

# EAST BRUNSWICK PUBLIC SCHOOLS



*Excellence in Academics, Athletics, and the Arts*

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

*760 State Highway 18, East Brunswick, New Jersey 08816*

# **East Brunswick Public Schools**

## **East Brunswick Board of Education East Brunswick, New Jersey**

Annual Comprehensive Financial Report  
Fiscal Year Ended June 30, 2024

Prepared by

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East Brunswick Public Schools  
Department of Financial Services

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## **Introductory Section**

# East Brunswick Public Schools

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760 Route 18  
East Brunswick, New Jersey 08816

December 19, 2024

Honorable President and  
Members of the Board of Education of the  
Township of East Brunswick in the  
County of Middlesex, New Jersey

Dear Board Members and Constituents of the Township of East Brunswick:

The Annual Comprehensive Financial Report for the East Brunswick School District (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 and the Government-wide financial statements of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The introductory section includes this transmittal letter (designed to complement Management's Discussion and Analysis and should be read in conjunction with it), the District's organizational chart and a list of principal officials. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, Title 2 U.S. Code of Federal Regulations (CFR) 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 Payments*. Information related to this single audit, including the auditors' report on internal control over compliance 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**

East Brunswick School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds and the government-wide financial statements of the District are included in this report. The East Brunswick School District and all its schools constitute the District's reporting entity.

The District operates eleven schools providing a full range of educational services appropriate to grade levels K through 12. These include regular and vocational education, as well as special education for disabled youngsters.



The schools, facility ages, and grade-levels served are as follows:

<b>School</b>	<b>Year Built</b>	<b>FY2024 Grades</b>
Bowne-Munro Elementary School	1952	K to 4
Central Elementary School	1949	K to 4
Chittick Elementary School	1969	K to 4
Frost Elementary School	1965	K to 4
Irwin Elementary School	1957	K to 4
Lawrence Brook Elementary School	1959	K to 4
Memorial Elementary School	2012	K to 4
Warnsdorfer Elementary School	1968	K to 4
Hammaraskjold Upper Elementary School	2009	5 & 6
Churchill Junior High School	1962	7 to 9
East Brunswick High School	1958	10 to 12

The District completed fiscal year 2023-2024 with an average daily enrollment of 8,165 students, or three students more than the previous year's average daily enrollment. The following details the changes in the District's student enrollment over the last five years.

<u>Fiscal Year</u>	<u>Average Daily Student Enrollment</u>	<u>Percent Change</u>
2023-2024	8,165.0	0.03%
2022-2023	8,162.0	0.86%
2021-2022	8,093.0	0.36%
2020-2021	8,064.0	(1.88%)
2019-2020	8,218.0	(1.01%)

*Enrollment fluctuates daily as students enroll in and withdraw from the District. Thus, the above average daily enrollment table provides the mean measurement of enrollment throughout the respective years listed. This measure varies from the enrollment "snapshot" (known as the Application for State School Aid or ASSA) required by the New Jersey Department of Education and taken annually as of October 15.*

The District re-engaged Statistical Forecasting, LLC to conduct a comprehensive analysis of school enrollment projections. The study was completed in June 2022 and updated as of January 3, 2023. It projects grade-by-grade enrollments over a five-year period from 2022-2023 through 2026-2027. In addition, the study included the following:

- Examination of historical enrollment trends, both districtwide and by grade configuration (PK-4, 5-6, 7-9, and 10-12);
- Investigation of historical enrollment trends with respect to race and poverty status in each school;
- Tabulation of birth counts at the attendance area level;

- Computation of student yields by housing type (i.e., detached single family, townhouse/condominium, and apartment);
- Analysis of new housing starts and the impact on the school district; and,
- Projected enrollments, in a totally independent analysis, based on student yields and housing turnover rates (resales) in East Brunswick.

The study's projected year-to-year increases in enrollment will have serious consequences on District facilities and class sizes. The table below exhibits the study's enrollment projections.

*Note that a new grade configuration became effective with the 2022-2023 school year, which impacts the District's eight elementary schools, Hammarskjold Upper Elementary School (formerly the middle school), and Churchill Junior High School.*

<b><i>Baseline Projections</i></b>					
<b><i>Fiscal Year</i></b>	<b><i>PK-4</i></b>	<b><i>5-6</i></b>	<b><i>7-9</i></b>	<b><i>10-12</i></b>	<b><i>PK-12</i></b>
<i>2022-2023</i>	2,666	1,299	2,000	1,991	7,959
<i>2023-2024</i>	2,646	1,307	1,982	2,078	8,013
<i>2024-2025</i>	2,677	1,228	2,046	2,091	8,042
<i>2025-2026</i>	2,770	1,168	2,060	2,090	8,088
<i>2026-2027</i>	2,795	1,196	2,017	2,072	8,080
<b><i>2026-2027 Projected Change Over 2022-2023</i></b>	<b><i>+129</i></b>	<b><i>-103</i></b>	<b><i>+17</i></b>	<b><i>+81</i></b>	<b><i>+121</i></b>

<b><i>Projections Adjusted for Housing Growth</i></b>					
<b><i>Fiscal Year</i></b>	<b><i>PK-4</i></b>	<b><i>5-6</i></b>	<b><i>7-9</i></b>	<b><i>10-12</i></b>	<b><i>PK-12</i></b>
<i>2022-2023</i>	2,666	1,299	2,000	1,991	7,956
<i>2023-2024</i>	2,683	1,321	2,000	2,097	8,101
<i>2024-2025</i>	2,744	1,256	2,085	2,128	8,213
<i>2025-2026</i>	2,860	1,211	2,119	2,145	8,335
<i>2026-2027</i>	2,901	1,253	2,099	2,146	8,399
<b><i>2026-2027 Projected Change Over 2022-2023</i></b>	<b><i>+235</i></b>	<b><i>-46</i></b>	<b><i>+99</i></b>	<b><i>+155</i></b>	<b><i>+443</i></b>

The table below exhibits 2023-2024 actual enrollment in comparison to the 2022-2023 projected enrollment.

	<b><i>PK-4</i></b>	<b><i>5-6</i></b>	<b><i>7-9</i></b>	<b><i>10-12</i></b>	<b><i>PK-12</i></b>
<b><i>2023-2024 Actual Enrollment As Of 10/14/2023 (Source: Genesis)</i></b>	2,764	1,315	2,000	2,033	8,112
<b><i>2022-2023 Projected Enrollment</i></b>	2,666	1,299	2,000	1,991	7,959
<b><i>Variance</i></b>	<b><i>+98</i></b>	<b><i>+16</i></b>	<b><i>0</i></b>	<b><i>+42</i></b>	<b><i>+156</i></b>

In just one year from 2022-2023 to 2023-2024, the total Grades PK-12 enrollment ***exceeded*** the total five-year baseline projections by nearly 29%. Most of that increase occurred in Grades PK-4. If Grades PK-4 enrollment continues to grow at the same rate year over year through 2026-2027, the district's total enrollment will most certainly meet or exceed the total 2026-2027 housing growth projection.

Prior to the grade-level realignment, class sizes were being pushed upward to undesirable thresholds and the availability of classrooms for new sections was virtually non-existent. The grade-level realignment provided sorely needed classroom space at the elementary level.

During Fiscal Year 2021, the Board re-engaged in discussing resolutions to elementary classroom shortages. On May 6, 2021, the Board authorized the Administration to commence planning for Temporary Classroom Units to be placed at the Churchill Junior High School site for occupancy by September 2022. The Temporary Classroom Units were opened on schedule to accommodate the entire seventh-grade class. However, while the New Jersey Department of Education approved the Temporary Classroom Units, the operative word is "temporary" as the use of these classroom units is short term and must be followed by a permanent facilities solution. Thus, the grade reconfiguration is expected to provide temporary relief while the Board plans a permanent resolution that will benefit students from Pre- K through Grade 12 for the long term.

The Township of East Brunswick is pursuing significant redevelopment plans, which include a substantial number of residential units. Representatives from the East Brunswick Planning and Engineering Department provided information to the District's demographer regarding current and future residential development. A list of approved housing developments, location, affected elementary attendance area, number of units, housing type, bedroom distribution (if available), and project status is shown in the table below. The table excludes new houses to be built on single in-fill lots, or the subdivision of existing lots, or homes that are built after the demolition of an existing older home.

## Approved Residential Developments in East Brunswick

Subdivision/Developer (Location)	Elementary Attendance Area	Number of Units	Bedroom Distribution	Housing Type	Notes/Status
<b>Abdelshahid</b> (Hardenburg Lane)	Wamsdorfer	3	N/A	Detached Single-Family	One unit under construction
<b>Bartel/Dunhams Cove</b> (Dunhams Corner Road)	Central	8	N/A	Detached Single-Family	Under construction
<b>Bruno</b> (Dutch Road)	Wamsdorfer	3	N/A	Detached Single-Family	Approved but not under construction
<b>Clark Farm</b> (Stage Coach Run/ Lanterns Lane)	Wamsdorfer	12	N/A	Detached Single-Family	Approved in 2008. Nothing has been constructed due to very high water table. Unclear whether the project will move forward.
<b>Enclave at East Brunswick</b> (Old Bridge Turnpike/ May Road)	Chittick	17	N/A	Detached Single-Family	Under construction. Ten homes are built and occupied.
<b>Hidden Oaks, LLC</b> (Harts Lane)	Lawrence Brook	275	Market-Rate Apts. (220) 78 1-BR 142 2-BR Affordable Apts. (55) 11 1-BR 33 2-BR 11 3-BR	Apartments (market-rate and affordable)	Has received Preliminary and Final Site Plan approval. 55 units will be set aside for Low-Moderate Income households. <b>Tree permit has been approved and land cleared.</b>
<b>Hidden Pond</b> (Dutch Road)	Wamsdorfer	8	N/A	Detached Single-Family	Under construction. <b>Five homes are built and occupied.</b>
<b>HD Summerhill</b> (a.k.a. Mack-Cali) (377 Summerhill Road)	Frost	96	41 1-BR 50 2-BR 5 3-BR	Apartments (market-rate and affordable)	Under construction. 24 units will be set aside for Low Moderate Income households.
<b>Tices Developers Urban Renewal, LLC</b> (a.k.a. Garden Homes) (110 Tices Lane)	Lawrence Brook	520	Market-Rate Units (416) 28 0-BR 122 1-BR 234 2-BR 32 3-BR Affordable Units (104) 26 1-BR 58 2-BR 20 3-BR	Apartments and Duplexes (504) (market-rate and affordable)  Townhouses (16)	Under construction. 104 units will be set aside for Low-Moderate Income households.
<b>Total</b>			<b>942 Units</b>		

**Source:** East Brunswick Planning and Engineering Department/Township Administrator

**Notes:** Bolded text reflects a change in status from the July 2019 demographic study.

Developments shaded blue are new since the July 2019 demographic study.

The Tices Developers Urban Renewal, LLC project continues to be ahead of schedule and has begun leasing apartments for occupancy. The number of students that the development will yield cannot be known but can be substantial.

In addition, there are plans by the Township to redevelop two additional areas on the northern end of the Route 18 corridor located at the former Gap store site and at the former Loehmann's Plaza, as shown in table below. Vermella East Brunswick Phase I (located at the former Gap store site) was approved in October 2022 and will consist of 306 multi-family units with a mix of 0-3 bedrooms. Vermella Phase II (located at the former Loehmann's Plaza) has not yet submitted an application to the Planning Board. As such, the type of units and bedroom distribution of this development is unknown. While each site would have a commercial and residential component, only the residential components are shown in the table. The two developments will consist of approximately 806 multi-family units. Most of the units will consist of one or two bedrooms. The new community would have two bus depots to provide accessible transportation for commuters into New York City.

### Potential Redevelopment Projects in East Brunswick

Subdivision/ Developer (Location)	Elementary Attendance Area	Number of Units	Bedroom Distribution	Housing Type	Notes
<b>Vermella East Brunswick Phase I</b> (251 Route 18)	Lawrence Brook	306	28 0-BR 140 1-BR 131 2-BR 7 3-BR	Apartments (market-rate)	Redevelopment of former Gap store site. <b>Phase I was approved by the Planning Board on 10/12/22.</b>
<b>Vermella East Brunswick Phase II</b> (233 Route 18)	Lawrence Brook	500	Mostly 1-2 BR	Multi-Family	Redevelopment of former Loehmann's Plaza. <b>Vermella Phase II has not yet submitted an application to the Planning Board and therefore is not approved. Exact bedroom distribution is unknown.</b>
<b>Total</b>		<b>806 Units</b>			

**Source:** East Brunswick Planning and Engineering Department/ Township Administrator

The precise impact of the approved residential developments upon the school district are currently unknown and must be examined as soon as the residential plans are approved. Certainly, any residential construction will bring more students into the school district. Therefore, the information is critical to school facilities planning.

A charter school based in East Brunswick opened its doors at the beginning of the 2010-2011 school year. Hatikvah International Academy Charter School was approved as a K-5 school and has since expanded to be a grades K-8 school. It is unfortunate that this charter school was granted an initial charter several years ago in the suburban community of East Brunswick having one of the best school districts in this State if not the entire country. The charter school did not serve any educational need then, and it does not now.

During its fourteen years, the charter school's existence has required the cumulative appropriation of \$38,454,824 from the East Brunswick Public School District budget. This State-mandated diversion of local financial resources has come with significant and deleterious impacts to the school district beginning with the elimination of its model elementary world language program in the charter school's first year. The time has long passed to argue the merits of whether or not the initial charter should have been approved. However, the community should be reminded that the students enrolled in the charter school would receive a superior quality of education and supports if enrolled in the East Brunswick Public Schools.

East Brunswick's taxpayers largely provide the financial support for its public schools. For fiscal year 2024, the local funding share is 73.26% of the District's fiscal year 2024 General Fund budget.

It is a fact that increasing amounts of this suburban community's local funds and state aid allocation must be diverted to support a charter school for which there is absolutely no justifiable educational need.

## **2. ECONOMIC CONDITION AND OUTLOOK:**

The Township of East Brunswick's total labor force increased 1.5% to 28,439 in 2023 from 28,030 in 2022, as reported by the New Jersey Department of Labor and Workforce Development. The employment rate for 2023 was 96.6% as compared with 97.1% in 2022, and the unemployment rate for 2023 increased to 3.4% from 2.9% in 2022. Notwithstanding a slight change in rates over the prior year, East Brunswick's employment and unemployment rates remain stable and better than the data that has been reported statewide and nationally. In short, the general economic viability of the community continues to be strong.

The Township of East Brunswick reported certificates of occupancy (COs) issued for new residential units to be 18 for the calendar year 2023, as compared with 67 for the calendar year 2022. This represents a 73.13% decrease in comparison to last year.

Economic data provided by the Township of East Brunswick indicates that the construction value and building permits issued for new units, additions and remodeling for the entire 2023 calendar year totaled \$28,213,915 and 2,836, respectively, as compared to \$39,604,905 and 625 for the 2022 calendar year. This represents an increase of 2,211 permits and a decrease in construction value of \$11,390,990.

Re-sale housing in East Brunswick is reflective of the ongoing desire of individuals to establish their residency where the excellent public schools are the primary factor in that decision and the District continues register more students.

While the legally established caps on local property tax increases are intended to limit property tax growth, New Jersey continues to have a need for property tax reform. The Federal Tax Reform Act of 2017 with its limitations on the deductibility of property taxes has placed an added burden on New Jersey homeowners. The District is conscious of this and will continue to act prudently in its fiscal decisions. However, these issues must be addressed. We continue to urge New Jersey residents to express the expectations they have of their elected officials with regard to tax reform.

Moreover, local property taxes will be further strained without fundamental changes to school funding particularly as state aid is diverted from school districts such as East Brunswick based on the community's income and property wealth.

## **3. MAJOR INITIATIVES**

The District has been aggressive in pursuing the maximum level of State grant funds for all qualifying projects since State's school facilities grants were reinstituted in 2008. To date, East Brunswick has been successful in receiving grant approvals on all qualifying projects and for the maximum qualifying amount. The grant funds have benefitted East Brunswick taxpayers by reducing the local financial obligation for the projects. In fact, over \$3.1 million in State grant funds – a full 40% of estimated project costs – have funded security vestibules at all eleven school locations, a myriad of infrastructure improvements and building upgrades that have been completed throughout the District. While the State has not continued the grant program, the District is poised to avail itself of such funding opportunities when and if they again become available.

The limitations on financial resources to support capital projects have required the District to pursue other means of providing project funds. It established a revolving fund of financing through which capital projects are funded. Such short-term debt having a payback of no more than five years has enabled the District to plan in meeting the many needs of its 13 facilities. The District has also received Safety Grants from the New Jersey Schools Insurance Group. Those grants focus on District safety and security through physical improvements. Furthermore, the District has been fortunate to supplement its capital reserve fund to further the capital plan.

The projects undertaken in the planning stage, in-process or completed during the past year include, but are not limited to, the following:

Central Elementary School: certain window replacements, and carpet removal/flooring installations.

Chittick Elementary School: window and exterior door replacements, HVAC upgrades to corridors, and playground improvements.

Churchill Junior High School: window and exterior door replacements, site improvements, carpet removal/flooring installations, and retaining wall design.

East Brunswick High School: new roof-top units, new girls softball and field hockey complex, and new high school planning.

Frost Elementary School: window and exterior door replacements, multi-purpose room and kitchen renovations, HVAC upgrades to corridors, main office renovations, carpet removal/flooring installations, and parking upgrades/expansion.

Hammaraskjold Upper Elementary School: roof-top unit replacements, and classroom door vision lites.

Irwin Elementary School: HVAC upgrades to corridors.

Lawrence Brook Elementary School: courtyard renovation.

Warnsdorfer Elementary School: window and exterior door replacements, HVAC upgrades to corridors, main office renovations.

Support Operations Facility: warehouse air conditioning, electrical upgrades, and transformer replacement.

Administration Building: security improvements, exterior door replacements, restroom and elevator upgrades, window replacements, and transformer replacement.

Old Maintenance Yard: Demolition.

Finally, technology has a significant role in instruction and is integrated throughout the District's operations. It is an absolute necessity upon which there is heavy reliance to continually achieve success in District operations and instruction. For example, in 2019-2020, the COVID-19 pandemic pushed the District into utilizing its recently implemented learning management system (LMS) to support remote teaching and learning in grades eight through 12. The pandemic caused the District to speedily implement its one-to-one initiative resulting in the assignment of individual Lenovo laptop computers to each student in grades 8 through 12 and Chromebooks to each student in grades K through 7. The District's pre-pandemic foresight moving toward implementing these systems enabled it to be *ahead of the curve* and a leader capable of supporting student learning throughout the COVID-19 Pandemic.

The LMS, as well as other initiatives and general technology maintenance and upgrades, require a significant ongoing investment for which this District has been committed to find innovative ways of overcoming funding challenges. Thus, we must succeed in meeting our obligation to ensure technology is reliable and readily available to support student learning and the District's "business" operations.

Ten years ago, Sunera, LLC was engaged to assess the Information Technology Department. While the report is confidential due to sensitive security discussions contained therein, the District has been committed to implementing the recommendations and providing students with the tools needed to augment their educational experiences. The issues requiring attention were varied, and improvement will take time and financial resources. The dedication of time and financial resources has enabled much to be accomplished with marked improvements being the result. The District's steadfast commitment has yielded substantial progress in this area.

Nine years ago, the District engaged in a study of its Facilities Management operations, which includes building maintenance (electrical, general maintenance, HVAC, and plumbing), grounds maintenance, and custodial services. While the report is confidential due to certain personnel discussions contained therein, the overall objective has been to provide high-quality support to improve maintenance of the District's overall property investment and infrastructure both inside and out. While change is sometimes a slow and challenging process, the District commitment to implementing the recommendations has been evidenced by the steady implementation of a reorganization plan resulting in substantive improvements that have taken hold and continue to benefit the District's properties.

#### **4. INTERNAL CONTROL**

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



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

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws 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. The Board of Education of East Brunswick Public Schools has the legal level of budgetary control, which is made at the line-item level. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are accounted for in the capital projects fund when applicable. The final budget amount, as amended for the fiscal year, is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as reported as assigned 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 based on funds. These funds and the government-wide financial statements are explained in "Notes to the Basic Financial Statements," Note 1.

## **7. OTHER INFORMATION**

- A) Independent Audit** - State statutes require an annual audit to be performed by independent certified public accountants or registered municipal accountants. The accounting firm of PKF O'Connor Davies, LLP was appointed by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1986, the Federal Uniform Guidance and New Jersey's OMB Circular 15-08. The auditors' report on the basic financial statements, required supplementary information and other supplementary information are included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.
- B) Awards** – The International Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2023. In order to be awarded this certificate, the District published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally

accepted in the United States and applicable legal requirements. This is the eleventh year in a row the District has received this award.

This Certificate is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Programs' requirements and we are submitting it to ASBO to determine its eligibility for the fiscal year 2023-2024 award.

In addition, the District was awarded the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2023. This was the ninth year that the District will have achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

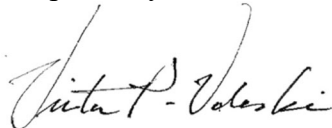
A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Programs' requirements, and we are submitting it to the GFOA to determine its eligibility for the fiscal year 2023-2024 certificate.

- C) Continued Excellence in Academics, Athletics and the Arts** - During the 2023-2024 school year, the District continued to advance its reputation for excellence through a variety of accomplishments and achievements. See the accomplishments and achievements section for a number of those successes.

## **8. ACKNOWLEDGMENTS**

We would like to express our appreciation to the members of the East Brunswick 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 dedicated services of our financial and accounting staff.

Respectfully submitted,



Victor P. Valeski, Ed.D.  
Superintendent of Schools



Bernardo Giuliana, SFO, QPA  
Assistant Superintendent for Business  
and Support Operations

## East Brunswick Public Schools

### Accomplishments and Achievements

Year ended June 30, 2024

The District is proud to report the many successes and accomplishments that our students have achieved. The 2023-2024 school year achievements are listed below:

#### **For Excellence in Academics...**

- East Brunswick is the only district in the state to have 11 *Blue Ribbon Schools*. The schools are Bowne-Munro (1996-1997), Central (2011-2012), Chittick (1998-1999), Frost (2010-2011), Irwin (1989-1990), Lawrence Brook (1991-1992), Memorial (2012-2013) and Warnsdorfer (2000-2001) Elementary Schools, Hammarskjold Middle School (1994-1995), Churchill Junior High School (1994-1995) and East Brunswick High School (1990-1991).
- Over 94% of graduates go on to college.
- EBHS/MCC Pathways Program – offered College Level Courses amassing 3,599 *College Credits*.
- Two EBHS seniors earned their Associate Degree from pursuing credits through our Dual Enrollment Program.
- Ten EBHS students were *National Merit Scholarship* Finalists.
- Twenty-Two EBHS students received 1<sup>st</sup> Place at “We the People” -State Competition.
- East Brunswick High School welcomed 87 new members into the *National Honor Society*.
- One EBHS student was a recipient of the “2023 New Jersey Dr. Martin Luther King, Jr. Commemorative Commission Injustice Anywhere is a Threat to Justice Everywhere” Scholarship in the amount of \$5,000.
- Twenty-five EBHS students received their first-year pins for the Science Honor Society and fifteen EBHS students received their second-year honor cords.
- One EBHS student received First Place in New Jersey, InvestWrite Essay Competition

### **For Excellence in Academics - continued...**

- World Language Honor Societies Inductees:
  - *French Honor Society* – 50 students
  - *Spanish Honor Society* – 16 students
  - *Italian Honor Society* – 17 students
  - *German Honor Society* – 47 students
- NJ Seal of Biliteracy - 109 of high school seniors earned the distinction of the New Jersey Seal of Biliteracy.
- Six students earned two Biliteracy Seals:
  - One student: Spanish and Korean
  - One student: French and Chinese
  - One student: French and German
  - One student: French and Spanish
  - Two students: Spanish and Chinese
- The High School was recognized for its outstanding German program. The High School was welcomed into the circle of PASCH Schools, an acronym for Schools: Partners of the Future, joining a select group of only 14 schools in the United States who have earned this distinction.

