\$ 9,615</b>	<b>\$ (60,035)</b>	<b>\$ (1,300,511)</b>
Less: On-Behalf TPAF Pension System Contributions																			
On-Behalf TPAF Pension Contribution	24-495-034-5094-002	340,054	7/1/23	6/30/24					\$ 340,054	\$ (340,054)									
On-Behalf TPAF Post Retirement Medical	24-495-034-5094-001	92,550	7/1/23	6/30/24					92,550	(92,550)									
On-Behalf TPAF Long-Term Disability Med	24-495-034-5094-004	70	7/1/23	6/30/24					70	(70)									
<b>Total State Financial Assistance - Major Program Determination</b>									<b>\$ 877,898</b>	<b>\$ (867,837)</b>									

See accompanying notes to schedules of financial assistance

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE SCHEDULES OF AWARDS**  
**AND FINANCIAL ASSISTANCE**  
**JUNE 30, 2024**

**NOTE 1: GENERAL**

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

**NOTE 2: BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in 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 New Jersey Treasury Circular 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-percent de minimis indirect cost rate allowed under Uniform Guidance.

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$4,968 for the general fund and (\$15,566) for the special revenue fund. See Note 1 (the Notes to Required Supplementary Information) 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:

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE SCHEDULES OF AWARDS**  
**AND FINANCIAL ASSISTANCE**  
**JUNE 30, 2024**

(Continued)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$	997,358	997,358
Special Revenue Fund	215,832	244,831	460,663
Food Service Fund	42,252	1,373	43,625
Total Financial Assistance	\$ 258,084	1,243,562	1,501,646

**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: FEDERAL AND STATE LOANS OUTSTANDING**

The Stow Creek School District had no federal or state loan balances outstanding at June 30, 2024.

**NOTE 6: 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, if any, represents the amount paid by the state on behalf of the district for the year ended June 30, 2024. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2024.

**NOTE 7: MAJOR PROGRAM**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

**NOTE 8: SCHOOL-WIDE PROGRAM FUNDS**

As the District's Federal Programs are on a targeted student group basis, there are no schoolwide programs in the District.

**NOTE 9: ADJUSTMENT**

There were no adjustments on Schedule A, Exhibit K-3 or Schedule B, Exhibit K-4. There was, however, \$3,062 in refunds to the State of New Jersey.

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weakness (es) identified? \_\_\_\_\_ yes  X  no

2) Significant deficiencies identified? \_\_\_\_\_ yes  X  no

Noncompliance material to basic financial statements noted? \_\_\_\_\_ yes  X  no

Federal Awards      **N/A**

Internal control over major programs:

1) Material weakness (es) identified? \_\_\_\_\_ yes \_\_\_\_\_ no

2) Significant deficiencies identified? \_\_\_\_\_ Yes \_\_\_\_\_ none reported

Type of auditor's report issued on compliance for major programs: **N/A**

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section .516(a)? \_\_\_\_\_ yes \_\_\_\_\_ no

Identification of major programs:

CFDA Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
----------------	----------------	------------------------------------

**N/A**

Dollar threshold used to distinguish between type A and type B programs: **N/A**

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes \_\_\_\_\_ no

STOW CREEK TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(continued)

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

State Awards

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

Auditee qualified as low-risk auditee?  X  yes   no

Internal control over major programs:

1) Material weakness (es) identified?   yes  X  no

2) Significant deficiencies identified that are not considered to be material weaknesses?   yes  X  no

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

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Treasury Circular Letter 15-08   yes  X  no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
24-495-034-5120-086	Preschool Education Expansion Aid

**STOW CREEK TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(continued)**

**Section II - Financial Statement Findings**

This section identifies the significant deficiencies, material weakness, 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 and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey that requires reporting in the Uniform Guidance, New Jersey OMB Treasury Circular 15-08 audit.

**Finding:** N/A

**Criteria or specific requirement:**

**Condition:**

**Context:**

**Effect:**

**Cause:**

**Recommendation:**

**Views of responsible officials and planned corrective actions:**

STOW CREEK TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(continued)

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.

**FEDERAL AWARDS**

**Finding:** N/A

**Information on the federal program:**

**Criteria or specific requirement:**

**Condition:**

**Questioned Costs:**

**Context:**

**Effect:**

**Cause:**

**Recommendation:**

**Views of responsible officials and planned corrective actions:**

**STATE AWARDS**

**Finding:** NONE

**Information on the state program:**

**Criteria or specific requirement:**

**Condition:**

**Questioned Costs:**

**Context:**

**Effect:**

**Cause:**

**Recommendation:**

**Management's response:**

**STOW CREEK TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED  
COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

This section identifies the status of prior - year findings related to the basic financial statements and Federal and State awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, US OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* section .511(a)(b) and New Jersey OMB's Treasury Circular 15-08, as applicable.

**STATUS OF PRIOR - YEAR FINDINGS**

There were no prior year findings.