### **For Excellence in the Arts...**

- Forty-six EBHS students were inducted into the EBHS chapter of the *Tri-M Music Honors Society*.
- One EBHS student was selected to the National Association for Music Education (NAfME) All National Orchestra.
- One EBHS student was selected to the National Association for Music Education (NAfME) All-Eastern Mixed Choir.
- One CJHS student was selected to the CJMEA Region II High School Wind Ensemble.
- One CJHS student was selected to the New Jersey All-State High School Concert Band.
- One CJHS student was selected to CJMEA Intermediate Band

### **For Excellence in the Arts-continued...**

- One CJHS student was selected to New Jersey All-State High School Symphonic Band.
- Nine CJHS students were selected to NJ All-State Intermediate Orchestra.
- Two CJHS students were selected to the CJMEA Intermediate Region Band.
- Three EBHS students were selected to the CJMEA High School Symphonic Band.
- Three EBHS students were selected to NJMEA All-State Treble Chorus.
- Three HUES students and one CJHS student were selected to CJMEA Intermediate Region String Orchestra.
- Four EBHS students were selected to NJMEA All State Ensembles.
- Four CJHS students were selected to CJMEA Intermediate Chamber Orchestra.
- Five CJHS students were selected to the CJMEA High School Region Orchestra.
- Five CJHS students were selected to CJMEA Intermediate String Orchestra.
- Five EBHS students were selected to NJMEA All-State Orchestra.
- Five EBHS students were selected to NJMEA All-State Mixed Chorus.
- East Brunswick Public Schools was honored as one of the Best Communities for Music Education designation from the National Association of Music Merchants (NAMM) Foundation for its outstanding commitment to music education.

### **For Excellence in Athletics...**

- *Red Division Champions:*
  - Field Hockey
  - Girls Swimming (*Back to Back*)
  - *Boys Swimming*
- *GMC Champions:*
  - Girls Tennis
  - Girls Swimming (*Back to Back*)
  - Boys Swimming (*3rd Year in a Row*)
  - Field Hockey
- *Sectional Champions:*
  - Girls Swimming

## For Excellence in Athletics-continued...

- Individual Awards:
  - One EBHS student Represented EB at the *NJSIAA National Girl and Women in Sport Day*.
  - One EBHS student was GMC Player of the Year for *Field Hockey*.
  - One EBHS student was Offensive Player of the Year for *Field Hockey*.
  - One EBHS student made her 220<sup>th</sup> Career Save in *Field Hockey*.
  - One EBHS student made her 100-career point in *Field Hockey*.
  - One EBHS student *was the GMC All Around Champion in Gymnastics*.
  - One EBHS student *was the All GMC in Gymnastics*.
  - One EBHS student was selected to the All BCC Division Second Team for *Football*.
  - One EBHS student was selected to the All American Game for *Girls Soccer*.
  - One EBHS student received the *NJSIAA Scholar Athlete Award*.
  - One EBHS student was selected to the Red Division for *Baseball*.
  - One EBHS student scored her 300th point in *Girls Lacrosse*.
  - One EBHS student was the *Girls Wrestling* GMC Champion at 185 lbs.
  - One EBHS student was the *Girls Wrestling* GMC Champion at 114 lbs.
  - One EBHS student achieved 1000 assists in *Boys Volleyball*.
  - One EBHS student achieved 500 kills in *Boys Volleyball*.
  - One EBHS student was All Red Division for *Golf*.
  - One EBHS student was All Red Division, All GMC and GMC Player of the Year for *Boys Volleyball*.
  - One EBHS student was All Red Division for *Boys Basketball*.
  - One EBHS student was All Red Division for *Girls Basketball*.
  - One EBHS student was All GMC for *Softball*.
  - One EBHS student was All Red Division and All GMC for *Boys Bowling*.
  - One EBHS student was GMC Player of the Year for *Girls Lacrosse*.
  - One EBHS student was GMC Conference Defensive Player of the Year, *US Lacrosse All American*.
  - One EBHS student was *US Lacrosse Academic All American*.
  - One EBHS student was the *Boys Wrestling* GMC Champion at 120 lbs.
  - One EBHS student was 100 and 200 Hurdle Sectional Champion in *Girls Track*.
  - One EBHS student was 200, 100 and 400 Hurdle GMC Champion in *Girls Track*.
  - One EBHS student *was All Conference First Team for Ice Hockey*.
  - One EBHS student *received a Honorable Mention for Ice Hockey*.
  - Two EBHS students were selected All Red Division for *Boys Soccer*.
  - Two EBHS students were selected to the North Jersey Selection for *Field Hockey*.
  - Two EBHS students were All Red Division and All GMC for *Boys Lacrosse*.
  - Two EBHS students were All GMC for *Boys Wrestling*
  - Two EBHS students *were selected At Large in Gymnastics*
  - Two EBHS students were selected to the All BCC Division First Team for *Football*

## For Excellence in Athletics-continued...

- Individual Awards-continued:
  - Two EBHS students were GMC Scholar Athlete Award Winners.
  - Two EBHS students were the GMC Scholarship Award Winners.
  - Three EBHS students were All Red Division and All GMC for *Girls Lacrosse*.
  - Three EBHS students were selected All Red Division for *Girls Soccer*.
  - Three EBHS students were *All GMC for Girls Wrestling*.
  - Three EBHS students were All White Division for *Softball*.
  - Three EBHS students were 2nd Team All GMC for *Boys Lacrosse*.
  - Four EBHS students were All Red Division and All GMC for *Boys Tennis*.
  - Four EBHS students were GMC Champions in *Girls Track*.
  - Five EBHS students were selected All Red Division for *Field Hockey*.
  - Five EBHS students were All White Division for *Boys Wrestling*.
  - Seven EBHS students were all Red Division for *Girls Tennis*.
  - Seven High School Seniors Signed Letters of Intent to play at the next level.
- Coaches Recognition:
  - Mark Motusesky was Gold Coach of the Year for Girls Golf.
  - Rachel Daddio was selected New Jersey Girls Wrestling Coach of the Year by the National Wrestling Coaches Association and NJSIAA Coach of the Year.
  - Joe Langel was Coach of the Year for Boys Wrestling.
  - Matt Pazinko was Assistant Coach of the Year for Boys Wrestling.
- Team Awards:
  - *Gymnastics* received the GMC Sportsmanship Award for the 9th Season in a row.
  - *Boys Volleyball* received the Sportsmanship Award for Red Division.
  - *Boys Wrestling* - Brunswick Brawl Winners (*Back to Back*)
  - *Cheerleading* - First Place at the JFK Competition
  - *Cheerleading* - First Place at St. John Vianney Competition
  - *Cheerleading* - First Place at Brearley Competition
  - *Boys Tennis* - Bryan Bennett Tournament Champions

## Staff Accomplishments...

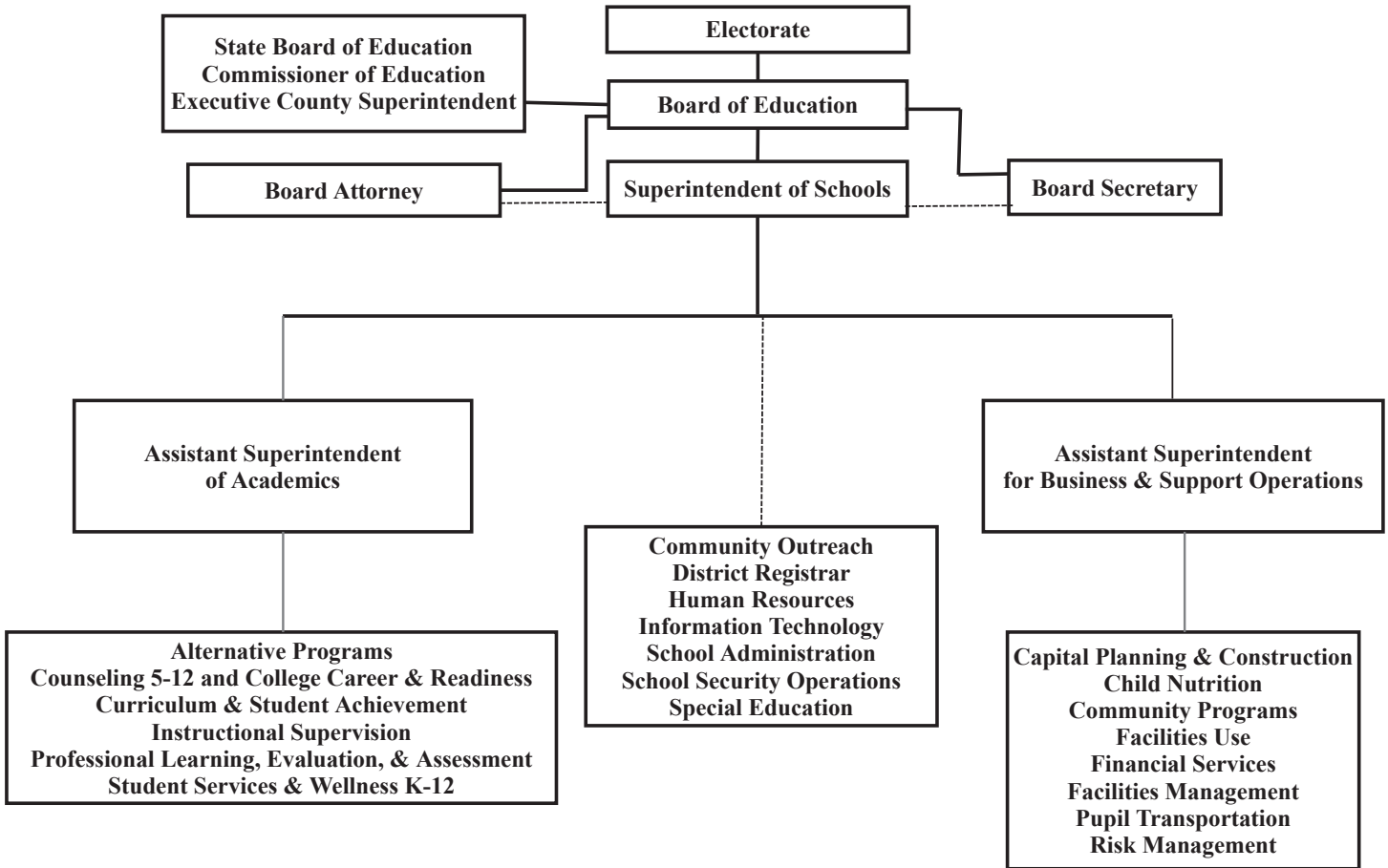
- *The Certificate of Excellence in Financial Reporting* was awarded by the *Association of School Business Officials (ASBO) International* to the East Brunswick Public Schools for the eleventh consecutive year.
- *The Certificate of Achievement for Excellence in Financial Reporting* was awarded by the *Government Finance Officers Association* to the East Brunswick Public Schools for the ninth year.

### **For Excellence in Service to the Community...**

- District Staff collected \$2,155 for Breast Cancer Research and Pediatric Cancer Research for the *Rutgers University Foundation*.
- District staff collected \$2,245 for the American Heart Association on Wear Red Day.
- EBHS hosted Relay for Life and raised over \$12,000.
- The East Brunswick Education Association (EBEA) and the Educational Support Professional Council (ESP Council) hosted a Sneaker & Boot Drive for the month of November. A total of 140 pairs of sneakers and boots were collected.
- The East Brunswick Education Association (EBEA) hosted a virtual toy drive for the families of Veterans of VFW Post 133 in East Brunswick and collected \$825.

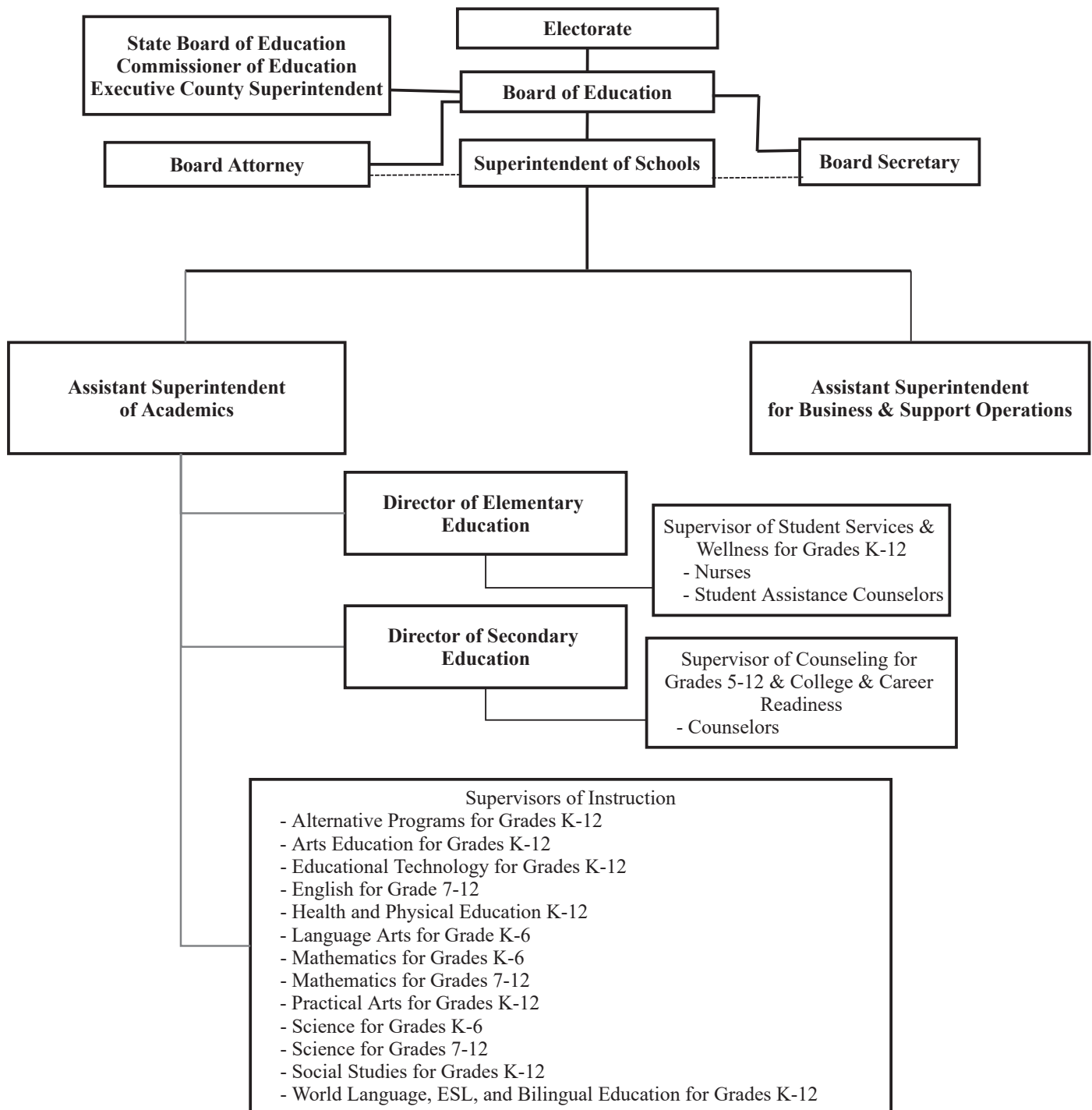


East Brunswick Public Schools  
Organization Chart



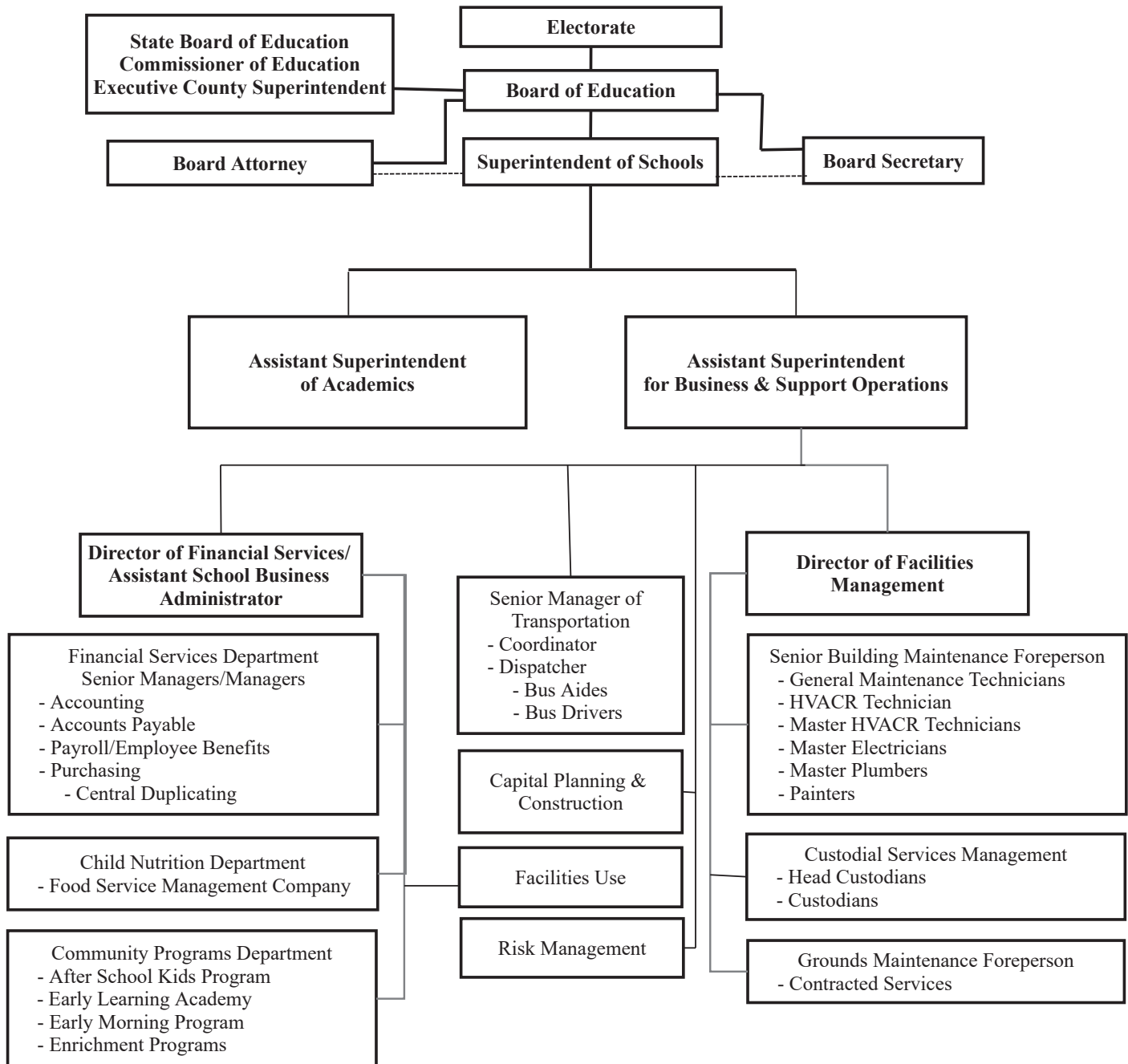
This organizational structure reflects revisions as of July 1, 2024.

Refer to position job descriptions for additional details.



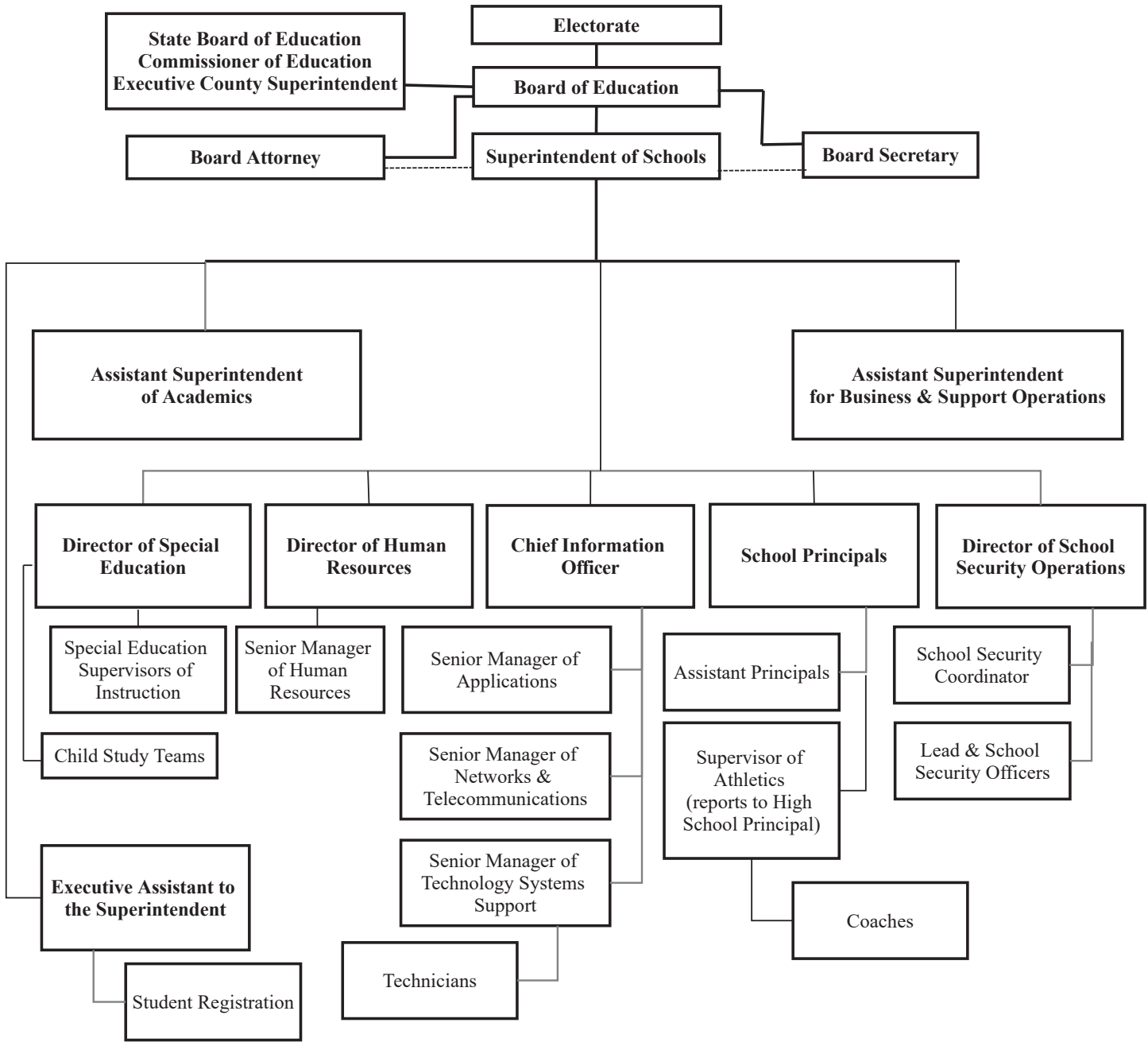
This organizational structure reflects revisions as of September 1, 2023.

Refer to position job descriptions for additional details.



This organizational structure reflects revisions as of July 1, 2024.

Refer to job descriptions for position reporting lines.



This organizational structure reflects revisions as of July 1, 2024.  
Refer to position job descriptions for additional details.

East Brunswick Public Schools  
East Brunswick, New Jersey

Roster of Officials

June 30, 2024

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Laurie Lachs, President.....	2026
Heather Guas, Vice President.....	2025
Vicki Becker.....	2024
Timothy Cummings.....	2026
Pankaj Goswami .....	2024
Laurie Herrick.....	2026
Liwu Hong. ....	2025
Heather James.....	2024
Barbara Reiss.....	2024

**Other Officials**

Victor P. Valeski, Ed.D., Superintendent of Schools

Bernardo Giuliana, SFO, QPA, Assistant Superintendent for Business & Support  
Operations/Board Secretary

Louis Figueroa, Ed.D., Assistant Superintendent of Student Activities and Services

Joyce Boley, Ed.D., Assistant Superintendent of Academics

East Brunswick Public Schools  
East Brunswick, New Jersey

**Architect & Engineer**

Parette Somjen Architects  
439 US Highway 46 #4  
Rockaway, New Jersey 07866

Van Cleef Engineering Associates, LLC  
32 Brower Lane  
Hillsborough, New Jersey 08844

**Board Attorney**

Matthew J. Giacobbe, Esq.  
Cleary, Giacobbe, Alfieri, Jacobs, LLC  
169 Ramapo Valley Road, Upper Level 105  
Oakland, New Jersey 07436

**Bond Counsel**

C. Anthony Solimine, Esq.  
Wilentz, Goldman & Spitzer, P.A.  
90 Woodbridge Center Drive, Suite 900  
Woodbridge, New Jersey 07095

**Financial Advisor**

Jennifer G. Edwards  
Acacia Financial Group, Inc.  
6000 Midlantic Drive, Suite 410 North  
Mount Laurel, New Jersey 08054

**Independent Auditor**

Scott Clelland, CPA, PSA, RMA  
PFK O'Connor Davies, LLP  
20 Commerce Drive, Suite 301  
Cranford, New Jersey 07016

**Insurance Broker**

Latonya Brennan, CSR  
Arthur J. Gallagher Risk Management Services, LLC  
707 State Road, Route 206  
Princeton, New Jersey 08542

**Official Depository**

PNC Bank  
Civic Center Office  
555 Cranbury Road  
East Brunswick, New Jersey 08816



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**East Brunswick Public Schools**

**for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2023.**

The district report meets the criteria established for  
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

**Ryan S. Stechschulte**  
President

A handwritten signature in black ink, reading 'James M. Rowan'.

**James M. Rowan, CAE, SFO**  
CEO/Executive Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**East Brunswick Public Schools  
New Jersey**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO



## **Financial Section**



## **Independent Auditors' Report**

**Honorable President and Members  
of the Board of Education  
East Brunswick Public Schools  
East Brunswick, New Jersey**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the East Brunswick Public Schools (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

#### **Basis for Opinions**

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

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

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

PKF O'CONNOR DAVIES, LLP  
20 Commerce Drive, Suite 301, Cranford, NJ 07016 | Tel: 908.272.6200 | Fax: 908.272.2416 | [www.pkfod.com](http://www.pkfod.com)

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

**Honorable President and Members  
of the Board of Education  
East Brunswick Public Schools**

Page 2

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

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

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

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

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

**Honorable President and Members  
of the Board of Education  
East Brunswick Public Schools**

Page 3

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the schedules included under Required Supplementary Information in the accompanying 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements, long-term debt schedules, and the schedules of expenditures of federal awards and state financial assistance, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are presented for additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements, long-term debt schedules and the 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 Comprehensive Financial Report for the year ended June 30, 2024. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' 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.

**Honorable President and Members  
of the Board of Education  
East Brunswick Public Schools**

Page 4

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 19, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

Cranford, New Jersey  
December 19, 2024

*Scott A. Clelland*

Scott A. Clelland, CPA  
Licensed Public School Accountant, No. 1049

**Required Supplementary Information**  
Part I

## **Management's Discussion and Analysis**

## East Brunswick Public Schools

### Management's Discussion and Analysis Year Ended June 30, 2024

The discussion and analysis of East Brunswick Public School's (the "District") financial performance provides an overview of the District's financial performance during the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements and notes, which immediately follow this section.

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

#### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This document also contains required and other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position (A-1) presents information on all of the assets, deferred outflows of resources, liabilities and deferred inflows of resources of the District, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

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

**Governmental Activities** — All of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation, extracurricular activities, construction and facilities improvements, self-insurance, and debt repayment.

**Business-Type Activities** — The District charges fees for certain services it provides. The Food Service, Community Programs, Technology and Facilities Rentals are reported here.

The government-wide financial statements can be found on schedules A-1 and A-2 of this report.



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

**Governmental funds.** The District's activities are reported in governmental funds, which focus on how money flows into and out of the funds and balances left at year-end available for spending in the future years. These funds are reported using a modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

The basic governmental fund financial statements can be found on schedules B-1, B-2 and B-3 of this report.

**Proprietary funds.** The District maintains two proprietary fund types, four enterprise funds and one internal service fund. The enterprise 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 is that the costs of providing goods or services be financed through user charges. The enterprise fund reports the operations of the food service, community education, technology and facilities rentals programs. The self-insured internal service fund is used to record the activity of the District's medical benefits. Proprietary Funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on schedules B-4, B-5 and B-6 of this report.

**Notes to the basic financial statements.** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the basic financial statements of this report.

**Other information.** The required supplementary information related to pensions and other postemployment benefits and the individual and combining statements referred to earlier in connection with the governmental and enterprise funds are presented immediately following the notes to the basic financial statements. Combining and individual fund statements and schedules can be found immediately following the notes to the financial statements of this report.

## **Financial Highlights**

Key financial highlights for 2023-2024 are as follows:

In total, net position at June 30, 2024 was \$175,295,090, which represents a 4.4% increase from 2023. This is primarily due to payments of financed purchases payable and bonds payable in the amount of \$15,990,000 offset by financed purchases payable issued in the amount of \$5,795,000.

Governmental activities general revenues and transfers accounted for \$211,376,222 in revenue or 95.2% of all governmental activities revenue. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$10,658,716 or 4.8% of total governmental activities revenues of \$222,034,938.

Among major funds, the General Fund had \$223,898,561 in revenues and \$230,505,084 in expenditures. The General Fund's fund balance is \$14,194,273 as of June 30, 2024, a decrease of \$4,348,631 from the June 30, 2023 balance. The decrease was mainly the result of use of prior year fund balance and an increase in debt service payments.

Notification was received that the two June 2024 state aid payments to the District in the total amount of \$3,919,871 would be delayed until the next school year. While, the State of New Jersey has taken action to withhold the final June payment each year since 2003, it expanded the withholding to both June payments in the 2009-2010 fiscal year, in order to avert a budget shortfall at the state level.

The District followed GASB Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, and during the 2024 fiscal year the District recorded revenue and expense in the amount of \$371,149 related to post-employment health benefits.

### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a comparative summary of net position relating to the District's governmental and business-type activities at June 30, 2024 and 2023:

	Net Position					
	June 30, 2024			June 30, 2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current and other assets	\$ 39,924,125	\$ 5,395,094	\$ 45,319,219	\$ 44,914,496	\$ 5,653,694	\$ 50,568,190
Capital assets, net	256,461,467	1,033,896	257,495,363	256,761,388	1,010,841	257,772,229
Total assets	296,385,592	6,428,990	302,814,582	301,675,884	6,664,535	308,340,419
Deferred outflows of resources	4,735,763		4,735,763	5,941,743		5,941,743
Liabilities:						
Current liabilities	31,648,517	1,167,351	32,815,868	29,888,801	1,538,949	31,427,750
Net pension liability	27,574,640		27,574,640	28,494,665		28,494,665
Long-term liabilities	69,059,146	143,909	69,203,055	80,547,107	114,288	80,661,395
Total liabilities	128,282,303	1,311,260	129,593,563	138,930,573	1,653,237	140,583,810
Deferred inflow of resources	2,661,692		2,661,692	5,767,833		5,767,833
Net position:						
Net investment in capital assets	188,134,607	1,033,896	189,168,503	178,647,601	1,010,841	179,658,442
Restricted	8,897,939		8,897,939	10,779,387		10,779,387
Unrestricted (deficit)	(26,855,186)	4,083,834	(22,771,352)	(26,507,767)	4,000,457	(22,507,310)
Total net position	\$ 170,177,360	\$ 5,117,730	\$ 175,295,090	\$ 162,919,221	\$ 5,011,298	\$ 167,930,519

Current and other assets decreased in large part due to a decrease in cash and cash equivalents and various receivable balances due to the results of current year operations and the District's investment in capital assets during the year.

Capital assets, net decreased as a result of depreciation expense exceeding capital asset additions in the current year.

Long-term liabilities decreased as result of a new financed purchase of \$5,795,000 in the current year, offset by principal payments made in the total amount of \$15,990,000 on bonds payable and financed purchases payable.

Current liabilities increased slightly, which was due to an increase in the current portion of long-term obligations due and the timing of payments for expenses incurred near year-end.

The net pension liability decreased as a result of changes in the allocation as determined by the State of New Jersey Division of Pensions and Benefits as well as the result of actual investment performance during the year and a change in assumptions as compared to the prior year.

There was an overall increase of \$106,432 in net position reported in connection with the District's business-type activities. The increase above was after the business-type activities programs transferred \$2,249,615 to the general fund. The Food Service program generated an increase in net position of \$862,932. The Community Programs program had a decrease in net position of \$300,000, the Facilities Rentals program had a decrease in net position of \$411,500, and the Technology program had a decrease in net position of \$45,000. The following table provides a comparative summary of the changes in net position relating to the District's governmental and business-type activities for the years ended June 30, 2024 and 2023:

### Changes in Net Position

	Year ended June 30, 2024			Year ended June 30, 2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program Revenues:						
Charges for Services	\$ 1,467,335	\$ 7,638,416	\$ 9,105,751	\$ 1,500,371	\$ 6,899,323	\$ 8,399,694
Operating Grants and Contributions	9,191,381	1,806,775	10,998,156	9,567,355	1,815,423	11,382,778
General Revenues:						
Property Taxes	144,305,364		144,305,364	141,889,744		141,889,744
Grants and Entitlements	61,662,174		61,662,174	58,789,350		58,789,350
Miscellaneous	3,159,069	249,205	3,408,274	3,405,762	5,396	3,411,158
Total Revenues	219,785,323	9,694,396	229,479,719	215,152,582	8,720,142	223,872,724
Expenses:						
Instruction	111,677,917		111,677,917	112,834,619		112,834,619
Support Services	100,834,851		100,834,851	97,804,810		97,804,810
Interest and other charges	2,264,031		2,264,031	700,924		700,924
Business-type activities		7,338,349	7,338,349		6,954,855	6,954,855
Total Expenses	214,776,799	7,338,349	222,115,148	211,340,353	6,954,855	218,295,208
Change in Net Position Before Transfers	5,008,524	2,356,047	7,364,571	3,812,229	1,765,287	5,577,516
Transfers	2,249,615	(2,249,615)	-	1,009,671	(1,009,671)	-
Change in net position	7,258,139	106,432	7,364,571	4,821,900	755,616	5,577,516
Net Position—beginning	162,919,221	5,011,298	167,930,519	158,097,321	4,255,682	162,353,003
Net Position—ending	\$ 170,177,360	\$ 5,117,730	\$ 175,295,090	\$ 162,919,221	\$ 5,011,298	\$ 167,930,519

### Governmental Activities

Property taxes made up 65.7% of total revenue for the fiscal year 2024. Federal, state and local grants and tuition and miscellaneous revenue accounted for the remainder. The total cost of all programs and services was \$214,776,799. Instruction accounted for 52.0% of total expenses.

Overall, change in net position increased \$7,258,139 during the current year, mainly due to an overall increase in revenues and transfers from the business-type activities programs.

## Business-Type Activities

Revenue for the District's business-type activities was comprised of charges for services and federal and state reimbursements.

Food service revenue, which included no subsidy from the general fund, was greater than expenses by \$862,932. Charges for services, which consist of the amount paid by students and other patrons for daily food service and catering, represent 59.0% of total revenue and grants and contributions represent 41.0% of total revenue.

Community Programs expenses and transfers out exceeded revenues by \$300,000.

The Facilities Rentals expenses and transfers out exceeded revenues by \$411,500.

Technology Program expenses and transfers out exceeded revenues by \$45,000.

## Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The District's fund balance amounts are classified as restricted, assigned or unassigned.

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 schedule presents a summary of the General Fund, Special Revenue Fund and Debt Service Fund revenues for the fiscal year ended June 30, 2024 as well as the amount and percentage of increases and decreases in relation to the prior year:

Revenue	Amount	Percent of Total	Increase (Decrease) from FY2023	Percent of Increase (Decrease)
Local Sources	\$ 149,647,244	62.62%	\$ 3,232,534	2.21%
State Sources	80,770,233	33.80%	7,769,319	10.64%
Federal Sources	8,549,753	3.58%	(364,944)	-4.09%
Total	<u>\$ 238,967,230</u>	<u>100.00%</u>	<u>\$ 10,636,909</u>	4.66%

The increase in local source revenue is mainly attributable to the increase in the tax levy of \$2,415,620 and the increase in investment income of \$988,418.

The increase in state source revenue is largely a result of an increase in general state aid of \$6,502,064 and an increase in the State's contribution to on-behalf TPAF pension contributions in the amount of \$2,129,376.

The decrease in federal source revenue is mainly attributable to a decrease in grant activity and revenue related to the COVID-19 expenditures.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2024, as well as the amount and percentage of increases and decreases in relation to the prior year:

<b>Expenditures</b>	<b>Amount</b>	<b>Percent of Total</b>	<b>Increase (Decrease) from FY2023</b>	<b>Percent of Increase (Decrease)</b>
Instruction	\$ 75,903,232	30.15%	\$ 1,619,240	2.18%
Support Services	148,472,274	58.98%	7,794,374	5.54%
Capital Outlay	9,942,799	3.95%	(18,203,591)	-64.67%
Debt Service	17,418,652	6.92%	3,338,509	23.71%
Total	<u>\$ 251,736,957</u>	<u>100.00%</u>	<u>\$ (5,451,468)</u>	<u>-2.12%</u>

The increase in instruction expenditures, as adjusted for on-behalf expenditures related to TPAF pension costs assumed by the State, was due to increased costs for instruction purposes. Support service expenditures increased as a result of higher costs for student and other support related services. The decrease in capital outlay is the result of the District incurring greater costs on new projects in the prior year as compared with the current year. The increase in debt service expenditures is the result of required principal and interest payments from financed purchases payable, lease purchase obligations, and bonds payable.

#### General Fund

The fund balance decreased by \$4,348,631 during the 2023-2024 fiscal year as a result of the timing of when expenditures were incurred in the general fund. As of June 30, 2024, the District has unassigned fund balance of \$1,888,412, which represents a decrease of \$451,322 from the prior year.

#### Special Revenue Fund

The fund balance in the Special Revenue Fund decreased by \$359,476 mainly as a result of the \$5,795,000 financed purchase proceeds received in the 2023-2024 fiscal year, offset by expenditures in the fund.

### **General Fund Budgetary Highlights**

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

During the course of the 2023-2024 fiscal year, the District amended its General Fund budget as needed. The District uses program-based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management. The School Business Administrator, Superintendent of Schools, and Board of Education must approve transfers from one program to another. Transfers were required due to:

- Staffing changes based on student needs.
- Accounting changes in maintenance and operations, such as transfers to Capital Projects.
- Changes in appropriations to prevent budget overruns, as well as to effect account coding corrections.

Budgetary transfers were made between budgetary line items and approved by the Board for various reasons including the following more significant transfers:

- Local Source Revenue – Miscellaneous – an increase of \$1,553,697. The increase is due to the reimbursement from the other funds.
- Undistributed Expenditures – Student Transportation Services – Vendors – special education – an increase of \$1,509,758. The increase is due to the district utilizing a two-tier busing system in the current year, resulting in higher costs.
- Undistributed Expenditures – Student Transportation Services – ESCs & CTSA's – special education – a decrease of \$2,394,235. The decrease is due to the district reducing the busing routes provided by ESC due to high costs.
- Undistributed Expenditures – Unallocated Benefits – Health Benefits – an increase of \$1,285,731 was the result of increased health benefits costs during the year.
- Capital Outlay – Facilities Acquisition and Construction Services – Construction Services – an increase of \$1,442,908 was the result of withdrawals from the capital reserve for various construction projects through FY24.

## Capital Assets and Debt Administration

### Capital Assets

At the end of the 2023-2024 fiscal year, the District had capital assets of \$387,427,970, which includes school facilities, land, buildings, equipment and vehicles and construction in progress.

The following provides a summary of the capital assets held by the District at June 30, 2024 and 2023:

	2024		2023	
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities
Non-Depreciable Assets:				
Land	\$ 1,019,208		\$ 1,019,208	
Construction in Progress	36,064,785		28,752,601	
Depreciable Assets:				
Buildings and Improvements	325,897,891	\$ 1,313,570	324,626,465	\$ 1,311,556
Machinery and Equipment	22,406,707	725,809	21,397,984	640,036
Totals	<u>\$ 385,388,591</u>	<u>\$ 2,039,379</u>	<u>\$ 375,796,258</u>	<u>\$ 1,951,592</u>

Overall governmental capital assets increased \$9,592,333 from the 2022-2023 fiscal year mainly due to the increase in construction attributable to the HVAC upgrades; CJHS temporary classroom units; EBHS track upgrades; EBHS RTU replacements; and District-wide window/door replacements; as well as other improvements throughout the District.

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

## Debt Administration

The District's long-term liabilities are as follows for the governmental and business-type activities at June 30, 2024 and 2023:

	2024		2023	
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities
Bonds payable (net)	\$ 54,871,847		\$ 59,171,464	
Net pension liability	27,574,640		28,494,665	
Financed purchases payable	28,520,000		34,585,000	
Compensated absences	2,962,703	\$ 156,381	3,042,488	\$ 127,913
Total long-term liabilities	\$ 113,929,190	\$ 156,381	\$ 125,293,617	\$ 127,913

During fiscal year 2024, the District's governmental-type long-term liabilities decreased by \$11,364,427. The decrease is a result of the issuance of a new financed purchase of \$5,795,000, offset by debt retirements of approximately \$16 million and the decrease in the net pension liability of \$920,025. The District's credit rating has not recently changed and is currently at a Aa2 rating. Additional information on the District's long-term liabilities can be found in Note 6 to the basic financial statements.

### **Current Concerns and Factors Bearing on the District's Future**

The East Brunswick Public School District is in excellent financial position. It has maintained a legally acceptable fund balance position. The District regularly seeks cost-savings and cost containment opportunities, which accrue to the annual budget in controlling costs. In addition, the District's Community Programs Enterprise and the Facilities Rental Enterprise have provided valuable programs and services to the community while generating revenue and an annual net income, as well as maintaining a healthy retained earnings balance.

While the COVID-19 Pandemic has severely curtailed revenue-generating opportunities during Fiscal Years 2020 and 2021, the two enterprises' retained earnings provided the financial wherewithal to sustain these functions through that time. Over the last several fiscal years through 2024, the Community Programs and Facilities Use enterprises have resumed generating revenue to support the annual budget. We are confident that the enterprises will continue as a "going concern" into Fiscal Year 2025 and beyond.

Notwithstanding the current financial position and the benefits inured from the enterprise operations, the District faces General Fund revenue issues for the foreseeable future. This is largely due to the substantial reduction in Fiscal Year 2025 state aid as well as unanticipated costs that could not be projected to support services to special needs students. These factors, along with overall operational cost increases, resulted in a revenue shortfall exceeding \$7.8 million requiring drastic cuts that included the elimination of 51 positions.

It is impossible to accurately forecast the future impact of state aid as it will not be known until the New Jersey Department of Education releases Fiscal Year 2026 state aid data. However, based on the current state aid funding formula, the District anticipates state aid to be further reduced due to the East Brunswick community's property wealth and income.

The District re-engaged Statistical Forecasting, LLC to conduct a comprehensive analysis of school enrollment projections. The study was completed in June 2022 and updated as of January 3, 2023. It projects grade-by-grade enrollments over a five-year period from 2022-2023 through 2026-2027. In addition, the study included the following:

- Examination of historical enrollment trends, both districtwide and by grade configuration (PK-4, 5-6, 7-9, and 10-12);
- Investigation of historical enrollment trends with respect to race and poverty status in each school;
- Tabulation of birth counts at the attendance area level;
- Computation of student yields by housing type (i.e., detached single family, townhouse/condominium, and apartment);
- Analysis of new housing starts and the impact on the school district; and,
- Projected enrollments, in a totally independent analysis, based on student yields and housing turnover rates (resales) in East Brunswick.

The study's projected year-to-year increases in enrollment will have serious consequences on District facilities and class sizes. The table below exhibits the study's enrollment projections.

***Note that a new grade configuration became effective with the 2022-2023 school year, which impacts the District's eight elementary schools, Hammarskjold Upper Elementary School (formerly the middle school), and Churchill Junior High School.***

<b>Baseline Projections</b>					
<b>Fiscal Year</b>	<b>PK-4</b>	<b>5-6</b>	<b>7-9</b>	<b>10-12</b>	<b>PK-12</b>
2022-2023	2,666	1,299	2,000	1,991	7,959
2023-2024	2,646	1,307	1,982	2,078	8,013
2024-2025	2,677	1,228	2,046	2,091	8,042
2025-2026	2,770	1,168	2,060	2,090	8,088
2026-2027	2,795	1,196	2,017	2,072	8,080
<b>2026-2027 Projected Change Over 2022- 2023</b>	<b>+129</b>	<b>-103</b>	<b>+17</b>	<b>+81</b>	<b>+121</b>

<b>Projections Adjusted for Housing Growth</b>					
<b>Fiscal Year</b>	<b>PK-4</b>	<b>5-6</b>	<b>7-9</b>	<b>10-12</b>	<b>PK-12</b>
2022-2023	2,666	1,299	2,000	1,991	7,956
2023-2024	2,683	1,321	2,000	2,097	8,101
2024-2025	2,744	1,256	2,085	2,128	8,213
2025-2026	2,860	1,211	2,119	2,145	8,335
2026-2027	2,901	1,253	2,099	2,146	8,399
<b>2026-2027 Projected Change Over 2022- 2023</b>	<b>+235</b>	<b>-46</b>	<b>+99</b>	<b>+155</b>	<b>+443</b>



The table below exhibits 2023-2024 actual enrollment in comparison to the 2022-2023 projected enrollment.

	<b>PK-4</b>	<b>5-6</b>	<b>7-9</b>	<b>10-12</b>	<b>PK-12</b>
<b>2023-2024 Actual Enrollment As Of 10/14/2023</b> (Source: Genesis)	2,764	1,315	2,000	2,033	8,112
<b>2022-2023 Projected Enrollment</b>	2,666	1,299	2,000	1,991	7,959
<b>Variance</b>	<b>+98</b>	<b>+16</b>	<b>0</b>	<b>+42</b>	<b>+156</b>

In just one year from 2022-2023 to 2023-2024, the total Grades PK-12 enrollment *exceeded* the total five-year baseline projections by nearly 29%. Most of that increase occurred in Grades PK-4. If Grades PK-4 enrollment continues to grow at the same rate year over year through 2026-2027, the district's total enrollment will most certainly meet or exceed the total 2026-2027 housing growth projection.

Prior to the grade-level realignment, class sizes were being pushed upward to undesirable thresholds and the availability of classrooms for new sections was virtually non-existent. The grade-level realignment provided sorely needed classroom space at the elementary level.

During Fiscal Year 2021, the Board re-engaged in discussing resolutions to elementary classroom shortages. On May 6, 2021, the Board authorized the Administration to commence planning for Temporary Classroom Units to be placed at the Churchill Junior High School site for occupancy by September 2022. The Temporary Classroom Units were opened on schedule to accommodate the entire seventh-grade class. However, while the New Jersey Department of Education approved the Temporary Classroom Units, the operative word is "temporary" as the use of these classroom units is short term and must be followed by a permanent facilities solution. Thus, the grade reconfiguration is expected to provide temporary relief while the Board plans a permanent resolution that will benefit students from Pre- K through Grade 12 for the long term.

The Township of East Brunswick is pursuing significant redevelopment plans, which include a substantial number of residential units. Representatives from the East Brunswick Planning and Engineering Department provided information to the District's demographer regarding current and future residential development. A list of approved housing developments, location, affected elementary attendance area, number of units, housing type, bedroom distribution (if available), and project status is shown in the table below. The table excludes new houses to be built on single in-fill lots, or the subdivision of existing lots, or homes that are built after the demolition of an existing older home.

### Approved Residential Developments in East Brunswick

Subdivision/Developer (Location)	Elementary Attendance Area	Number of Units	Bedroom Distribution	Housing Type	Notes/Status
<b>Abdelshahid</b> (Hardenburg Lane)	Wamsdorfer	3	N/A	Detached Single-Family	One unit under construction
<b>Bartel/Dunhams Cove</b> (Dunhams Corner Road)	Central	8	N/A	Detached Single-Family	Under construction
<b>Bruno</b> (Dutch Road)	Wamsdorfer	3	N/A	Detached Single-Family	Approved but not under construction
<b>Clark Farm</b> (Stage Coach Run/ Lanterns Lane)	Wamsdorfer	12	N/A	Detached Single-Family	Approved in 2008. Nothing has been constructed due to very high water table. Unclear whether the project will move forward.
<b>Enclave at East Brunswick</b> (Old Bridge Turnpike/ May Road)	Chittick	17	N/A	Detached Single-Family	Under construction. Ten homes are built and occupied.
<b>Hidden Oaks, LLC</b> (Harts Lane)	Lawrence Brook	275	Market-Rate Apts. (220) 78 1-BR 142 2-BR Affordable Apts. (55) 11 1-BR 33 2-BR 11 3-BR	Apartments (market-rate and affordable)	Has received Preliminary and Final Site Plan approval. 55 units will be set aside for Low-Moderate Income households. <b>Tree permit has been approved and land cleared.</b>
<b>Hidden Pond</b> (Dutch Road)	Wamsdorfer	8	N/A	Detached Single-Family	Under construction. Five homes are built and occupied.
<b>HD Summerhill</b> (a.k.a. Mack-Cali) (377 Summerhill Road)	Frost	96	41 1-BR 50 2-BR 5 3-BR	Apartments (market-rate and affordable)	Under construction. 24 units will be set aside for Low Moderate Income households.
<b>Tices Developers Urban Renewal, LLC</b> (a.k.a. Garden Homes) (110 Tices Lane)	Lawrence Brook	520	Market-Rate Units (416) 28 0-BR 122 1-BR 234 2-BR 32 3-BR Affordable Units (104) 26 1-BR 58 2-BR 20 3-BR	Apartments and Duplexes (504) (market-rate and affordable)  Townhouses (16)	Under construction. 104 units will be set aside for Low-Moderate Income households.
<b>Total</b>			<b>942 Units</b>		

**Source:** East Brunswick Planning and Engineering Department/Township Administrator

**Notes:** Bolded text reflects a change in status from the July 2019 demographic study.

Developments shaded blue are new since the July 2019 demographic study.

The Tices Developers Urban Renewal, LLC project continues to be ahead of schedule and has begun leasing apartments for occupancy. The number of students that the development will yield cannot be known but can be substantial.

In addition, there are plans by the township to redevelop two additional areas on the northern end of the Route 18 corridor located at the former Gap store site and at the former Loehmann's Plaza, as shown in table below. Vermella East Brunswick Phase I (located at the former Gap store site) was approved in October 2022 and will consist of 306 multi-family units with a mix of 0-3 bedrooms. Vermella Phase II (located at the former Loehmann's Plaza) has not yet submitted an application to the Planning Board. As such, the type of units and bedroom distribution of this development is unknown. While each site would have a commercial and residential component, only the residential components are shown in the table. The two developments will consist of approximately 806 multi-family units. Most of the units will consist of one or two bedrooms. The new community would have two bus depots to provide accessible transportation for commuters into New York City.

### Potential Redevelopment Projects in East Brunswick

Subdivision/ Developer (Location)	Elementary Attendance Area	Number of Units	Bedroom Distribution	Housing Type	Notes
<b>Vermella East Brunswick Phase I</b> (251 Route 18)	Lawrence Brook	306	28 0-BR 140 1-BR 131 2-BR 7 3-BR	Apartments (market-rate)	Redevelopment of former Gap store site. <b>Phase I was approved by the Planning Board on 10/12/22.</b>
<b>Vermella East Brunswick Phase II</b> (233 Route 18)	Lawrence Brook	500	Mostly 1-2 BR	Multi-Family	Redevelopment of former Loehmann's Plaza. <b>Vermella Phase II has not yet submitted an application to the Planning Board and therefore is not approved. Exact bedroom distribution is unknown.</b>
<b>Total</b>		<b>806 Units</b>			

**Source:** East Brunswick Planning and Engineering Department/ Township Administrator

The precise impact of the approved residential developments upon the school district are currently unknown and must be examined as soon as the residential plans are approved. Certainly, any residential construction will bring more students into the school district. Therefore, the information is critical to school facilities planning.

For the fiscal year ending June 30, 2024, local property taxes provided 73.26% of the funding to support the district's General Fund operations. While the General Fund tax levy (the amount to be raised by taxes) increases are capped at two percent annually, the actual property tax impact to most property owners is greater. This has resulted from property valuations that are not reflective of current values. In fact, East Brunswick's overall taxable property values are recorded at 18.83% of true value based on the certified *Table of Equalized Valuations* for the 2024 tax year as published by the New Jersey Department of the Treasury, Division of Taxation.

The Township of East Brunswick has suffered many tax appeals where major commercial property owners have successfully appealed valuations, thus resulting in property tax reductions to those property owners. The reduction in those property tax assessments merely redistributes the burden to the remaining property taxpayers in East Brunswick. While East Brunswick residents have been supportive of their schools and appreciate the quality education that is provided to students, the Township must undergo a property revaluation if it is to stabilize the impact of property tax increases for all property taxpayers. In addition, a concerted effort must be put forth to improve the Township's business and industrial tax base, which will alleviate the residential property owners tax burden.

While the Township of East Brunswick is pursuing significant redevelopment along the Route 18 corridor, those developments to date will not be added to the regular tax rolls. Instead, those property owners have agreements with the Township for Payment In Lieu of Taxes (PILOT). As such, those properties will not pay property taxes for a lengthy period of time and they are not counted in the overall valuation of Township properties. PILOT funds are available for discretionary use by the Township Government. However, the exclusion of PILOT properties from overall basis for computing property taxes results in the remainder of property owners not realizing the benefit of PILOT properties offsetting property tax rates.

A charter school based in East Brunswick opened its doors at the beginning of the 2010-2011 school year. Hatikvah International Academy Charter School was approved as a K-5 school and has since expanded to be a grades K-8 school. It is unfortunate that this charter school was granted an initial charter several years ago in the suburban community of East Brunswick having one of the best school districts in this State if not the entire country. The charter school did not serve any educational need then, and it does not now.

During its fourteen years, the charter school's existence has required the cumulative appropriation of \$38,454,824 from the East Brunswick Public School District budget. This State-mandated diversion of local financial resources has come with significant and deleterious impacts to the school district beginning with the elimination of its model elementary world language program in the charter school's first year. The time has long passed to argue the merits of whether or not the initial charter should have been approved. However, the community should be reminded that the students enrolled in the charter school would receive a superior quality of education and supports if enrolled in the East Brunswick Public Schools.

East Brunswick's taxpayers largely provide the financial support for its public schools. For fiscal year 2024, the local funding share is 73.26% of the District's fiscal year 2024 General Fund budget.

It is a fact that increasing amounts of this suburban community's local funds and state aid allocation must be diverted to support a charter school for which there is absolutely no justifiable educational need.

### **Requests for Information**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the revenue it receives. If you have questions about this report or need additional information, you may contact Bernardo Giuliani, Assistant Superintendent for Business and Support Operations at East Brunswick Public Schools, 760 Route 18, Suite 108, East Brunswick, NJ 08816.

## **Basic Financial Statements**

## **Government-wide Financial Statements**

The government-wide financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all governmental activities and business-type activities as of and for the year ended June 30, 2024.

## East Brunswick Public Schools

## Statement of Net Position

June 30, 2024

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 30,990,621	\$ 5,202,836	\$ 36,193,457
Cash held with fiscal agent	825,627		825,627
Accounts receivable	8,107,877	192,258	8,300,135
Capital assets, non-depreciable	37,083,993		37,083,993
Capital assets, depreciable, net	219,377,474	1,033,896	220,411,370
Total assets	<u>296,385,592</u>	<u>6,428,990</u>	<u>302,814,582</u>
<b>Deferred Outflows of Resources</b>			
Deferred loss on refunding of debt	1,249,379		1,249,379
Pension deferrals	3,486,384		3,486,384
Total deferred outflows of resources	<u>4,735,763</u>		<u>4,735,763</u>
Total assets and deferred outflows of resources	<u>301,121,355</u>	<u>6,428,990</u>	<u>307,550,345</u>
<b>Liabilities</b>			
Accounts payable and accrued expenses	10,428,866	326,773	10,755,639
Payroll deductions and withholdings payable	765,137		765,137
Accrued interest payable	1,191,040		1,191,040
Accrued liability for insurance claims	1,850,000		1,850,000
Intergovernmental payable	53,258		53,258
Unearned revenue	64,812	828,106	892,918
Noncurrent liabilities:			
Due within one year	17,295,404	12,472	17,307,876
Due beyond one year	69,059,146	143,909	69,203,055
Net Pension Liability	27,574,640		27,574,640
Total liabilities	<u>128,282,303</u>	<u>1,311,260</u>	<u>129,593,563</u>
<b>Deferred Inflow of Resources</b>			
Pension deferrals	<u>2,661,692</u>		<u>2,661,692</u>
<b>Net Position</b>			
Net investment in capital assets	188,134,607	1,033,896	189,168,503
Restricted for:			
Capital Reserve	3,093,267		3,093,267
Unemployment compensation reserve	1,138,418		1,138,418
Student activity reserve	581,428		581,428
Excess Surplus	1,614,073		1,614,073
Excess Surplus - prior year	2,470,753		2,470,753
Unrestricted (deficit)	(26,855,186)	4,083,834	(22,771,352)
Total net position	<u>\$ 170,177,360</u>	<u>\$ 5,117,730</u>	<u>\$ 175,295,090</u>

See accompanying notes to basic financial statements.

## East Brunswick Public Schools

## Statement of Activities

Year ended June 30, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
<b>Governmental activities</b>						
Instruction						
Regular Instruction	\$ 78,089,733	\$ 576,072	\$ 4,916,900	\$ (72,596,761)		\$ (72,596,761)
Special Education Instruction	26,424,347		2,164,821	(24,259,526)		(24,259,526)
Other Instruction	7,163,837		2,109,660	(5,054,177)		(5,054,177)
Support Services						
Tuition	8,758,043			(8,758,043)		(8,758,043)
Student and Instruction Related Services	34,376,717	891,263		(33,485,454)		(33,485,454)
School Administration	7,756,484			(7,756,484)		(7,756,484)
General and Business Administrative Services	9,626,916			(9,626,916)		(9,626,916)
Plant Operation and Maintenance	23,849,000			(23,849,000)		(23,849,000)
Pupil Transportation	16,456,060			(16,456,060)		(16,456,060)
Special Schools	11,631			(11,631)		(11,631)
Interest and other charges	2,264,031			(2,264,031)		(2,264,031)
Total governmental activities	214,776,799	1,467,335	9,191,381	(204,118,083)		(204,118,083)
<b>Business-type activities</b>						
Food Service	3,867,135	2,791,707	1,806,775		\$ 731,347	731,347
Community Programs	2,784,477	3,619,535			835,058	835,058
Technology	119,166	236,592			117,426	117,426
Facilities Rentals	567,571	990,582			423,011	423,011
Total business-type activities	7,338,349	7,638,416	1,806,775		2,106,842	2,106,842
Total primary government	\$ 222,115,148	\$ 9,105,751	\$ 10,998,156	(204,118,083)	2,106,842	(202,011,241)
<b>General revenues and transfers:</b>						
Taxes:						
Property taxes, levied for general purposes				139,319,339		139,319,339
Property taxes, levied for debt service				4,986,025		4,986,025
Federal sources				122,411		122,411
State sources—unrestricted				61,539,763		61,539,763
Investment income				1,584,885	249,205	1,834,090
Miscellaneous				1,574,184		1,574,184
Transfers				2,249,615	(2,249,615)	-
Total general revenues and transfers				211,376,222	(2,000,410)	209,375,812
Change in net position				7,258,139	106,432	7,364,571
Net Position—beginning				162,919,221	5,011,298	167,930,519
Net Position—ending				\$ 170,177,360	\$ 5,117,730	\$ 175,295,090

See accompanying notes to basic financial statements.



## **Fund Financial Statements**

## **Governmental Funds**

East Brunswick Public Schools  
Governmental Funds

Balance Sheet

June 30, 2024

	Major Funds			Total
	General	Special	Debt	Governmental
	Fund	Revenue	Service	Funds
		Fund	Fund	
<b>Assets</b>				
Cash and cash equivalents	\$ 15,386,666	\$ 13,556,753	\$ 188,666	\$ 29,132,085
Accounts receivable:				
State	3,389,835	7,948		3,397,783
Federal	22,584	3,414,519		3,437,103
Other	546,942	11,754		558,696
Total assets	<u>\$ 19,346,027</u>	<u>\$ 16,990,974</u>	<u>\$ 188,666</u>	<u>\$ 36,525,667</u>
<b>Liabilities and Fund Balances</b>				
Liabilities:				
Accounts payable	\$ 3,908,904	\$ 2,498,771		\$ 6,407,675
Payroll deductions and withholdings payable	765,137			765,137
Accrued expenditures payable	448,698	6,112		454,810
Intergovernmental payables:				
State		53,258		53,258
Unearned revenue	29,015	35,797		64,812
Total liabilities	<u>5,151,754</u>	<u>2,593,938</u>		<u>7,745,692</u>
Fund balances:				
Restricted for:				
Capital reserve	3,093,267			3,093,267
Unemployment compensation reserve	1,138,418			1,138,418
Excess Surplus - current year	1,614,073			1,614,073
Excess Surplus - designated for				
subsequent year's expenditures	2,470,753			2,470,753
Debt service			\$ 188,666	188,666
Student activities		581,428		581,428
Assigned to:				
Subsequent years expenditures	2,174,247	13,815,608		15,989,855
Other purposes	1,815,103			1,815,103
Unassigned:				
General fund	1,888,412			1,888,412
Total fund balances	<u>14,194,273</u>	<u>14,397,036</u>	<u>188,666</u>	<u>28,779,975</u>
Total liabilities and fund balances	<u>\$ 19,346,027</u>	<u>\$ 16,990,974</u>	<u>\$ 188,666</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$385,388,591 and the accumulated depreciation is \$128,927,124.

256,461,467

Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.

(1,191,040)

Long-term liabilities, including bonds payable, financed purchases payable and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(86,354,550)

Losses arising from the issuance of refunding bonds that are a result of the difference in the carrying value of the refunded bonds and the new bonds are deferred and amortized over the life of the bonds.

1,249,379

Deferred pension costs in governmental activities are not financial resources and are therefore not reported in the funds.

824,692

Accrued pension contributions for the June 30, 2025 plan year end are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.

(2,608,604)

Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the funds.

(27,574,640)

Internal service funds are used by the District to charge the costs of the self-insurance program to the individual fund. The activities of this fund are included in the Statement of Activities.

590,681

Net position of governmental activities

\$ 170,177,360

East Brunswick Public Schools  
Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 2024

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
<b>Revenues</b>					
Local sources:					
Local tax levy	\$ 139,319,339			\$ 4,986,025	\$ 144,305,364
Tuition from individuals	81,269				81,269
Tuition from other LEA's	494,803				494,803
Investment income	1,584,885				1,584,885
Miscellaneous	2,137,449	\$ 1,043,474			3,180,923
Total local sources	143,617,745	1,043,474		4,986,025	149,647,244
State sources	80,158,405	611,828			80,770,233
Federal sources	122,411	8,427,342			8,549,753
Total revenues	223,898,561	10,082,644		4,986,025	238,967,230
<b>Expenditures</b>					
Current:					
Instruction:					
Regular instruction	50,224,424	2,867,493			53,091,917
Special education instruction	15,858,468	2,164,821			18,023,289
Other special instruction	4,788,026				4,788,026
Support services:					
Tuition	3,779,207				3,779,207
Student and instruction related services	21,535,067	3,130,157			24,665,224
School administration services	5,134,224				5,134,224
Other administrative services	6,991,624				6,991,624
Plant operations and maintenance	19,486,243				19,486,243
Pupil transportation	14,319,037				14,319,037
Employee benefits and on-behalf TPAF social security and pension, medical and disability contributions	69,109,920				69,109,920
Charter schools	4,978,836				4,978,836
Special schools	7,959				7,959
Capital outlay	1,868,150	8,074,649			9,942,799
Debt Service:					
Principal	11,860,000			3,665,000	15,525,000
Interest	563,899			1,329,753	1,893,652
Total expenditures	230,505,084	16,237,120		4,994,753	251,736,957
(Deficiency) Excess of revenues (under) over expenditures	(6,606,523)	(6,154,476)		(8,728)	(12,769,727)
Other financing sources (uses):					
Financed purchases proceeds		5,795,000			5,795,000
Transfers in	2,257,892				2,257,892
Transfers (out)			\$ (8,277)		(8,277)
Total other financing sources (uses)	2,257,892	5,795,000	(8,277)	-	8,044,615
Net change in fund balances	(4,348,631)	(359,476)	(8,277)	(8,728)	(4,725,112)
Fund balances, July 1	18,542,904	14,756,512	8,277	197,394	33,505,087
Fund balances, June 30	\$ 14,194,273	\$ 14,397,036	\$ -	\$ 188,666	\$ 28,779,975

The reconciliation of the fund balances of governmental funds to the net position of governmental activities in the statement of activities is presented in an accompanying schedule (B-3).

East Brunswick Public Schools  
Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances to the Statement of Activities

Year ended June 30, 2024

**Total net change in fund balances - governmental funds (from B-2)** **\$ (4,725,112)**

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense and loss on capital asset disposals exceeded capital asset additions in the period.

Depreciation Expense	\$ (9,910,437)	
Loss on Capital Asset Disposals	(9,074)	
Capital Asset Additions	9,619,590	
		(299,921)

The issuance of long-term debt for general purposes provides current financial resources to governmental funds, however has no effect on net position.

Financed Purchases Payable		(5,795,000)
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Repayments of bond principal and financed purchases payable are expenditures 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.

Serial Bonds Payable	4,130,000	
Financed Purchases Payable	11,860,000	
		15,990,000

Governmental funds report the effect of premiums/discounts and similar items when the debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences.

Amortization of Premium/Discount on Bonds, net		169,617
--	--	---------

Governmental funds report the effect of refunding transactions when the debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This represents the current year amortization related to the deferred loss of refunding.

Amortization of Deferred Loss on Refunding of Debt		(186,032)
--	--	-----------

Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due.

(353,964)

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

79,785

Certain expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Pension expense		2,942,031
-----------------	--	-----------

The internal service fund is used by the District to charge the costs of the self-insurance program to the individual fund. The assets and liabilities of the internal service fund are included with governmental activities.

(563,265)

**Change in net position of governmental activities (A-2)**

**\$ 7,258,139**

## **Proprietary Funds**

East Brunswick Public Schools  
Proprietary Funds

Statement of Net Position

June 30, 2024

	Business-Type Activities Major Enterprise Funds					Governmental Activity Internal Service Fund Self-Insured Health Benefits
	Food Service	Community Programs	Technology	Facilities Rentals	Total	
<b>Assets</b>						
Current assets:						
Cash and cash equivalents	\$ 3,612,104	\$ 1,074,272	\$ 68,476	\$ 447,984	\$ 5,202,836	\$ 1,858,536
Accounts receivable:						
State	5,631				5,631	
Federal	57,522				57,522	
Other	64,653	7,476	41,679	15,297	129,105	714,295
Restricted assets:						
Cash held by fiscal agent						825,627
Total current assets	3,739,910	1,081,748	110,155	463,281	5,395,094	3,398,458
Noncurrent assets:						
Capital assets:						
Depreciable:						
Equipment	1,970,911			68,468	2,039,379	
Accumulated depreciation	(951,527)			(53,956)	(1,005,483)	
Total capital assets, net	1,019,384			14,512	1,033,896	
Total assets	4,759,294	1,081,748	110,155	477,793	6,428,990	3,398,458
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	204,236	51,784	10,155	13,732	279,907	957,777
Accrued salaries payable	3,334	3,114		40,418	46,866	
Unearned revenue	206,388	456,337		165,381	828,106	
Accrued liability - IBNR						1,850,000
Current portion of compensated absences	8,100	4,372			12,472	
Total current liabilities	422,058	515,607	10,155	219,531	1,167,351	2,807,777
Noncurrent liabilities:						
Compensated absences	69,506	66,141		8,262	143,909	
Total noncurrent liabilities	69,506	66,141		8,262	143,909	
Total liabilities	491,564	581,748	10,155	227,793	1,311,260	2,807,777
<b>Net Position</b>						
Investment in capital assets	1,019,384			14,512	1,033,896	
Unrestricted	3,248,346	500,000	100,000	235,488	4,083,834	590,681
Total net position	\$ 4,267,730	\$ 500,000	\$ 100,000	\$ 250,000	\$ 5,117,730	\$ 590,681

See accompanying notes to basic financial statements.

East Brunswick Public Schools  
Proprietary Funds

Statement of Revenues, Expenses and Changes in Fund Net Position

Year ended June 30, 2024

	Business-Type Activities					Governmental Activity
	Major Enterprise Funds					Internal Service Fund
	Food Service	Community Programs	Technology	Facilities Rentals	Total	Self-Insured Health Benefits
Operating revenues:						
Local sources:						
Services provided by other funds						\$ 30,368,934
Daily sales reimbursable programs	\$ 1,519,389				\$ 1,519,389	
Daily sales non-reimbursable programs	1,272,318				1,272,318	
Rental				\$ 988,062	988,062	
Special functions				2,520	2,520	
Registration fees		\$ 3,619,535			3,619,535	
Miscellaneous			\$ 236,592		236,592	
Total operating revenues	2,791,707	3,619,535	236,592	990,582	7,638,416	30,368,934
Operating expenses:						
Salaries	1,359,004	2,054,224	12,332	469,776	3,895,336	
Employee benefits	332,333	336,447	7,402	62,043	738,225	30,932,199
Purchased professional services	32,696				32,696	
Other purchased services	317,654	337,807		16,021	671,482	
Supplies and materials	161,682	54,931	99,432	15,922	331,967	
Registrations/Training/Travel	444	1,068			1,512	
Depreciation	61,073			3,659	64,732	
Indirect cost	133,552				133,552	
Cost of sales - reimbursable programs	1,049,989				1,049,989	
Cost of sales - non-reimbursable programs	399,310				399,310	
Miscellaneous	19,398			150	19,548	
Total operating expenses	3,867,135	2,784,477	119,166	567,571	7,338,349	30,932,199
Operating (loss) income	(1,075,428)	835,058	117,426	423,011	300,067	(563,265)
Nonoperating revenues:						
State sources:						
State school breakfast program	7,048				7,048	
State school lunch program	81,641				81,641	
Summer-EBT administrative cost - State	1,556				1,556	
Federal sources:						
School breakfast program	137,950				137,950	
National school lunch program	1,014,205				1,014,205	
COVID-19 Supply Chain Assistance Funding	276,151				276,151	
Summer-EBT administrative cost - Federal	1,556				1,556	
Food donation program	286,668				286,668	
Interest income	131,585	72,772		44,848	249,205	
Total nonoperating revenues	1,938,360	72,772		44,848	2,055,980	
Income (loss) before transfers	862,932	907,830	117,426	467,859	2,356,047	(563,265)
Transfers out		(1,207,830)	(162,426)	(879,359)	(2,249,615)	
Total transfers		(1,207,830)	(162,426)	(879,359)	(2,249,615)	
Change in net position	862,932	(300,000)	(45,000)	(411,500)	106,432	(563,265)
Total net position-beginning	3,404,798	800,000	145,000	661,500	5,011,298	1,153,946
Total net position-ending	\$ 4,267,730	\$ 500,000	\$ 100,000	\$ 250,000	\$ 5,117,730	\$ 590,681

See accompanying notes to basic financial statements.



East Brunswick Public Schools  
Proprietary Funds

Statement of Cash Flows

Year ended June 30, 2024

	Business-Type Activities					Governmental Activity
	Major Enterprise Funds					Internal Service Fund
	Food Service	Community Programs	Technology	Facilities Rentals	Total	Self-Insured Health Benefits
<b>Cash flows from operating activities</b>						
Receipts for services provided to other funds						\$ 30,368,934
Receipts from customers	\$ 2,753,031	\$ 3,668,477	\$ 219,629	\$ 1,031,090	\$ 7,672,227	
Payments to employees	(1,356,529)	(2,046,539)	(12,332)	(454,076)	(3,869,476)	
Payments for employee benefits	(332,333)	(336,447)	(7,402)	(62,043)	(738,225)	(30,564,377)
Payments to suppliers	(2,427,096)	(455,226)	(102,149)	(39,650)	(3,024,121)	
Net cash (used in) provided by operating activities	<u>(1,362,927)</u>	<u>830,265</u>	<u>97,746</u>	<u>475,321</u>	<u>40,405</u>	<u>(195,443)</u>
<b>Cash flows from noncapital financing activities</b>						
Cash received from state and federal sources	1,731,056				1,731,056	
Transfers to other funds		(1,207,830)	(162,426)	(879,359)	(2,249,615)	
Net cash provided by (used in) noncapital financing activities	<u>1,731,056</u>	<u>(1,207,830)</u>	<u>(162,426)</u>	<u>(879,359)</u>	<u>(518,559)</u>	
<b>Cash flows from capital and related financing activity</b>						
Purchase of capital assets	(85,312)			(2,475)	(87,787)	
Net cash (used in) capital and related financing activities	<u>(85,312)</u>			<u>(2,475)</u>	<u>(87,787)</u>	
<b>Cash flows from investing activities</b>						
Interest received	131,585	72,772		44,848	249,205	
Net cash provided by investing activities	<u>131,585</u>	<u>72,772</u>		<u>44,848</u>	<u>249,205</u>	
Net increase (decrease) in cash and cash equivalents	414,402	(304,793)	(64,680)	(361,665)	(316,736)	(195,443)
Cash, cash equivalents and restricted cash, beginning of year	<u>3,197,702</u>	<u>1,379,065</u>	<u>133,156</u>	<u>809,649</u>	<u>5,519,572</u>	<u>2,879,606</u>
Cash, cash equivalents and restricted cash, end of year	<u>\$ 3,612,104</u>	<u>\$ 1,074,272</u>	<u>\$ 68,476</u>	<u>\$ 447,984</u>	<u>\$ 5,202,836</u>	<u>\$ 2,684,163</u>
<b>Reconciliation of operating (loss) income to net cash (used in) provided by operating activities:</b>						
Operating (loss) income	\$ (1,075,428)	\$ 835,058	\$ 117,426	\$ 423,011	\$ 300,067	\$ (563,265)
Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities						
Depreciation	61,073			3,659	64,732	
Change in assets and liabilities						
(Increase) in other accounts receivable	(45,551)	(6,789)	(16,963)	(540)	(69,843)	(597,369)
Increase (decrease) in accounts payable	(312,371)	(61,420)	(2,717)	(7,557)	(384,065)	415,191
(Decrease) increase in accrued expenses	(1,160)	(14,276)		12,827	(2,609)	550,000
Increase in unearned revenue	6,875	55,731		41,048	103,654	
Increase in compensated absences	3,635	21,961		2,873	28,469	
Net cash (used in) provided by operating activities	<u>\$ (1,362,927)</u>	<u>\$ 830,265</u>	<u>\$ 97,746</u>	<u>\$ 475,321</u>	<u>\$ 40,405</u>	<u>\$ (195,443)</u>

**Noncash noncapital financing activities:**

The District received \$286,668 of food commodities from the U.S. Department of Agriculture for the year ended June 30, 2024.

See accompanying notes to basic financial statements.

# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### 1. Summary of Significant Accounting Policies

The financial statements of the East Brunswick Public Schools (the “District”) have been prepared in conformity with accounting principles generally accepted in the United States (“GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

#### A. Reporting Entity

The District is a Type II school district located in the County of Middlesex, State of New Jersey. As a Type II district, the District functions independently through a Board of Education (the “Board”). The Board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-12.

The financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization’s governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

The District, as the primary government for financial reporting entity purposes, has control over all activities related to the East Brunswick Public Schools in East Brunswick Township, New Jersey. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The District has no component units that are required to be included within the reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the District. For the most part, the effect of internal activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### **1. Summary of Significant Accounting Policies (continued)**

#### **B. Government-wide and Fund Financial Statements**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements. The New Jersey Department of Education requires all funds, except for Internal Service Fund, be reported as major to promote consistency among school districts in the State of New Jersey.

#### **C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary 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.

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, net pension liability and financed purchases payable, are recorded only when payment is due.

Property taxes, interest, and state aid associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when the District receives cash.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**1. Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)**

The District has reported the following major governmental funds:

*General Fund:* The general fund is the general operating fund of the District and 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.

*Special Revenue Fund:* The District maintains one special revenue fund, which includes the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes, other than debt service or capital projects. The revenue sources are derived from federal, state and local grant funds and lease purchase obligations and the fund balance accounts for the activities of these restricted sources.

*Capital Projects Fund:* The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to an expenditure for capital outlays, including the acquisition or construction of major capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds and state aid that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

*Debt Service Fund:* The debt service fund accounts for and reports financial resources that are restricted, committed, or assigned to an expenditure for the principal and interest on long-term general obligation debt of governmental funds.

The District's Proprietary Fund is comprised of four enterprise fund programs, the Food Service Fund, the Community Programs Fund, the Technology Fund, and the Facilities Rentals Fund and the Self-Insurance Internal Service Fund. All are considered major funds, except for the Internal Service Fund.

The District reports the following enterprise funds:

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

*Community Programs Enterprise Fund:* The community programs fund accounts for financial activity related to providing child care services for District students before and after school, as well as, providing adults with lifelong learning opportunities.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**1. Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)**

*Technology Enterprise Fund:* The technology fund accounts for the collection of fees for device coverage as well as technology fines and for the incurrence of costs associated with claims for technology devices issued to students.

*Facilities Rentals Enterprise Fund:* The facilities rentals fund accounts for financial activity related to rental activities at the District owned performing arts center.

The District reports the following internal service fund:

*Self-Insured Health Benefits Fund:* The self-insurance fund is used to record the activity of the District's health insurance expenses.

Amounts reported as program revenues include 1) charged to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District enterprise funds are charges for sales of food, registration fees and rentals. Operating expenses for enterprise funds include the cost of sales, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The District reports unearned revenue on its balance sheet and statements of net position. Unearned revenue arises when resources are received by the District before it has legal claim to them, as when federal assistance is received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and statements of net position and revenue is recognized.

**D. Budgets/Budgetary Control**

Ad Valorem (Property) taxes are susceptible to accrual as, under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable."

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**1. Summary of Significant Accounting Policies (continued)**

**D. Budgets/Budgetary Control (continued)**

The County Board of Taxation is responsible for the assessment of properties and the Township Tax Collector is responsible for collection of taxes. Assessments are certified and taxes are levied on January 1; taxes are due February 1, May 1, August 1 and November 1. Unpaid taxes are considered delinquent the following January 1 and are then subject to lien.

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the Middlesex County office of the DOE for approval. Budgets are prepared using the modified accrual basis of accounting and the special revenue fund uses a non-GAAP budget (budgetary basis). 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 referred in N.J.A.C. 6A:23. The over-expenditure in the general fund is due to the inclusion of the non-budgeted on behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures. All budget amendments must be approved by School Board resolution. Budget amendments were made during the year ended June 30, 2024 and were not significant.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States with the exception of the legally mandated revenue recognition of the last state aid payments 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. Open encumbrances at year-end are reappropriated in the subsequent year's budget. Unencumbered appropriations lapse at fiscal year-end. Except for student activity funds, the accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

**E. Interfund Receivables/Payables**

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.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**1. Summary of Significant Accounting Policies (continued)**

**F. Inventories**

Inventories, which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. At June 30, 2024, the District did not have any inventory in the Food Service Enterprise Fund.

**G. Capital Assets**

Capital assets, which include land, construction in progress, property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or through estimation procedures performed by an independent appraisal company. Donated capital assets, donated works of art and similar items, and capital assets received are reported at acquisition value on the date of acquisition. The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend the assets lives are not capitalized.

Property, plant and equipment of the District is depreciated using the straight line method. The following estimated useful lives are used to compute depreciation:

	<u>Years</u>
Buildings and Improvements	20-50
Furniture and Equipment	7-20
Vehicles	8

**H. 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 employer and employee is accrued as employees earn the rights to the benefits. The District uses the “vesting method” for estimating its accrued sick and vacation leave liability. District employees are granted vacation and sick leave in varying amounts under the District’s personnel policies.

The liability for vested compensated absences of the District is recorded in the government-wide financial statements and includes salary related payments. The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**1. Summary of Significant Accounting Policies (continued)**

**H. Compensated Absences (continued)**

As of June 30, 2024, a liability existed for compensated absences in the government-wide financial statements in the amount of \$2,962,703 and a liability in the proprietary fund types in the amount of \$156,381.

**I. Unearned Revenue**

Unearned revenue in the general fund, food service enterprise fund, and community program enterprise fund represent fees received in advance for services to be provided. Unearned revenue in the special revenue fund represents cash received from federal, state and local sources, which have been received but not yet earned and outstanding encumbrances.

**J. Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

**K. Deferred Loss on Refunding of Debt**

Deferred loss on refunding arising from the issuance of refunding bonds is recorded as a deferred outflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. As of June 30, 2024, the District has recorded an unamortized balance of \$1,249,379 as a deferred outflow of resources and the amortization expense for the year ended June 30, 2024 was \$186,032.

**L. Net Position**

Net position represents the difference between assets, deferred outflows of resources, deferred inflows of resources and liabilities in the Government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets.



East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**1. Summary of Significant Accounting Policies (continued)**

**L. Net Position (continued)**

Net positions are reported as restricted in the Government-wide and fund financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

**M. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category, including deferred amounts from the unamortized loss on refunding of debt and deferred amounts related to pensions. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, deferred amounts related to pensions.

**N. Fund Balances**

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* ("GASB 54") established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Under GASB 54, fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five categories, as defined below:

1. Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.
2. Restricted – includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed – includes amounts that can be used only for the specific purposes imposed by a formal action of the government's highest level of decision-making authority. The District's highest level of decision-making authority is the Board of Education (the "Board") and formal action is taken by resolution of the Board at publicly held meetings. Once committed, amounts cannot be used for other purposes unless the Board revises or changes the specified use by taking the same action (resolution) taken to originally commit these funds.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**1. Summary of Significant Accounting Policies (continued)**

**N. Fund Balances (continued)**

4. Assigned – amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Interest is expressed by either the Board or Business Administrator, to whom the Board has delegated the authority to assign amounts to be used for specific purposes, including the encumbering of funds.
5. Unassigned – includes all spendable amounts not contained in the other classifications in the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In the other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. For the unrestricted fund balance, the District first spends committed funds, then assigned funds, and finally, unassigned funds.

Of the \$14,194,273 of fund balances in the General Fund, \$1,815,103 of outstanding encumbrances has been assigned to other purposes, \$2,174,247 has been assigned as designated for subsequent year's expenditures, \$3,093,267 has been restricted for capital reserve, \$1,614,073 has been restricted for excess surplus – current year, \$2,470,753 has been restricted for excess surplus – designated for subsequent years expenditures, \$1,138,418 has been restricted for unemployment compensation reserve, and \$1,888,412 is classified as unassigned.

Of the \$14,397,036 of fund balances in the Special Revenue Fund, \$581,428 is restricted for student activities and \$13,815,608 is assigned and designated for subsequent years expenditures. All of the \$188,666 Debt Service fund balance at June 30, 2024 is restricted for debt service.

**O. Management Estimates**

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

**P. On-Behalf Payments**

Revenues and expenditures of the general fund include payments made by the State of New Jersey social security and post-retirement medical pension contributions for certified teachers and other members of the New Jersey Teachers Pension and Annuity Fund.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**1. Summary of Significant Accounting Policies (continued)**

**P. On-Behalf Payments (continued)**

Additionally, revenues and expenses related to on-behalf pension contributions in the government-wide financial statements have been decreased by \$18,247,493 to adjust for the full accrual basis expense incurred by the State of New Jersey during the most recent measurement period. The amounts are not required to be included in the District's annual budget.

**Q. Calculation of Excess Surplus**

The designation for restricted fund balance -- excess surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2024 was \$4,084,826. Of this amount, \$2,470,753 has been appropriated in the 2024/25 budget and the remaining \$1,614,073 is required to be appropriated in the 2025/26 budget.

**R. GASB Pronouncements**

The GASB issued Statement No. 101, *Compensated Absences* in June 2022. 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. The requirements of this Statement are effective for periods beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has not determined the impact of the Statement on the financial statements.

The GASB issued Statement No. 102, *Certain Risk Disclosures* in January 2024. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for periods beginning after June 15, 2024, and all reporting periods thereafter. Management has not determined the impact of the Statement on the financial statements.

The GASB issued Statement No. 103, *Financial Reporting Model Improvements* in April 2024. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for periods beginning after June 15, 2025, and all reporting periods thereafter. Management has not determined the impact of the Statement on the financial statements.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**1. Summary of Significant Accounting Policies (continued)**

The GASB issued Statement No. 104, *Disclosures of Certain Capital Assets* in September 2024. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets including lease assets, intangible right-to-use assets, subscription assets, other intangible assets and assets held for sale. The requirements of this Statement are effective for periods beginning after June 15, 2025, and all reporting periods thereafter. Management has not determined the impact of the Statement on the financial statements.

**S. Subsequent Events**

Management has reviewed and evaluated all events and transactions from June 30, 2024 through December 19, 2024, the date that the financial statements were available for issuance and the effects of those that provide additional pertinent information about conditions that existed at the balance sheet date, have been recognized in the accompanying financial statements.

**2. Reconciliation of Government-Wide and Fund Financial Statements**

**Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position**

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the Government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds payable and related unamortized premiums, financed purchases payable and compensated absences, are not due and payable in the current period and therefore are not reported in the funds. The details of this \$86,354,550 difference are as follows:

Bonds payable	\$ 53,060,000
Unamortized premium on bonds	1,811,847
Financed purchases payable	28,520,000
Compensated absences	<u>2,962,703</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net position – governmental activities	<u>\$ 86,354,550</u>

East Brunswick Public Schools

Notes to the Basic Financial Statements

Year ended June 30, 2024

**3. Deposits and Investments**

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

**Deposits**

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include savings and loan institutions, banks (both state and national banks) and savings banks, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey that 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.

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.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**3. Deposits and Investments (continued)**

**Deposits (continued)**

Operating cash accounts are held in the District's name by several commercial banking institutions. At June 30, 2024, the carrying amount of the District's deposits was \$36,193,457 and the bank balance was \$37,746,755. Of the bank balance, \$250,000 of the District's cash deposits on June 30, 2024 was secured by federal depository insurance. The New Jersey Governmental Unit Deposit Protection Act (GUDPA) covered the bank balance of \$35,656,259. \$1,014,869 held in the District agency accounts are not covered by GUDPA. The District also has \$825,627 of cash held by fiscal agents on its behalf which is not covered by the FDIC or GUDPA.

Pursuant to GASB Statement No. 40, *Deposit and Investment Risk Disclosures* ("GASB 40"), the District's operating cash accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the District would not be able to recover the value of its deposits and investments). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized (securities not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name.

The District does not have a policy for the management of custodial credit risk, other than depositing all of its funds in banks covered by GUDPA. At least five percent of the District's deposits were fully collateralized by funds held by the financial institution, but not in the name of the District. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

**Investments**

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

- a. Bonds and 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, which have a maturity date not greater than twelve months from the date of purchase.
- c. New Jersey Cash Management Fund and New Jersey Asset and Rebate Management Fund.

*Custodial Credit Risk:* The District does not have a policy for custodial credit risk other than to maintain a safekeeping account for the securities at a financial institution.

*Credit Risk:* The District does not have an investment policy regarding the management of credit risk. GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or investments guaranteed by the U.S. government. The District did not have any funds invested in debt securities.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**3. Deposits and Investments (continued)**

**Investments (continued)**

*Concentration of Credit Risk:* The District places no limit on the amount the District may invest in any one issuer.

*Interest Rate Risk:* The District does not have a policy to limit interest rate risk.

The District did not have any investments during or at the year ended June 30, 2024.

**4. Capital Reserve Account**

A capital reserve account was established by the Board by inclusion of \$410,363 in the 1996-1997 capital outlay budget for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (July 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6A:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning balance, July 1, 2023	\$ 5,487,399
Increases:	
Interest earnings	79,749
Board approved deposit - June 2024 resolution	502,999
Project Close-outs	494,554
Subtotal	<u>6,564,701</u>
Decreases:	
Board approved withdrawals – various dates	<u>(3,471,434)</u>
Ending balance, June 30, 2024	<u><u>\$ 3,093,267</u></u>

# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### 4. Capital Reserve Account (continued)

The June 30, 2024 LRFP balance of local support costs of uncompleted capital projects exceeded the June 30, 2024 capital reserve balance. The withdrawals from the capital reserve were for Department of Education approved facilities projects. The District has budgeted a withdrawal from capital reserve in its 2024-25 approved budget in the amount of \$2,548,937.

### 5. Capital Assets

The District capitalizes all assets with an acquisition cost greater than \$2,000. The following schedule is a summarization of the changes in capital assets by source for the fiscal year ended June 30, 2024:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental Activities:</b>					
Capital Assets, not being Depreciated:					
Land	\$ 1,019,208				\$ 1,019,208
Construction in Progress	28,752,601	\$ 8,723,194		\$ (1,411,010)	36,064,785
Total Capital Assets not being Depreciated	29,771,809	8,723,194		(1,411,010)	37,083,993
Capital Assets, being Depreciated:					
Building and Improvements	324,626,465	7,217		1,264,209	325,897,891
Machinery and Equipment	21,397,984	889,179	\$ (27,257)	146,801	22,406,707
Total Capital Assets, being Depreciated	346,024,449	896,396	(27,257)	1,411,010	348,304,598
Less Accumulated Depreciation:					
Building and Improvements	(105,363,243)	(8,317,159)			(113,680,402)
Machinery and Equipment	(13,671,627)	(1,593,278)	18,183		(15,246,722)
Total Accumulated Depreciation	(119,034,870)	(9,910,437)	18,183		(128,927,124)
Total Capital Assets, being Depreciated, Net	226,989,579	(9,014,041)	(9,074)	1,411,010	219,377,474
Governmental Activities Capital Assets, Net	\$ 256,761,388	\$ (290,847)	\$ (9,074)	\$ -	\$ 256,461,467
<b>Business-Type Activities:</b>					
Total Capital Assets, being Depreciated:					
Building and building improvements	\$ 1,311,556			\$ 2,014	\$ 1,313,570
Machinery and Equipment	640,036	\$ 87,787		(2,014)	725,809
Total Capital Assets, being Depreciated	1,951,592	87,787		-	2,039,379
Less Accumulated Depreciation:					
Building and Improvements	(521,181)	(38,344)		(1,113)	(560,638)
Machinery and Equipment	(419,570)	(26,388)		1,113	(444,845)
Total Accumulated Depreciation	(940,751)	(64,732)		-	(1,005,483)
Total Business-Type Activities Capital Assets, Net	\$ 1,010,841	\$ 23,055	\$ -	\$ -	\$ 1,033,896

Total depreciation expense for the fiscal year ended June 30, 2024 for governmental activities was \$9,910,437 and for business-type activities was \$64,732.



East Brunswick Public Schools

Notes to the Basic Financial Statements

Year ended June 30, 2024

**5. Capital Assets (continued)**

Depreciation for governmental activities was charged as follows in the Statement of Activities:

Regular instruction	\$ 3,591,574
Special education instruction	1,219,244
Other instruction	323,901
Student and instruction related services	1,668,559
School administration services	347,321
General and other administration services	472,971
Plant operation and maintenance	1,318,210
Pupil transportation	968,657
Total depreciation expense – governmental activities	<u>\$ 9,910,437</u>

**6. Long-Term Liabilities**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Serial bonds payable	\$ 57,190,000		\$ 4,130,000	\$ 53,060,000	\$ 4,120,000
Unamortized premium on bonds	1,981,464		169,617	1,811,847	169,617
Financed purchases payable	34,585,000	\$ 5,795,000	11,860,000	28,520,000	12,944,000
Compensated absences payable	3,042,488	462,353	542,138	2,962,703	61,787
Sub-total	96,798,952	6,257,353	16,701,755	86,354,550	17,295,404
Net pension liability	28,494,665		920,025	27,574,640	
Total governmental activities long-term liabilities	<u>\$ 125,293,617</u>	<u>\$ 6,257,353</u>	<u>\$ 17,621,780</u>	<u>\$ 113,929,190</u>	<u>\$ 17,295,404</u>
Business-Type Activities:					
Compensated absences payable	\$ 127,913	\$ 38,233	\$ 9,765	\$ 156,381	\$ 12,472
Total Business-Type activities long-term liabilities	<u>\$ 127,913</u>	<u>\$ 38,233</u>	<u>\$ 9,765</u>	<u>\$ 156,381</u>	<u>\$ 12,472</u>

The District expects to liquidate the financed purchases payable and the net pension liability with payments made from the District's general fund and the bonds payable from the debt service fund. The District expects to liquidate the compensated absences payable with payments made from the general fund, the food service enterprise fund, the community program enterprise fund and the facilities rentals enterprise fund.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**6. Long-Term Liabilities (continued)**

**A. Bonds Payable**

Bonds are authorized in accordance with State law or by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds and are a direct borrowing of the District for which its full faith and credit is pledged and are payable from taxes levied on all taxable real property within the District.

2019 Issue

On February 6, 2019, the District issued School Energy Savings Improvement Program Refunding Bonds in the amount of \$8,135,000 to finance energy conservation measures pursuant to an Energy Savings Improvement Plan ("ESIP") at interest rates ranging from 4.00% to 5.00%, due in annual installments ranging from \$415,000 to \$805,000 through August 1, 2034.

2020 Issue

On February 25, 2020, the District issued \$10,355,000 Refunding School Bonds at interest rates ranging from 3.00% to 5.00% to advance refund \$11,465,000 of 2010 School Bonds. As of June 30, 2024, the amount of defeased bonds outstanding is \$9,005,000. The 2020 Refunding School Bonds mature in amounts ranging from \$375,000 to \$755,000 through May 15, 2040.

2022 Issue

On August 3, 2022, the District issued \$41,355,000 Refunding School Bonds at an interest rate of 2.430% to advance refund \$40,450,000 of 2012 School Bonds. As of June 30, 2024, the amount of defeased bonds outstanding is \$37,555,000. The savings from the refunding was \$2,367,745 with a net present value savings of \$2,025,144. The 2022 Refunding School Bonds mature in amounts ranging from \$3,140,000 to \$3,605,000 through November 1, 2034.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**6. Long-Term Liabilities (continued)**

**A. Bonds Payable (continued)**

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

	Principal	Interest	Total
Year ending June 30,			
2025	\$ 4,120,000	\$ 1,513,167	\$ 5,633,167
2026	4,380,000	1,388,996	5,768,996
2027	4,380,000	1,261,535	5,641,535
2028	4,380,000	1,132,468	5,512,468
2029	4,385,000	1,001,669	5,386,669
2030-2034	23,320,000	2,984,137	26,304,137
2035-2039	7,340,000	445,800	7,785,800
2040	755,000	22,650	777,650
	<u>\$ 53,060,000</u>	<u>\$ 9,750,422</u>	<u>\$ 62,810,422</u>

**B. Financed Purchases Payable**

2018 Agreement

In May 2018, the Board of Education (the Lessee) entered into a lease purchase agreement with the Township of East Brunswick (the Lessor) to finance district-wide building improvements, technology equipment, classroom furnishings and transportation and maintenance vehicles. Approval was obtained from the Commissioner of Education and the State of New Jersey Local Finance Board.

Under the lease, the Board is required to pay basic rent due on each July 1, through July 1, 2023. The lease carries an interest rate of 1.35%. The total principal amount of the lease was \$5,800,000. During the fiscal year 2024, the District made its final payment of \$1,173,499 which comprised of \$1,160,000 in principal and \$13,999 in interest.

2019 Agreement

In July 2019, the Board of Education (the Lessee) entered into a lease purchase agreement with the Township of East Brunswick (the Lessor) to finance District-wide building improvements, technology equipment, classroom furnishings and transportation and maintenance vehicles. Approval was obtained from the Commissioner of Education and the State of New Jersey Local Finance Board.

Under the lease, the Board is required to pay basic rent due on each July 1, which commenced on July 1, 2020 and will conclude on July 1, 2024. The lease carries an interest rate of 1.20%. The total principal amount of the lease was \$14,600,000.

East Brunswick Public Schools

Notes to the Basic Financial Statements

Year ended June 30, 2024

**6. Long-Term Liabilities (continued)**

**B. Financed Purchases Payable (continued)**

Future Minimum Lease Payments - Future minimum lease payments for the next year under the lease purchase agreement along with the present value of the minimum lease payment as of June 30, 2024 is:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 2,953,980
Less: Amount representing interest	(33,980)
Present Value of Net Minimum Lease Payments	<u>\$ 2,920,000</u>

2021 Agreement

In July 2020, the Board of Education (the Lessee) entered into a lease purchase agreement with the Township of East Brunswick (the Lessor) to finance District-wide building improvements, technology equipment, classroom furnishings and transportation and maintenance vehicles. Approval was obtained from the Commissioner of Education and the State of New Jersey Local Finance Board.

Under the lease, the Board is required to pay basic rent due on each July 1, which commenced on July 11, 2021 and will conclude on July 11, 2025. The lease carries an interest rate of 1.160%. The total principal amount of the lease was \$3,600,000. The District made an advance payment of the first principal payment due on July 11, 2021 in June 2021, resulting in an interest only payment being due July 11, 2021.

Future Minimum Lease Payments - Future minimum lease payments for the next year under the financed purchase agreement along with the present value of the minimum lease payment as of June 30, 2024 is:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 728,352
Total Minimum Lease Payments	720,000
Less: Amount representing interest	(8,352)
Present Value of Net Minimum Lease Payments	<u>\$ 720,000</u>

East Brunswick Public Schools

Notes to the Basic Financial Statements

Year ended June 30, 2024

**6. Long-Term Liabilities (continued)**

**B. Financed Purchases Payable (continued)**

2022 Agreement

In May 2021, the Board of Education (the Lessee) entered into a lease purchase agreement with the Township of East Brunswick (the Lessor) to finance district-wide building improvements, technology equipment, classroom furnishings and transportation and maintenance vehicles. Approval was obtained from the Commissioner of Education and the State of New Jersey Local Finance Board.

Under the lease, the Board is required to pay basic rent due on each July 1, through July 1, 2026. The lease carries an interest rate of 0.30%. The total principal amount of the lease was \$4,200,000.

Future Minimum Lease Payments - Future minimum lease payments for the next three years under the lease purchase agreement along with the present value of the minimum lease payments as of June 30, 2024 are:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 933,275
2026	840,000
2027	840,000
Total Minimum Lease Payments	2,613,275
Less: Amount representing interest	(93,275)
Present Value of Net Minimum Lease Payments	<u>\$ 2,520,000</u>

2023 Agreement

In April 2022, the Board of Education (the Lessee) entered into a lease purchase agreement with the Township of East Brunswick (the Lessor) to finance district-wide building improvements, instructional and life-safety equipment, classroom furnishings and transportation and security vehicles. Approval was obtained from the Commissioner of Education and the State of New Jersey Local Finance Board.

Under the lease, the Board is required to pay basic rent due on each July 1, through July 1, 2027. The lease carries an interest rate of 0.30%. The total principal amount of the lease was \$17,100,000.

East Brunswick Public Schools

Notes to the Basic Financial Statements

Year ended June 30, 2024

**6. Long-Term Liabilities (continued)**

**B. Financed Purchases Payable (continued)**

Future Minimum Lease Payments - Future minimum lease payments for the next four years under the lease purchase agreement along with the present value of the minimum lease payments as of June 30, 2024 are:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 3,926,350
2026	3,420,000
2027	3,420,000
2028	3,420,000
Total Minimum Lease Payments	14,186,350
Less: Amount representing interest	(506,350)
Present Value of Net Minimum Lease Payments	<u>\$ 13,680,000</u>

2024 Agreement

In April 2023, the Board of Education (the Lessee) entered into a lease purchase agreement with the Township of East Brunswick (the Lessor) to finance district-wide building improvements, multi-purpose rooms, cafeteria kitchens, retaining wall, windows, classroom furnishings, and transportation and security vehicles. Approval was obtained from the Commissioner of Education and the State of New Jersey Local Finance Board.

Under the lease, the Board is required to pay basic rent due on each July 11, through July 11, 2028. The lease carries an interest rate of 3.70%. The total principal amount of the lease was \$5,795,000.

Future Minimum Lease Payments - Future minimum lease payments for the next five years under the lease purchase agreement along with the present value of the minimum lease payments as of June 30, 2024 are:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 1,373,496
2026	1,159,000
2027	1,159,000
2028	1,159,000
2029	1,159,000
Total Minimum Lease Payments	6,009,496
Less: Amount representing interest	(214,496)
Present Value of Net Minimum Lease Payments	<u>\$ 5,795,000</u>

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**6. Long-Term Liabilities (continued)**

**B. Financed Purchases Payable (continued)**

Financed Purchase Agreement

The District entered into a financed purchase agreement on October 28, 2020 in the amount of \$13,685,000, which is due in annual principal installments and for which final payment is due on April 15, 2025. Interest rate is at 1.350%. The financed purchase was initiated for various capital improvements throughout the District.

Future Minimum Lease Payments - Future minimum lease payments for the next year under the lease purchase agreement along with the present value of the minimum lease payments as of June 30, 2024 is:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 2,923,948
Less: Amount representing interest	(38,948)
Present Value of Net Minimum Lease Payments	<u>\$ 2,885,000</u>

**7. Pension Plans**

**Description of Systems**

Substantially all of the Board's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Teachers' Pension and Annuity Fund Retirement System is considered a cost-sharing multiple-employer plan, with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers. The Public Employees' Retirement System is considered a cost-sharing multiple-employer plan.

**Teachers' Pension and Annuity Fund**

The Teachers' Pension and Annuity Fund was established in January 1955 under the provisions of N.J.S.A. 18A:66 to provide coverage, including post-retirement health care, to substantially all full-time public-school employees in the State. Members are fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on contributions. In the case of death before retirement, members beneficiaries are entitled to full interest credited to the members accounts.

# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### **7. Pension Plans (continued)**

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tier 1 and 2 members upon reaching the age of 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 the age of 62 and Tier 5 members upon reaching the age of 65. Early retirement benefits are available to Tier 1 and 2 members with 25 years or more of service credit before reaching age 60, Tier 3 and 4 members 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 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. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

### **Public Employees' Retirement System**

The Public Employees' Retirement System (PERS) was established in January 1955 and the contribution policy is set by the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full-time employees of the State of New Jersey or any county, municipality, school Board or public agency, provided the employee is not a member of another State-administered retirement system or other state pension fund or local jurisdiction's pension fund. Pursuant to the provisions of P.L. 2022, C.78, the member contribution rate was 7.5% in State fiscal year 2023.

Members are classified into one of five tiers dependent upon the date of their enrollment. Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tier 1 and 2 members upon reaching the age of 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching the age of 62 and Tier 5 members upon reaching the age of 65. Early retirement benefits are available to Tier 1 and 2 members with 25 years or more of service credit before reaching age 60, Tier 3 and 4 members 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 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. 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.

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



East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**7. Pension Plans (continued)**

**Funding Policy**

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing members. Plan member and employer contributions may be amended by State of New Jersey legislation. Under the provisions of Chapter 78, P.L. 2011, employee contribution rates for TPAF and PERS are 7.5%. Employers are required to contribute at an actuarially determined rate in both the TPAF and PERS. The actuarially determined contribution includes funding for noncontributory death benefits and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

During the year ended June 30, 2023, the State of New Jersey contributed \$32,553,658 to the TPAF for post-retirement medical benefits and other pension costs on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$5,441,948 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. These amounts have been included in the government-wide and fund financial statements.

The Board's actuarially determined contributions to PERS for each of the years ended June 30, 2024, 2023, and 2022 were \$2,544,415, \$2,381,038, and \$2,278,621, respectively, equal to the required contributions for each year.

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

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

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

At June 30, 2024, the District reported a liability of \$27,574,640 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation July 1, 2022, which was rolled forward to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2023, the District's proportion was 0.1903750921 percent, which was an increase of 0.0015608710 percent from its proportion measured as of June 30, 2022.

# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### 7. Pension Plans (continued)

For the year ended June 30, 2024, the District recognized full accrual pension benefit of (\$397,614) in the government-wide financial statements. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 263,649	\$ 112,716
Changes of assumptions	60,576	1,671,141
Net difference between projected and actual earnings on pension plan investments	126,985	
Changes in proportion and differences between District contributions and proportionate share of contributions	426,570	877,835
District contributions subsequent to the measurement date	2,608,604	
	<u>\$ 3,486,384</u>	<u>\$ 2,661,692</u>

\$2,608,604 is reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date. The contributions made subsequent to the measurement date will be recognized as a reduction of the collective net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2025	\$ (1,685,687)
2026	(947,028)
2027	1,014,766
2028	(172,466)
2029	6,503
	<u>\$ (1,783,912)</u>

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**7. Pension Plans (continued)**

*Actuarial Assumptions*

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

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	2.75 - 6.55%
	based on years of service
Investment rate of return	7.00%

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.

*Mortality Rates*

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

*Long-Term Rate of Return*

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

# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### 7. Pension Plans (continued)

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	Target Allocation	Long-Term Expected Real Rate of Return
US 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 Assets	3.00%	8.40%
Real Estate	8.00%	8.58%
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%
	<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 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.

# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### 7. Pension Plans (continued)

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

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2023 calculated using the discount rate as disclosed above as well as what the District's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	<b>At 1% Decrease (6.00%)</b>	<b>At Current Discount Rate (7.00%)</b>	<b>At 1% Increase (8.00%)</b>
State's proportionate share of the net pension liability associated with the District	\$ 35,896,314	\$ 27,574,640	\$ 20,491,795

### *Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report for the State of New Jersey Public Employees' Retirement System.

### *Additional Information*

Collective balances of the Local Group at June 30, 2023 are as follows:

Deferred outflows of resources	\$ 1,080,204,730
Deferred inflows of resources	\$ 1,780,216,457
Net pension liability	\$ 14,606,489,066
 District's Proportion	 0.1903750921%

Collective pension benefit for the Local Group for the measurement period ended June 30, 2023 is (\$79,181,803).

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2023, 2022, 2021, 2020, 2019, 2018, 2017 and 2016 is 5.08, 5.04, 5.13, 5.16, 5.21, 5.63, 5.48, and 5.57 years, respectively.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**7. Pension Plans (continued)**

*Special Funding Situation*

A special funding situation exists for certain Local employers of the PERS. The State of New Jersey, a non-employer, is required to pay the additional costs incurred by local employers under Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The June 30, 2023 State special funding situation net pension liability amount of \$122.1 million is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2023, there was no net pension liability associated with this special funding situation there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense of \$55.7 million, for the fiscal year ending June 30, 2023, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2023. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The District's expense related to the special funding situation is \$85,995.

*Teachers Pensions and Annuity Fund (TPAF) – 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. The State's proportionate share of the TPAF net pension liability associated with the District as of June 30, 2023 was \$298,493,420. The District's proportionate share was \$0. For fiscal year 2023, the State's pension contribution was more than the actuarial determined amount.

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The State's proportionate share of the net pension liability associated with the District was based on a projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2023, the State's proportionate share of the TPAF net pension liability associated with the District was 0.5849065375 percent, which was a decrease of 0.0085971945 from its proportion measured as of June 30, 2022.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**7. Pension Plans (continued)**

For the year ended June 30, 2024, the District recognized on-behalf pension expense and revenue in the government-wide financial statements of \$7,333,115 for contributions incurred 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. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	2.75 – 4.25%
	based on years of service
Investment rate of return	7.00%

*Mortality Rates*

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

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

*Long-Term Expected Rate of Return*

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 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.

# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### 7. Pension Plans (continued)

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	Target Allocation	Long-Term Expected Real Rate of Return
US 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 Assets	3.00%	8.40%
Real Estate	8.00%	8.58%
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%
	<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 made 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.



# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### 7. Pension Plans (continued)

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

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2023, calculated using the discount rate as disclosed above as well as what the State's proportionate share of the net pension liability associated with the District would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	<b>At 1% Decrease (6.00%)</b>	<b>At Current Discount Rate (7.00%)</b>	<b>At 1% Increase (8.00%)</b>
State's proportionate share of the net pension liability associated with the District	\$ 351,977,908	\$ 298,493,420	\$ 253,446,769

### *Pension plan fiduciary net position*

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

### **Additional Information**

Collective balances of the Local Group at June 30, 2023 are as follows:

Deferred outflows of resources	\$ 2,498,730,891
Deferred inflows of resources	\$ 14,719,080,314
Net pension liability	\$ 51,032,669,551
 District's Proportion	 0.5849065375%

Collective pension expense of the Local Group for the plan for the measurement period ended June 30, 2023 is \$1,292,291,943. The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2023, 2022, 2021, 2019, 2018, 2017, 2016, and 2015 is 7.93, 7.83, 7.93, 8.04, 8.29, 8.30, 8.30, and 8.30 years, respectively.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**8. Post-Retirement Benefits**

*General Information about the OPEB Plan*

**State Health Benefit State Retired Employees Plan:**

For Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2023, 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 accepting 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, 2022, 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 the Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds the post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs.

# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### 8. Post-Retirement Benefits (continued)

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>.

#### *Total OPEB Liability*

The nonemployer OPEB liability from the State of New Jersey's plan is \$52,361,668,239.

#### *Changes in the Total Non-employer OPEB Liability*

Below represents the changes in the District's total OPEB liability for the year ended June 30, 2023:

	Total OPEB Liability
Beginning Total OPEB Liability, June 30, 2022	\$ 290,905,660
Changes for the year:	
Service cost	12,151,431
Interest	10,585,450
Differences between expected and actual experiences	(5,705,426)
Changes in assumption or other inputs	605,810
Member contributions	271,268
Benefit payments	(8,251,530)
Net changes	<u>9,657,003</u>
Ending Total OPEB Liability, June 30, 2023	<u>\$ 300,562,663</u>

# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### 8. Post-Retirement Benefits (continued)

#### *Employees covered by benefit terms*

The following employees were covered by the benefit terms:

Local Education Group	June 30, 2023
Active Plan Members	217,212
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	152,383
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	-
Total Plan Members	<u>369,595</u>

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective OPEB liability on the Statement of Net Position. The State's proportionate share of the total OPEB liability associated with the District as of June 30, 2023 was \$300,562,663. Additional information can be obtained from the State of New Jersey's annual comprehensive financial report.

#### *Actuarial assumptions and other inputs*

The total non-employer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	TPAF	PERS
Salary increase:	2.75 – 4.25% based on years of service	2.75 – 6.55% based on years of service

#### *Mortality Rates*

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP) and "General" (PERS) 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 "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.

# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### 8. Post-Retirement Benefits (continued)

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the actual experience studies for the periods July 1, 2018 to June 30, 2021. 100% of active members are considered to participate in the Plan upon retirement.

#### *Discount Rate*

The discount rate for June 30, 2023 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.

#### *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 eight years. For post-65 medical benefits PPO, the trend is initially (1.99%) in fiscal year 2023, increasing to 13.80% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially (3.54%) in fiscal year 2023, increasing to 17.40% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

*The following represents sensitivity of total non-employer OPEB liability to changes in the discount rate and health care cost rate*

The following presents the total non-employer OPEB liability associated with the District as of June 30, 2023 calculated using a discount rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current rate:

	<b>At 1% decrease (2.65%)</b>	<b>At current discount rate (3.65%)</b>	<b>At 1% increase (4.65%)</b>
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 352,358,123	\$ 300,562,663	\$ 258,976,922

# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### 8. Post-Retirement Benefits (continued)

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

	<b>At 1% decrease</b>	<b>Current healthcare cost trend rates</b>	<b>At 1% increase</b>
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 249,513,349	\$ 300,562,663	\$ 367,360,822

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

For the year ended June 30, 2024, the District recognized on-behalf OPEB expense and revenue in the government-wide financial statements of \$6,590,956 for OPEB expenses incurred by the State.

Collective balances of the Education Group at June 30, 2023 are as follows:

Deferred outflows of resources	\$ 17,347,811,894
Deferred inflows of resources	\$ 30,503,688,706
Collective OPEB Expense	\$ 1,369,124,126
District's Proportion	0.48%

### *Special Funding Situation*

The employer contributions for local participating employers are legally required to be funded by the State, therefore, the District records an expense and corresponding revenue for its respective share of total OPEB expense and revenue attributable to the State of New Jersey.

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**9. Contingent Liabilities**

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2024 may be impaired. The District has received funding under the Elementary and Secondary School Emergency Relief (ESSER) Fund and American Rescue Plan (ARP). To the extent that the District has not complied with the rules and regulations governing the ESSER and ARP funds, money may be required to be returned. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying financial statements for such contingencies.

The District is also involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the Board.

**10. Deferred Compensation Plans**

The District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Sections 401(a), 403(b) and 457(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. All amounts of compensation deferred under the plans, all property and rights purchased with the amounts and all income attributable to these amounts are held in trust for the exclusive benefit of participating employees and their beneficiaries.

The plan administrators are as follows:

- A.I.G. Met Life Investment
- American Fund (Capital Guardian)
- Equitable
- Franklin Templeton Group
- ING

# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### 11. Risk Management

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

#### Property and Liability Insurance

The District maintains commercial insurance coverage for property, liability and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. There have been no significant reductions in insurance coverage from the prior year and no settlements have exceeded insurance coverage over the past three years.

#### 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 District's withholdings are recorded in the Unemployment Compensation Reserve in the general fund. 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 trust fund for the current and previous two years:

Fiscal Year	Beginning Balance	Board Contribution	Prior Year Refunds	Employee Contribution	Interest	Deductions	Ending Balance
2023-2024	\$ 1,227,810	\$ 20,380		\$ 182,036	\$ 42,779	\$ 334,587	\$ 1,138,418
2022-2023	547,727	19,616	\$ 688,718	179,779	9,324	217,354	1,227,810
2021-2022	438,330	266,202		162,014	81	318,900	547,727



# East Brunswick Public Schools

## Notes to the Basic Financial Statements

Year ended June 30, 2024

### 11. Risk Management (continued)

#### Self-Insurance

The District is self-insured for medical, prescription and dental benefits and has established an internal service fund to account for its self-insurance activities. At June 30, 2024, the accrued liability for unpaid medical, prescription and dental claims of \$1,850,000 has been recorded in the internal service fund financial statements for Incurred But Not Reported Claims (IBNR), which is subject to modification and/or assessment of existing or additional claims. The medical, prescription and dental benefits IBNR liability has been calculated by an actuary contracted by the District's claims administrator. The actuary utilized a 10% margin to estimate the liabilities. The change in the IBNR for the year ended June 30, 2024 is as follows:

Fiscal Year	Beginning Balance	Current Year Claims and Estimates	Claim Payments	Ending Balance
2023-2024	\$ 1,300,000	\$ 31,482,199	\$ 30,932,199	\$ 1,850,000
2022-2023	1,827,000	28,244,218	28,771,218	1,300,000
2021-2022	1,881,000	25,729,265	25,783,265	1,827,000

### 12. Economic Dependency

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

### 13. Transfers to Capital Outlay

During the year ending June 30, 2024, the District transferred \$3,471,434 to the capital outlay accounts. The transfers were made from the capital reserve account to supplement capital projects certified in the budget for taxes pursuant to N.J.A.C. 6A:23A-8.4.

### 14. Transfers – Reconciliation

The following represents a reconciliation of transfers made during the 2024 fiscal year:

	In	Out
General Fund	\$ 2,257,892	
Capital Projects Fund		\$ 8,277
Enterprise Fund – Technology		162,426
Enterprise Fund – Community Programs		1,207,830
Enterprise Fund – Facilities Rentals		879,359
	<u>\$ 2,257,892</u>	<u>\$ 2,257,892</u>

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**14. Transfers – Reconciliation (continued)**

The transfer from the capital projects fund to the general fund represents a transfer of interest earned in the capital projects fund. The transfer from the enterprise funds to the general fund represent transfers of return on investment to the general fund.

**15. Restricted Assets**

Funds held by a fiscal agent in the internal service fund are held by the District's insurance advisor for payment of future claims are classified as restricted assets.

**16. Net Position - Net Investment in Capital Assets**

Net investment in capital assets, Governmental Activities, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. The net investment in capital assets of \$188,134,607 indicated as part of the Governmental Activities net position is calculated as follows:

Capital assets, net of depreciation	\$ 256,461,467
Bonds payable (used to build or acquire capital assets)	(53,060,000)
Deferred loss on refunding of debt	1,249,379
Unamortized deferred premium	(1,811,847)
Financed purchases payable	(28,520,000)
Designated for subsequent years expenditures - Special Revenue Fund (unused lease proceeds)	13,815,608
Total net investment in capital assets	<u>\$ 188,134,607</u>

**17. Commitments**

The District has contractual commitments at June 30, 2024 to various vendors, which are recorded in the General Fund as fund balance assigned to other purposes in the amount of \$1,815,103.

**18. Tax Abatements**

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

East Brunswick Public Schools  
Notes to the Basic Financial Statements

Year ended June 30, 2024

**18. Tax Abatements (continued)**

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 provision at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

The Township of East Brunswick recognized revenue of \$3,196,259 from the annual service charge in lieu of payment of taxes in 2023 and taxes in 2023 that otherwise would have been due on these long-term tax exemptions amounted to \$5,707,449, based upon the assessed valuations of the long-term tax exemptions properties. A portion of the \$2,511,190 abatement would have been allocated to the District.

The Township of East Brunswick provides for long-term tax exemptions, as authorized by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated. The exemptions provided by the Township of East Brunswick are for affordable housing projects and other permitted purposes. Taxes abated include municipal, local school and county taxes.

**Required Supplementary Information  
Part II**

**Schedules Related to Accounting and  
Reporting for Pensions (GASB 68)**

East Brunswick Public Schools  
Schedule of District's Proportionate Share of the Net Pension Liability  
Public Employees' Retirement System  
Required Supplementary Information

Last Ten Fiscal Years

	Year Ended June 30,				
	2015	2016	2017	2018	2019
Measurement date	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018
District's proportion of the net pension liability (asset) - Local Group	0.1931581586%	0.2001424156%	0.1977688257%	0.1940609018%	0.1925928900%
District's proportionate share of the net pension liability (asset)	\$ 36,164,490	\$ 44,927,962	\$ 58,573,454	\$ 45,174,276	\$ 37,920,580
District's covered payroll	\$ 13,447,670	\$ 13,368,140	\$ 13,252,553	\$ 13,301,469	\$ 13,711,055
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	268.93%	336.08%	441.98%	339.62%	276.57%
Plan fiduciary net position as a percentage of the total pension liability - Local Group	52.08%	47.93%	40.14%	48.10%	53.60%

N/A - Information not available

East Brunswick Public Schools  
Schedule of District's Proportionate Share of the Net Pension Liability  
Public Employees' Retirement System  
Required Supplementary Information

Last Ten Fiscal Years

	Year Ended June 30,				
	2020	2021	2022	2023	2024
Measurement date	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
District's proportion of the net pension liability (asset) - Local Group	0.1968999996%	0.1925992817%	0.1945683060%	0.1888142211%	0.1903750921%
District's proportionate share of the net pension liability (asset)	\$ 35,478,393	\$ 31,407,906	\$ 23,049,533	\$ 28,494,665	\$ 27,574,640
District's covered payroll	\$ 13,282,994	\$ 14,092,514	\$ 13,867,408	\$ 14,096,915	\$ 14,780,471
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	267.10%	222.87%	166.21%	202.13%	186.56%
Plan fiduciary net position as a percentage of the total pension liability - Local Group	56.27%	58.32%	70.33%	62.91%	65.23%

N/A - Information not available

East Brunswick Public Schools  
Schedule of District Contributions  
Public Employees' Retirement System  
Required Supplementary Information

Last Ten Fiscal Years

	Year Ended June 30,				
	2015	2016	2017	2018	2019
Contractually required contribution	\$ 1,590,486	\$ 1,720,688	\$ 1,756,950	\$ 1,797,767	\$ 1,853,416
Contributions in relation to the contractually required contribution	(1,590,486)	(1,720,688)	(1,756,950)	(1,797,767)	(1,853,416)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 13,368,140	\$ 13,252,553	\$ 13,301,469	\$ 13,711,055	\$ 13,282,994
Contributions as a percentage of covered payroll	11.90%	12.98%	13.21%	13.11%	13.95%

See accompanying notes to required supplementary information.



East Brunswick Public Schools  
Schedule of District Contributions  
Public Employees' Retirement System  
Required Supplementary Information

Last Ten Fiscal Years

	Year Ended June 30,				
	2020	2021	2022	2023	2024
Contractually required contribution	\$ 1,925,028	\$ 2,106,941	\$ 2,278,621	\$ 2,381,038	\$ 2,544,415
Contributions in relation to the contractually required contribution	(1,925,028)	(2,106,941)	(2,278,621)	(2,381,038)	(2,544,415)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 14,092,514	\$ 13,867,408	\$ 14,096,915	\$ 14,780,471	\$ 15,383,503
Contributions as a percentage of covered payroll	13.66%	15.19%	16.16%	16.11%	16.54%

See accompanying notes to required supplementary information.

East Brunswick Public Schools  
Schedule of the State's Proportionate Share of the Net Pension Liability Associated With the District  
Teachers' Pension and Annuity Fund  
Required Supplementary Information

Last Ten Fiscal Years\*

	Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
State's proportion of the net pension liability (asset) associated with the District - Local Group	0.5894999659%	0.5738312934%	0.6048806937%	0.6044813962%	0.6031536811%	0.6033391834%	0.5984730122%	0.5859532826%	0.5935037320%	0.5849065375%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 315,068,546	\$ 362,685,882	\$ 475,837,667	\$ 407,563,154	\$ 383,713,416	\$ 370,274,952	\$ 394,087,277	\$ 281,698,146	\$ 306,214,783	\$ 298,493,420
Total proportionate share of the net pension liability (asset) associated with the District	<u>\$ 315,068,546</u>	<u>\$ 362,685,882</u>	<u>\$ 475,837,667</u>	<u>\$ 407,563,154</u>	<u>\$ 383,713,416</u>	<u>\$ 370,274,952</u>	<u>\$ 394,087,277</u>	<u>\$ 281,698,146</u>	<u>\$ 306,214,783</u>	<u>\$ 298,493,420</u>
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	34.68%

\* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

Covered payroll information is not presented since the Teachers' Pension and Annuity Fund is a special funding situation in which the District does not make contributions to this plan.

**Schedules Related to Accounting and  
Reporting for OPEB (GASB 75)**

East Brunswick Public Schools  
Schedule of the State's Proportionate Share of the Net OPEB Liability Associated With the District  
and Changes in the Total OPEB Liability and Related Ratios  
Public Employees' Retirement System and Teachers' Pension and Annuity Fund  
Required Supplementary Information

Last Ten Fiscal Years\*

	Year Ended June 30,							
	2017	2018	2019	2020	2021	2022	2023	2024
State's proportion of the net OPEB liability (asset) associated with the District	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.57%	0.57%
District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	\$ 341,602,391	\$ 316,476,368	\$ 271,308,212	\$ 244,508,234	\$ 399,285,805	\$ 351,383,925	\$ 290,905,660	\$ 300,562,663
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 341,602,391</u>	<u>\$ 316,476,368</u>	<u>\$ 271,308,212</u>	<u>\$ 244,508,234</u>	<u>\$ 399,285,805</u>	<u>\$ 351,383,925</u>	<u>\$ 290,905,660</u>	<u>\$ 300,562,663</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	2017**	2018	2019	2020	2021	2022	2023	2024
<b>Total OPEB Liability</b>								
Changes for the year:								
Service cost		\$ 13,993,198	\$ 11,568,347	\$ 10,215,878	\$ 10,614,067	\$ 19,117,654	\$ 16,427,765	\$ 12,151,431
Interest cost		10,034,571	11,619,732	10,755,390	8,812,335	9,115,269	7,709,321	10,585,450
Changes of benefit terms		-	-	-	-	(374,005)	-	-
Difference between expected and actual experience		-	(31,218,308)	(44,133,699)	69,155,918	(69,160,219)	814,035	(5,705,426)
Changes of assumptions		(42,093,447)	(30,133,975)	3,645,638	72,935,796	346,667	(78,038,053)	605,810
Member contributions		269,919	250,733	222,489	210,692	233,033	244,977	271,268
Gross benefit payments		(7,330,264)	(7,254,685)	(7,505,674)	(6,951,237)	(7,180,279)	(7,636,310)	(8,251,530)
Net change in total OPEB liability		<u>(25,126,023)</u>	<u>(45,168,156)</u>	<u>(26,799,978)</u>	<u>154,777,571</u>	<u>(47,901,880)</u>	<u>(60,478,265)</u>	<u>9,657,003</u>
Total OPEB liability - beginning		<u>341,602,391</u>	<u>316,476,368</u>	<u>271,308,212</u>	<u>244,508,234</u>	<u>399,285,805</u>	<u>351,383,925</u>	<u>290,905,660</u>
Total OPEB liability - ending		<u>\$ 316,476,368</u>	<u>\$ 271,308,212</u>	<u>\$ 244,508,234</u>	<u>\$ 399,285,805</u>	<u>\$ 351,383,925</u>	<u>\$ 290,905,660</u>	<u>\$ 300,562,663</u>
Covered-employee payroll		<u>\$ 76,607,296</u>	<u>\$ 77,683,234</u>	<u>\$ 77,951,256</u>	<u>\$ 80,713,138</u>	<u>\$ 83,131,728</u>	<u>\$ 87,881,927</u>	<u>\$ 88,484,959</u>
Total OPEB liability as a percentage of covered-employee payroll		<u>413.12%</u>	<u>349.25%</u>	<u>313.67%</u>	<u>494.70%</u>	<u>422.68%</u>	<u>331.02%</u>	<u>339.68%</u>

The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District should present information for those years for which information is available.

\*\* information not available.

See accompanying notes to required supplementary information.

East Brunswick Public Schools  
Notes to Required Supplementary Information  
Year ended June 30, 2024

1. PUBLIC EMPLOYEES' RETIREMENT SYSTEM – PENSION

***Benefit Changes***

There were none.

***Changes of Assumptions***

There were none.

2. TEACHERS PENSION AND ANNUITY FUND - PENSION

***Benefit Changes***

There were none.

***Changes of Assumptions***

There were none.

3. OTHER POST-RETIREMENT BENEFIT PLAN - PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND TEACHERS' PENSION AND ANNUITY FUND

***Benefit Changes***

There were none.

***Changes of Assumptions***

The discount rate changed from 3.54% as of June 30, 2022 to 3.65% as of June 30, 2023.

**Required Supplementary Information**  
**Part III**

Budgetary Comparison

# East Brunswick Public Schools General Fund

## Budgetary Comparison Schedule (Budgetary Basis)

Year ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Revenues</b>					
Local sources:					
Local tax levy	\$ 139,319,339		\$ 139,319,339	\$ 139,319,339	
Tuition (from individuals)	75,000		75,000	81,269	\$ 6,269
Tuition (other LEAS)	576,000		576,000	494,803	(81,197)
Investment income	315,000		315,000	1,505,136	1,190,136
Interest earned on capital reserve				79,749	79,749
Miscellaneous	591,130	\$ 1,553,697	2,144,827	2,137,449	(7,378)
Total - local sources	140,876,469	1,553,697	142,430,166	143,617,745	1,187,579
State sources:					
Extraordinary aid	900,000		900,000	2,740,703	1,840,703
Special education categorical aid	9,239,567		9,239,567	9,239,567	
Equalization aid	27,806,176		27,806,176	27,806,176	
Security aid	1,225,192		1,225,192	1,225,192	
Transportation aid	1,555,315		1,555,315	1,555,315	
Additional Non-public school transportation aid				117,390	117,390
Homeless Tuition Reimbursement				127,455	127,455
On-Behalf TPAF - Pension					
Contribution (non-budgeted)				25,580,608	25,580,608
On-Behalf TPAF - Post-Retirement					
Medical (non-budgeted)				6,962,105	6,962,105
On-Behalf TPAF - Long-Term Disability					
Insurance (non-budgeted)				10,945	10,945
Reimbursed TPAF social security contributions (non-budgeted)				5,441,948	5,441,948
Total - state sources	40,726,250		40,726,250	80,807,404	40,081,154
Federal sources:					
Medical assistance	208,855		208,855	122,411	(86,444)
Total - federal sources	208,855		208,855	122,411	(86,444)
Total revenues	181,811,574	1,553,697	183,365,271	224,547,560	41,182,289
<b>Expenditures</b>					
Current expenditures:					
Instruction - regular programs:					
Preschool	383,841	41,211	425,052	425,052	
Kindergarten	2,300,900	(308,379)	1,992,521	1,992,521	
Grades 1-5	15,860,940	523,674	16,384,614	16,384,614	
Grades 6-8	11,160,893	(957,789)	10,203,104	10,203,104	
Grades 9-12	17,004,185	154,899	17,159,084	17,159,084	
Home instruction - regular programs:					
Salaries of teachers	28,270	8,028	36,298	36,298	
Purchased professional-educational services	60,000	(25,782)	34,218	34,218	
Undistributed instruction - regular programs:					
Other salaries for instruction	148,897	33,225	182,122	182,122	
Purchased professional-educational services	1,070,054	527,905	1,597,959	1,597,959	
Purchased technical services	112,844	11,839	124,683	124,683	
Other purchased services	800,304	(102,627)	697,677	697,677	
General supplies	1,873,037	(223,861)	1,649,176	1,649,176	
Textbooks	247,928	(9,324)	238,604	238,604	
Other objects	8,054	(1,267)	6,787	6,787	
Total instruction - regular programs	51,060,147	(328,248)	50,731,899	50,731,899	

East Brunswick Public Schools  
General Fund  
Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Expenditures (continued)</b>					
Current expenditures					
Special education:					
Learning and/or language disabilities:					
Salaries of teachers	\$ 682,314	\$ 160,697	\$ 843,011	\$ 843,011	
Other salaries for instruction	470,074	(799)	469,275	469,275	
Purchased professional - educational services	9,000	14,434	23,434	23,434	
Other purchased services	50	(50)			
General supplies	4,000	(2,091)	1,909	1,909	
Total learning and/or language disabilities	<u>1,165,438</u>	<u>172,191</u>	<u>1,337,629</u>	<u>1,337,629</u>	
Emotional Regulation Impairment:					
Salaries of teachers	334,312	23,538	357,850	357,850	
Other salaries for instruction	109,987	29,298	139,285	139,285	
Purchased professional - educational services	16,500	(11,860)	4,640	4,640	
General supplies	7,000	(3,388)	3,612	3,612	
Total emotional regulation impairment	<u>467,799</u>	<u>37,588</u>	<u>505,387</u>	<u>505,387</u>	
Multiple disabilities:					
Salaries of teachers	444,699	(28,493)	416,206	416,206	
Other salaries for instruction	267,001	(15,581)	251,420	251,420	
Purchased professional - educational services	900	3,260	4,160	4,160	
Other purchased services	100	129	229	229	
General supplies	5,000	443	5,443	5,443	
Total multiple disabilities	<u>717,700</u>	<u>(40,242)</u>	<u>677,458</u>	<u>677,458</u>	
Resource room/center:					
Salaries of teachers	8,666,650	850,319	9,516,969	9,516,969	
Other salaries for instruction	453,350	56,148	509,498	509,498	
Purchased professional - educational services	49,000	30,584	79,584	79,584	
Other purchased services	300	(300)			
General supplies	29,469	(8,855)	20,614	20,614	
Textbooks	500	(500)			
Total resource room/center	<u>9,199,269</u>	<u>927,396</u>	<u>10,126,665</u>	<u>10,126,665</u>	
Autism:					
Salaries of teachers	1,140,718	167,037	1,307,755	1,307,755	
Other salaries for instruction	782,985	249,357	1,032,342	1,032,342	
Purchased professional - educational services	36,000	2,930	38,930	38,930	
Other purchased services	200	(200)			
General supplies	14,040	(7,544)	6,496	6,496	
Total autism	<u>1,973,943</u>	<u>411,580</u>	<u>2,385,523</u>	<u>2,385,523</u>	
Preschool disabilities - part time:					
Salaries of teachers	64,675	(26,660)	38,015	38,015	
Other salaries for instruction	34,548	(13,888)	20,660	20,660	
Purchased professional - educational services		80	80	80	
General supplies	3,000	(318)	2,682	2,682	
Total preschool disabilities - part time	<u>102,223</u>	<u>(40,786)</u>	<u>61,437</u>	<u>61,437</u>	



# East Brunswick Public Schools General Fund

## Budgetary Comparison Schedule (Budgetary Basis)

Year ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Expenditures (continued)</b>					
Current expenditures (continued):					
Special education (continued):					
Preschool disabilities - full time:					
Salaries of teachers	\$ 340,443	\$ 64,544	\$ 404,987	\$ 404,987	
Other salaries for instruction	316,156	(150,945)	165,211	165,211	
Purchased professional - educational services	18,000	(5,216)	12,784	12,784	
General supplies	8,500	(4,003)	4,497	4,497	
Total preschool disabilities - full time	<u>683,099</u>	<u>(95,620)</u>	<u>587,479</u>	<u>587,479</u>	
Home instruction - special education:					
Salaries of teachers	11,154	77,808	88,962	88,962	
Purchased professional - educational services	70,000	17,928	87,928	87,928	
Total home instruction - special education	<u>81,154</u>	<u>95,736</u>	<u>176,890</u>	<u>176,890</u>	
Total special education	<u>14,390,625</u>	<u>1,467,843</u>	<u>15,858,468</u>	<u>15,858,468</u>	
Basic skills/remedial - instruction:					
Salaries of teachers	2,468,730	(479,454)	1,989,276	1,989,276	
Purchased professional - educational services	1,500	1,860	3,360	3,360	
Other purchased services	100	(87)	13	13	
General supplies	36,890	(2,884)	34,006	34,006	
Total basic skills/remedial - instruction	<u>2,507,220</u>	<u>(480,565)</u>	<u>2,026,655</u>	<u>2,026,655</u>	
Bilingual education - instruction:					
Salaries of teachers	935,575	237,965	1,173,540	1,173,540	
Other purchased services	300	(219)	81	81	
Purchased professional - educational services	1,200	1,920	3,120	3,120	
General supplies	10,495	4,916	15,411	15,411	
Total bilingual education - instruction	<u>947,570</u>	<u>244,582</u>	<u>1,192,152</u>	<u>1,192,152</u>	
School - sponsored cocurricular activities:					
Salaries	325,421	4,001	329,422	329,422	
Purchased services	50,300	867	51,167	51,167	
Supplies and materials	6,893	965	7,858	7,858	
Other objects	9,600	353	9,953	9,953	
Total school-sponsored cocurricular activities	<u>392,214</u>	<u>6,186</u>	<u>398,400</u>	<u>398,400</u>	
School - sponsored athletics - instruction:					
Salaries	873,809	27,696	901,505	901,505	
Purchased services	94,516	118	94,634	94,634	
Supplies and materials	79,066	(2,073)	76,993	76,993	
Other objects	5,000	(725)	4,275	4,275	
Transfers to cover deficit (agency funds)	73,744	(21,215)	52,529	52,529	
Total school - sponsored athletics - instruction	<u>1,126,135</u>	<u>3,801</u>	<u>1,129,936</u>	<u>1,129,936</u>	

East Brunswick Public Schools  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to
<b>Expenditures (continued)</b>					
Current expenditures (continued):					
Alternative Education:					
Salaries of teachers	\$ 134,016	\$ (81,666)	\$ 52,350	\$ 52,350	
Total alternative education	134,016	(81,666)	52,350	52,350	
Total instruction	70,557,927	831,933	71,389,860	71,389,860	
Undistributed expenditures:					
Instruction:					
Tuition to other LEAs w/in the state - regular	161,391	(63,265)	98,126	98,126	
Tuition to other LEAs w/in the state - special	1,599,658	358,671	1,958,329	1,958,329	
Tuition to CSSD and regional day schools	75,045	22,620	97,665	97,665	
Tuition to private schools disabled - within state	1,427,482	197,605	1,625,087	1,625,087	
Total instruction	3,263,576	515,631	3,779,207	3,779,207	
Attendance and social work services:					
Salaries	391,491	(34,195)	357,296	357,296	
terminated/retired staff - normal retirements		49	49	49	
Other purchased services	4,052	(1,174)	2,878	2,878	
Supplies and materials	1,957	(176)	1,781	1,781	
Total attendance and social work services	397,500	(35,496)	362,004	362,004	
Health services:					
Salaries	1,140,613	51,255	1,191,868	1,191,868	
Purchased professional and technical services	486,842	(274,340)	212,502	212,502	
Other purchased services	10,625	(801)	9,824	9,824	
Supplies and materials	42,443	(13,035)	29,408	29,408	
Total health services	1,680,523	(236,921)	1,443,602	1,443,602	
Other support services - students - speech, OT, PT and related services:					
Salaries	1,711,836	487	1,712,323	1,712,323	
Purchased professional - educational services	1,621,099	(25,697)	1,595,402	1,595,402	
Supplies and materials	11,994	(663)	11,331	11,331	
Total other support services - students - speech, OT, PT and related services	3,344,929	(25,873)	3,319,056	3,319,056	
Other support services - students - extraordinary:					
Salaries	2,145,268	88,683	2,233,951	2,233,951	
Purchased professional - educational services	1,296,720	234,590	1,531,310	1,531,310	
Supplies and materials	20,500	(2,195)	18,305	18,061	\$ 244
Other objects	1,000	(1,000)			
Total other support services - students - extraordinary	3,463,488	320,078	3,783,566	3,783,322	244

# East Brunswick Public Schools General Fund

## Budgetary Comparison Schedule (Budgetary Basis)

Year ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Expenditures (continued)</b>					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Guidance:					
Salaries of other professional staff	\$ 3,660,562	\$ (96,075)	\$ 3,564,487	\$ 3,564,487	
Salaries of secretarial and clerical assistants	243,935	48,439	292,374	292,374	
Unused vacation payments to terminated/retired staff - normal retirements		67,704	67,704	67,704	
Other purchased professional and technical services	128,211	(7,912)	120,299	120,299	
Other purchased services	15,244	(3,158)	12,086	12,086	
Supplies and materials	17,767	(9,745)	8,022	8,022	
Other objects	500	(100)	400	400	
Total guidance	4,066,219	(847)	4,065,372	4,065,372	
Child study teams:					
Salaries of other professional staff	2,504,050	190,839	2,694,889	2,694,889	
Salaries of secretarial and clerical assistants	303,697	984	304,681	304,681	
Unused vacation payments to terminated/retired staff - normal retirements		19	19	19	
Purchased professional - educational services	94,725	7,235	101,960	101,960	
Other purchased professional and technical services	30,405	(291)	30,114	30,114	
Other purchased services	8,250	(3,058)	5,192	5,192	
Supplies and materials	19,078	(9,415)	9,663	9,663	
Total child study teams	2,960,205	186,313	3,146,518	3,146,518	
Improvement of instructional services:					
Salaries of supervisors of instruction	1,769,608	725,596	2,495,204	2,495,204	
Salaries of other professional staff	385,243	(177,303)	207,940	207,940	
Salaries of secretarial and clerical assistants	370,134	(15,488)	354,646	354,646	
Other salaries	79,364		79,364	79,364	
Salaries of Facilitators, Math & Literacy coaches	578,675	(11,919)	566,756	566,756	
Unused vacation payments to terminated/retired staff - normal retirements		31,912	31,912	31,912	
Purchased professional - educational services	40,000	(40,000)			
Other purchased professional and technical services	56,048	(2,330)	53,718	53,718	
Other purchased services	50,901	(25,376)	25,525	25,525	
Supplies and materials	17,236	(10,915)	6,321	6,321	
Other objects	17,532	141	17,673	17,673	
Total improvement of instructional services	3,364,741	474,318	3,839,059	3,839,059	
Educational media services/school library:					
Salaries	1,070,781	(40,895)	1,029,886	1,029,886	
Other purchased professional and technical services	45,297	2,232	47,529	47,529	
Other purchased services	4,195	(1,758)	2,437	2,437	
Supplies and materials	111,725	731	112,456	112,456	
Other objects	175	(175)			
Total educational media services / school library	1,232,173	(39,865)	1,192,308	1,192,308	
Instructional staff training services:					
Salaries of other professional staff	312,749	28,289	341,038	341,038	
Purchased professional - educational services	25,000	(14,625)	10,375	10,375	
Other purchased services	21,975	452	22,427	22,427	
Supplies and materials	15,100	2,031	17,131	17,131	
Total instructional staff training services	374,824	16,147	390,971	390,971	

East Brunswick Public Schools  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Expenditures (continued)</b>					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Support services-general administration:					
Salaries	\$ 767,673	\$ (29,135)	\$ 738,538	\$ 738,538	
Unused vacation payments to terminated/retired staff - normal retirements		24,470	24,470	24,470	
Legal services	400,625	18,322	418,947	370,450	\$ 48,497
Audit fees	87,000	68,253	155,253	75,000	80,253
Other purchased professional services	21,000	3,861	24,861	24,861	
Purchased technical services	17,916	2,273	20,189	20,189	
Communications/telephone	308,856	(45,596)	263,260	263,260	
BOE other purchased services	10,500	(4,290)	6,210	6,210	
Miscellaneous purchased services	447,779	(72,115)	375,664	375,664	
General supplies	14,274	(6,684)	7,590	7,590	
BOE in-house training/meeting supplies	1,500	(855)	645	645	
Miscellaneous expenditures	16,548	77,948	94,496	94,496	
BOE membership dues/fees	36,335	(1,305)	35,030	35,030	
Total support services-general administration	2,130,006	35,147	2,165,153	2,036,403	128,750
Support services-school administration:					
Salaries of principals / assistant principals	3,141,247	(240)	3,141,007	3,141,007	
Salaries of other professional staff	730,151	(457,120)	273,031	273,031	
Salaries of secretarial and clerical assistants	1,600,866	(85,525)	1,515,341	1,515,341	
Unused vacation payments to terminated/retired staff - normal retirements		88,144	88,144	88,144	
Purchased professional and technical services	1,200	699	1,899	1,899	
Other purchased services	46,354	16,456	62,810	62,810	
Supplies and materials	39,837	(10,776)	29,061	29,061	
Other objects	26,110	(3,179)	22,931	22,931	
Total support services-school administration	5,585,765	(451,541)	5,134,224	5,134,224	
Central services:					
Salaries	2,156,801	5,883	2,162,684	2,162,684	
Unused vacation payments to terminated/retired staff - normal retirements		8,536	8,536	8,536	
Purchased professional services	101,682	(23,967)	77,715	77,715	
Purchased technical services	66,000	(19,968)	46,032	46,032	
Miscellaneous purchased services	64,415	(19,554)	44,861	37,952	6,909
Supplies and materials	26,207	(11,295)	14,912	14,912	
Interest on lease purchase agreements	385,120	108,915	494,035	494,035	
Miscellaneous expenditures	7,895	570	8,465	8,465	
Total central services	2,808,120	49,120	2,857,240	2,850,331	6,909
Administrative information technology:					
Salaries	1,872,836	(88,983)	1,783,853	1,783,853	
Unused vacation payments to terminated/retired staff - normal retirements		19,885	19,885	19,885	
Purchased technical services	642,417	15,113	657,530	654,450	3,080
Other purchased services	40,275	(20,037)	20,238	20,238	
Supplies and materials	41,500	78,749	120,249	120,249	
Other objects	500	(250)	250	250	
Total administrative information technology	2,597,528	4,477	2,602,005	2,598,925	3,080
Required maintenance for school facilities:					
Salaries	1,399,211	(69,650)	1,329,561	1,329,561	
Unused vacation payments to terminated/retired staff - normal retirements		6,313	6,313	6,313	
Cleaning, repair and maintenance services	1,192,364	(282,595)	909,769	866,242	43,527
General supplies	652,675	(266,828)	385,847	384,140	1,707
Other objects	184,282	(4,373)	179,909	179,909	
Total required maintenance for school facilities	3,428,532	(617,133)	2,811,399	2,766,165	45,234

**East Brunswick Public Schools**  
**General Fund**  
**Budgetary Comparison Schedule**  
**(Budgetary Basis)**

Year ended June 30, 2024

	<b>Original Budget</b>	<b>Budget Transfers</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final to Actual</b>
<b>Expenditures (continued)</b>					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Custodial services:					
Salaries	\$ 1,462,241	\$ (64,381)	\$ 1,397,860	\$ 1,397,860	
Salaries of non-instructional aides	581,313	92,305	673,618	673,618	
Unused vacation payments to terminated/retired staff - normal retirements		17,075	17,075	17,075	
Purchased professional and technical services	66,849	39,993	106,842	106,842	
Cleaning, repair and maintenance services	4,645,785	(118,320)	4,527,465	4,469,416	\$ 58,049
Other purchased property services	74,000	(10,176)	63,824	63,824	
Insurance	960,440	76,018	1,036,458	1,036,458	
Miscellaneous purchased services	30,250	(349)	29,901	29,901	
General supplies	259,266	42,941	302,207	302,207	
Energy (electricity)	1,530,577	354,358	1,884,935	1,884,935	
Energy (natural gas)	782,459	(83,298)	699,161	699,161	
Other objects	15,875	(7,856)	8,019	8,019	
Interest ESIP Bonds	301,125		301,125	301,125	
Principal ESIP Bonds	465,000		465,000	465,000	
Total custodial services	11,175,180	338,310	11,513,490	11,455,441	58,049
Care and upkeep of grounds:					
Salaries	144,732	988	145,720	145,720	
Cleaning, repair and maintenance services	1,484,949	454,814	1,939,763	1,580,157	359,606
General supplies	44,816	(1,306)	43,510	43,510	
Other objects	60,781	(722)	60,059	60,059	
Total care and upkeep of grounds	1,735,278	453,774	2,189,052	1,829,446	359,606
Security:					
Salaries	3,088,412	267,394	3,355,806	3,355,806	
Purchased professional and technical services	152,680	(31,033)	121,647	121,647	
Cleaning, Repair, and Maintenance Services	96,860	15,283	112,143	112,143	
General supplies	47,101	(228)	46,873	43,941	2,932
Other objects	98,622	(3,980)	94,642	94,642	
Total security	3,483,675	247,436	3,731,111	3,728,179	2,932
Student transportation services:					
Salaries - Non-instructional Aides	167,328	(19,274)	148,054	148,054	
Salaries for pupil transportation:					
Between home and school - regular	2,543,590	(161,576)	2,382,014	2,382,014	
Other Purchased professional and technical services	39,994	16,489	56,483	56,483	
Cleaning, Repair, and Maintenance Services	333,747	104,252	437,999	427,886	10,113
Lease Purchase Payments - School Buses	708,271	5,358	713,629	713,629	
Contracted services:					
Aid in lieu of payments-Nonpublic students	181,980	21,824	203,804	203,804	
Vendors - between home and school	3,847,813	960,331	4,808,144	4,808,144	
Vendors - other than between home and school	589,551	(12,590)	576,961	576,961	
Vendors - Special Ed	3,741,190	1,509,758	5,250,948	5,250,948	
Vendors - between home and school - regional ESCs	746,920	(746,920)			
ESCs & CTSA's - Special Ed	2,581,547	(2,394,235)	187,312	187,312	
Miscellaneous purchased services - transportation	163,017	(68,994)	94,023	94,023	
General supplies	1,000	(190)	810	810	
Transportation Supplies	287,740	(107,767)	179,973	179,973	
Other objects	2,875	(250)	2,625	2,625	
Total student transportation services	15,936,563	(893,784)	15,042,779	15,032,666	10,113

East Brunswick Public Schools  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Expenditures (continued)</b>					
Current expenditures (continued):					
Unallocated benefits:					
Social security contributions	\$ 2,050,000	\$ 20,097	\$ 2,070,097	\$ 2,070,097	
Other retirement contributions - PERS	2,700,000	35,930	2,735,930	2,735,930	
Unemployment compensation insurance	70,000	82,551	152,551	152,551	
Worker's compensation	518,238	(20,870)	497,368	497,368	
Health benefits	24,113,843	1,285,731	25,399,574	25,222,934	\$ 176,640
Tuition reimbursement	205,500	(83,413)	122,087	122,087	
Other employee benefits	481,297	(441,236)	40,061	40,061	
Unused sick payments to terminated/retired staff - normal retirements		273,286	273,286	273,286	
Total unallocated benefits	30,138,878	1,152,076	31,290,954	31,114,314	176,640
On-behalf payments:					
TPAF - Pension Contribution (non-budgeted)				25,580,608	(25,580,608)
TPAF - Post-Retirement Medical (non-budgeted)				6,962,105	(6,962,105)
TPAF - Long-Term Disability Insurance (non-budgeted)				10,945	(10,945)
Reimbursed TPAF social security contributions (non-budgeted)				5,441,948	(5,441,948)
Total on-behalf payments				37,995,606	(37,995,606)
Total undistributed expenditures	103,167,703	1,491,367	104,659,070	141,863,119	(37,204,049)
Total current expenditures	173,725,630	2,323,300	176,048,930	213,252,979	(37,204,049)
Capital outlay:					
Equipment:					
Regular programs - instruction:					
Grades 1-5	5,234	7,677	12,911	12,352	559
Grades 6-8		5,629	5,629	5,629	
Grades 9-12		8,984	8,984	8,984	
Undistributed instruction:					
Support services - extraordinary services		6,929	6,929	6,929	
Administration information technology	305,040	(92,571)	212,469	181,595	30,874
Required maintenance for school facilities		2,400	2,400	2,400	
Total equipment	310,274	(60,952)	249,322	217,889	31,433
Facilities acquisition and construction services:					
Salaries	15,354	73	15,427	15,427	
Architectural/engineering services	90,000	885,380	975,380	173,876	801,504
Other purchased professional and technical services		34,623	34,623	15,168	19,455
Construction services	121,000	1,442,908	1,563,908	1,092,844	471,064
Supplies and materials	60,000		60,000	591	59,409
Lease purchase agreements - principal	10,397,160		10,397,160	10,397,160	
Equipment		4,817	4,817	4,817	
Assessment for Debt Service on SDA Funding	347,538		347,538	347,538	
Total facilities acquisition and construction services	11,031,052	2,367,801	13,398,853	12,047,421	1,351,432
Total expenditures - capital outlay	11,341,326	2,306,849	13,648,175	12,265,310	1,382,865
Special schools:					
Summer school - instruction:					
Salaries of teachers	5,765	595	6,360	6,360	
Other salaries for instruction	2,522	(923)	1,599	1,599	
Total summer school - instruction	8,287	(328)	7,959	7,959	
Total special schools	8,287	(328)	7,959	7,959	
Charter schools	5,093,981	(115,145)	4,978,836	4,978,836	
Total expenditures	190,169,224	4,514,676	194,683,900	230,505,084	(35,821,184)
(Deficiency) excess of revenues (under) over expenditures	(8,357,650)	(2,960,979)	(11,318,629)	(5,957,524)	5,361,105

East Brunswick Public Schools  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other financing sources:					
Transfers in - Proprietary Funds	\$ 1,163,713		\$ 1,163,713	\$ 2,249,615	\$ 1,085,902
Transfers in - Capital Projects Fund		\$ 8,277	8,277	8,277	
Total other financing sources	1,163,713	8,277	1,171,990	2,257,892	1,085,902
 (Deficiency) excess of revenues (under) over expenditures and other financing sources	 (7,193,937)	 (2,952,702)	 (10,146,639)	 (3,699,632)	 6,447,007
 Fund Balances, July 1	 21,813,776		21,813,776	21,813,776	
 Fund balances, June 30	 \$ 14,619,839	 \$ (2,952,702)	 \$ 11,667,137	 \$ 18,114,144	 \$ 6,447,007
 <b>Recapitulation of (deficiency) excess of revenues (under) over expenditures and other financing sources</b>					
Budgeted fund balance	\$ (4,645,000)	\$ (152,551)	(4,797,551)	\$ 1,066,708	\$ 5,864,259
Budgeted fund balance - capital reserve	(2,548,937)	(427,943)	(2,976,880)	(2,394,132)	582,748
Adjustment for prior year encumbrances		(2,372,208)	(2,372,208)	(2,372,208)	
Total	<u>\$ (7,193,937)</u>	<u>\$ (2,952,702)</u>	<u>\$ (10,146,639)</u>	<u>\$ (3,699,632)</u>	<u>\$ 6,447,007</u>
 Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Capital Reserve				\$ 3,093,267	
Unemployment Compensation				1,138,418	
Excess Surplus - Current Year				1,614,073	
Excess Surplus - Designated for Subsequent Year's Expenditures				2,470,753	
Assigned Fund Balance:					
Year-end Encumbrances				1,815,103	
Designated for Subsequent Year's Expenditures				2,174,247	
Unassigned Fund Balance				5,808,283	
				<u>18,114,144</u>	
 Reconciliation to Governmental Funds Statements (GAAP):					
Last state aid payments not recognized on GAAP basis				(3,919,871)	
Fund balance per Governmental Funds (GAAP) (B-1)				<u>\$ 14,194,273</u>	

East Brunswick Public Schools  
Special Revenue Fund

Required Supplementary Information  
Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
Federal sources	\$ 2,945,000	\$ 5,835,355	\$ 8,780,355	\$ 6,622,915	\$ (2,157,440)
State sources	327,000	342,652	669,652	611,828	(57,824)
Other sources	50,000	20,133,357	20,183,357	1,053,840	(19,129,517)
Total revenues	<u>3,322,000</u>	<u>26,311,364</u>	<u>29,633,364</u>	<u>8,288,583</u>	<u>(21,344,781)</u>
Expenditures:					
Current expenditures:					
Instruction:					
Salaries	458,001	475,240	933,241	788,250	144,991
Purchased professional technical services		34,630	34,630	34,000	630
Purchased professional educational services	141,000	24,386	165,386	149,901	15,485
Other purchased services	1,718,745	2,043,700	3,762,445	3,762,370	75
Supplies and materials	181,637	626,935	808,572	268,428	540,144
Textbooks	1,208	29,168	30,376	29,155	1,221
Total instruction	<u>2,500,591</u>	<u>3,234,059</u>	<u>5,734,650</u>	<u>5,032,104</u>	<u>702,546</u>
Support services:					
Salaries	79,167	246,395	325,562	306,352	19,210
Personal services - employee benefits	333,078	114,206	447,284	403,763	43,521
Purchased professional technical services	184,152	963,020	1,147,172	1,125,597	21,575
Purchased professional educational services	98,000	50,085	148,085	139,885	8,200
Other purchased services	27,945	21,145	49,090	37,010	12,080
Contract services - transportation	8,000	6,678	14,678		14,678
Supplies and materials	82,736	181,109	263,845	247,757	16,088
Student activities				867,358	(867,358)
Total support services	<u>813,078</u>	<u>1,582,638</u>	<u>2,395,716</u>	<u>3,127,722</u>	<u>(732,006)</u>
Capital outlay:					
Facilities acquisition and construction services:					
Instructional equipment	7,074	383,764	390,838	132,337	258,501
Non-instructional equipment	1,257	10,294	11,551	8,748	2,803
Regular education - school buses		1,543,400	1,543,400	554,303	989,097
Purchased professional technical services		27,670	27,670	27,420	250
Architectural/engineering services		393,542	393,542	258,049	135,493
Other purchased professional / technical services		14,227	14,227	14,227	
Construction services		19,121,770	19,121,770	5,288,149	13,833,621
Total facilities acquisition and construction services	<u>8,331</u>	<u>21,494,667</u>	<u>21,502,998</u>	<u>6,283,233</u>	<u>15,219,765</u>
Total expenditures	<u>3,322,000</u>	<u>26,311,364</u>	<u>29,633,364</u>	<u>14,443,059</u>	<u>15,190,305</u>
(Deficiency) of revenues (under) expenditures	-	-	-	(6,154,476)	(6,154,476)
Other financing sources:					
Financed purchase proceeds		-	-	5,795,000	5,795,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,795,000</u>	<u>5,795,000</u>
Net change in fund balance	-	-	-	(359,476)	(359,476)
Fund Balance, July 1	<u>14,756,512</u>	<u>-</u>	<u>14,756,512</u>	<u>14,756,512</u>	
Fund Balance, June 30	<u>\$ 14,756,512</u>	<u>\$ -</u>	<u>\$ 14,756,512</u>	<u>\$ 14,397,036</u>	<u>\$ (359,476)</u>
Recapitulation:					
Restricted:					
Student activities				\$ 581,428	
Assigned fund balance - designated for subsequent year's expenditures				13,815,608	
Total Fund Balance				<u>\$ 14,397,036</u>	



East Brunswick Public Schools  
Note to Required Supplementary Information

Budget to GAAP Reconciliation

Year ended June 30, 2024

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the Budgetary Comparison Schedule (C-1, C-2)	\$ 224,547,560	\$ 8,288,583
<b>Differences - Budget to GAAP:</b>		
Grant accounting budgetary basis differs from GAAP in that encumbrances (net) are recognized as expenditures, and the related revenue is recognized.		
Prior year		1,920,547
Current year		(126,486)
State aid payments from prior year recognized in prior year for budgetary purposes, and recognized for GAAP purposes in the current fiscal year.	3,270,872	
State aid payments recognized for budgetary purposes, not recognized for GAAP purposes	<u>(3,919,871)</u>	
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 223,898,561</u>	<u>\$ 10,082,644</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the Budgetary Comparison Schedule (C-1, C-2)	\$ 230,505,084	\$ 14,443,059
<b>Differences - budget to GAAP</b>		
Encumbrances (net) for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year they are received for GAAP purposes.		
Prior year		1,920,547
Current year		<u>(126,486)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 230,505,084</u>	<u>\$ 16,237,120</u>

## **Supplementary Information**

## **Special Revenue Fund**

East Brunswick Public Schools  
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures  
Budgetary Basis  
Year ended June 30, 2024

	I.D.E.A.					
	Title I Part A	Title II Part A	Title III Part A	Title IV Part A	Part B	Preschool
Revenues:						
Federal sources	\$ 399,693	\$ 170,724	\$ 63,376	\$ 65,873	\$ 2,266,224	\$ 77,316
State sources						
Other sources						
Total revenues	<u>\$ 399,693</u>	<u>\$ 170,724</u>	<u>\$ 63,376</u>	<u>\$ 65,873</u>	<u>\$ 2,266,224</u>	<u>\$ 77,316</u>
Expenditures:						
Instruction:						
Salaries	\$ 172,572		\$ 33,000			
Purchased professional/technical services						
Purchased professional/educational services						
Other purchased services					\$ 2,134,821	\$ 30,000
Instructional supplies	65,736		9,305	\$ 62,393		
Textbooks						
Total instruction	<u>238,308</u>		<u>42,305</u>	<u>62,393</u>	<u>2,134,821</u>	<u>30,000</u>
Support services:						
Salaries	11,130	\$ 4,215	4,138	783	45,407	1,559
Personal services—employee benefits	149,588	2,499	3,618	459	26,617	914
Purchased professional/technical services		147,964	3,000		59,379	44,843
Purchased professional/educational services						
Other purchased services	667	15,615	6,915			
Supplies and materials		431	3,400	2,238		
Student activities						
Total support services	<u>161,385</u>	<u>170,724</u>	<u>21,071</u>	<u>3,480</u>	<u>131,403</u>	<u>47,316</u>
Capital outlay:						
Facilities acquisition and construction services						
Instructional equipment						
Non - instructional equipment						
Regular education - school buses						
Purchased professional/technical services						
Architectural / Engineering services						
Other purchased professional / technical services						
Construction services						
Total facilities acquisition and construction services						
Total expenditures	<u>399,693</u>	<u>170,724</u>	<u>63,376</u>	<u>65,873</u>	<u>2,266,224</u>	<u>77,316</u>
Excess/(deficiency) of revenues over/(under) expenditures	-	-	-	-	-	-
Other financing sources:						
Financed purchases						
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	-	-	-	-	-	-
Fund balance, July 1	-	-	-	-	-	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

East Brunswick Public Schools  
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures  
Budgetary Basis  
Year ended June 30, 2024

	COVID-19 Coronavirus State and Local Fiscal Recovery Funds		SDA Emergent Needs and Capital Maintenance	COVID-19 Education Stabilization Fund									
	COVID-19 NJ High Impact Tutoring	Additional or Compensatory Special Education and Related Services		CRRSA Act ESSER II	CRRSA Act Learning Acceleration	ARP ESSER III	ARP Learning Acceleration	ARP Summer Learning	ARP Beyond the School Day	ARP Mental Health	ARP Homeless II	Adult Basic Education	
Revenues:													
Federal sources	\$ 371,401	\$ 1,553,697		\$ 70,220	\$ 60,452	\$ 753,782	\$ 370,665	\$ 22,215	\$ 21,907	\$ 45,000	\$ 12,179	\$ 298,191	
State sources			\$ 197,366										
Other sources													
Total revenues	\$ 371,401	\$ 1,553,697	\$ 197,366	\$ 70,220	\$ 60,452	\$ 753,782	\$ 370,665	\$ 22,215	\$ 21,907	\$ 45,000	\$ 12,179	\$ 298,191	
Expenditures:													
Instruction:													
Salaries	\$ 303,418			\$ 64,672	\$ 2,866				\$ 20,176			\$ 175,980	
Purchased professional/technical services	34,000												
Purchased professional/educational services													
Other purchased services		\$ 1,553,697											
Instructional supplies	7,952											75,270	
Textbooks												480	
Total instruction	345,370	1,553,697		64,672	2,866				20,176			251,730	
Support services:													
Salaries					5,004		\$ 222,267	\$ 4,120				7,729	
Personal services--employee benefits	26,031			5,548	675		148,398	353	1,731			36,141	
Purchased professional/technical services					51,907	\$ 753,782		17,742		\$ 45,000	\$ 1,980		
Purchased professional/educational services													
Other purchased services											10,199	2,326	
Supplies and materials												265	
Student activities													
Total support services	26,031			5,548	57,586	753,782	370,665	22,215	1,731	45,000	12,179	46,461	
Capital outlay:													
Facilities acquisition and construction services													
Instructional equipment													
Non - instructional equipment													
Regular education - school buses													
Purchased professional/technical services													
Architectural / Engineering services													
Other purchased professional / technical services													
Construction services			\$ 197,366										
Total facilities acquisition and construction services			197,366										
Total expenditures	371,401	1,553,697	197,366	70,220	60,452	753,782	370,665	22,215	21,907	45,000	12,179	298,191	
Excess/(deficiency) of revenues over/(under) expenditures	-	-	-	-	-	-	-	-	-	-	-	-	
Other financing sources:													
Financed purchases													
Total other financing sources	-	-	-	-	-	-	-	-	-	-	-	-	
Net changes in fund balance	-	-	-	-	-	-	-	-	-	-	-	-	
Fund balance, July 1	-	-	-	-	-	-	-	-	-	-	-	-	
Fund balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

East Brunswick Public Schools  
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures  
Budgetary Basis  
Year ended June 30, 2024

	NJ Nonpublic Auxiliary Services, Ch. 192		NJ Nonpublic Handicapped Services, Ch. 193									
	Compensatory Education	English as a Second Language	Supplemental Instruction	Examination and Classification	Corrective Speech	Nonpublic Textbook Aid	Nonpublic Nursing	Nonpublic Technology Services	Nonpublic Security	Nonpublic Teach STEM		
Revenues:												
Federal sources												
State sources	\$ 122,594	\$ 916	\$ 26,391	\$ 42,462	\$ 22,390	\$ 28,675	\$ 52,119	\$ 22,914	\$ 81,864	\$ 14,137		
Other sources												
Total revenues	\$ 122,594	\$ 916	\$ 26,391	\$ 42,462	\$ 22,390	\$ 28,675	\$ 52,119	\$ 22,914	\$ 81,864	\$ 14,137		
Expenditures:												
Instruction:												
Salaries											\$ 13,132	
Purchased professional/technical services												
Purchased professional/educational services	\$ 122,594	\$ 916	\$ 26,391									
Other purchased services												
Supplies and materials												
Textbooks						\$ 28,675						
Total instruction	122,594	916	26,391			28,675					13,132	
Support services:												
Salaries												
Personal services-employee benefits											1,005	
Purchased professional/technical services												
Purchased professional/educational services				\$ 42,462	\$ 22,390		\$ 52,119	\$ 22,914				
Other purchased services												
Supplies and materials									\$ 81,864			
Student activities												
Total support services				42,462	22,390		52,119	22,914	81,864	1,005		
Capital outlay:												
Facilities acquisition and construction services												
Instructional equipment												
Non - instructional equipment												
School Buses-Regular												
Purchased professional/technical services												
Architectural / Engineering services												
Other purchased professional / technical services												
Construction services												
Total facilities acquisition and construction services												
Total expenditures	122,594	916	26,391	42,462	22,390	28,675	52,119	22,914	81,864	14,137		
Excess/(deficiency) of revenues over/(under) expenditures	-	-	-	-	-	-	-	-	-	-		
Other financing sources:												
Financed purchases												
Total other financing sources	-	-	-	-	-	-	-	-	-	-		
Net changes in fund balance	-	-	-	-	-	-	-	-	-	-		
Fund balance, July 1	-	-	-	-	-	-	-	-	-	-		
Fund balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

East Brunswick Public Schools  
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures  
Budgetary Basis  
Year ended June 30, 2024

	East Brunswick Education Fund	PTA Grants	Other Local	2014-2015 Lease Agreement Township of East Brunswick	2016-2017 Lease Agreement Township of East Brunswick	2017-2018 Lease Agreement Township of East Brunswick	2018-2019 Lease Agreement Township of East Brunswick	2019-2020 Lease Agreement Township of East Brunswick
Revenues:								
Federal sources								
State sources								
Other sources	\$ 63,774	\$ 8,951	\$ 89,852					
Total revenues	\$ 63,774	\$ 8,951	\$ 89,852					
Expenditures:								
Instruction:								
Salaries			\$ 2,434					
Purchased professional/technical services								
Purchased professional/educational services								
Other purchased services	\$ 40,821	\$ 2,500	531					
Supplies and materials	12,828	31	16,641					
Textbooks								
Total instruction	53,649	2,531	19,606					
Support services:								
Salaries								
Personal services-employee benefits			186					
Purchased professional/technical services								
Purchased professional/educational services								
Other purchased services			1,288					
Supplies and materials		6,420						\$ 3,407
Student activities								
Total support services	-	6,420	1,474					3,407
Capital outlay:								
Facilities acquisition and construction services								
Instructional equipment	10,125		5,593				\$ 13,442	38,835
Non - instructional equipment								
Regular education - school buses					\$ 164,303			
Purchased professional/technical services								
Architectural / Engineering services					36,641		73,020	25,574
Other purchased professional / technical services								
Construction services			63,179	\$ 129,282	61,902	\$ 286	56	161,737
Total facilities acquisition and construction services	10,125	-	68,772	129,282	262,846	286	86,518	226,146
Total expenditures	63,774	8,951	89,852	129,282	262,846	286	86,518	229,553
Excess/(deficiency) of revenues over/(under) expenditures	-	-	-	(129,282)	(262,846)	(286)	(86,518)	(229,553)
Other financing sources:								
Financed purchases								
Total other financing sources	-	-	-	-	-	-	-	-
Net changes in fund balance	-	-	-	(129,282)	(262,846)	(286)	(86,518)	(229,553)
Fund balance, July 1	-	-	-	149,900	342,144	\$ 286	92,208	509,056
Fund balance, June 30	\$ -	\$ -	\$ -	\$ 20,618	\$ 79,298	\$ -	\$ 5,690	\$ 279,503

East Brunswick Public Schools  
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures  
Budgetary Basis  
Year ended June 30, 2024

	2020-2021 Lease Agreement Township of East Brunswick	2020-2021 Lease Agreement Trust Bank	2021-2022 Lease Agreement Township of East Brunswick	2022-2023 Lease Agreement Township of East Brunswick	2023-2024 Lease Agreement Township of East Brunswick	Student Activity Funds	Totals
Revenues:							
Federal sources							\$ 6,622,915
State sources							611,828
Other sources						\$ 891,263	1,053,840
Total revenues						\$ 891,263	\$ 8,288,583
Expenditures:							
Instruction:							
Salaries							\$ 788,250
Purchased professional/technical services							34,000
Purchased professional/educational services							149,901
Other purchased services							3,762,370
Supplies and materials				\$ 18,272			268,428
Textbooks							29,155
Total instruction				18,272			5,032,104
Support services:							
Salaries							306,352
Personal services-employee benefits							403,763
Purchased professional/technical services							1,125,597
Purchased professional/educational services							139,885
Other purchased services							37,010
Supplies and materials	\$ 48		\$ 92,399	57,285			247,757
Student activities						\$ 867,358	867,358
Total support services	48		92,399	57,285		867,358	3,127,722
Capital outlay:							
Facilities acquisition and construction services							
Instructional equipment	12,837		51,505				132,337
Non - instructional equipment				8,748			8,748
Regular education - school buses				390,000			554,303
Purchased professional/technical services				27,420			27,420
Architectural / Engineering services				91,042	\$ 31,772		258,049
Other purchased professional / technical services			14,227				14,227
Construction services	965	\$ 357,880	541,880	3,773,616			5,288,149
Total facilities acquisition and construction services	13,802	357,880	607,612	4,290,826	31,772		6,283,233
Total expenditures	13,850	357,880	700,011	4,366,383	31,772	867,358	14,443,059
Excess/(deficiency) of revenues over/(under) expenditures	(13,850)	(357,880)	(700,011)	(4,366,383)	(31,772)	23,905	(6,154,476)
Other financing sources:							
Financed purchases					5,795,000		5,795,000
Total other financing sources	-	-	-	-	5,795,000	-	5,795,000
Net changes in fund balance	(13,850)	(357,880)	(700,011)	(4,366,383)	5,763,228	23,905	(359,476)
Fund balance, July 1	307,566	4,124,322	2,294,216	6,379,291		557,523	14,756,512
Fund balance, June 30	\$ 293,716	\$ 3,766,442	\$ 1,594,205	\$ 2,012,908	\$ 5,763,228	\$ 581,428	\$ 14,397,036



## **Capital Projects Fund**

East Brunswick Public Schools  
Capital Projects Fund

Summary Schedule of Project Revenues, Expenditures,  
Project Balance and Project Status

(Budgetary Basis)

Year ended June 30, 2024

**Other Financing Uses**

Transfers out	<u>\$ (8,277)</u>
Net change in fund balance	(8,277)
 Fund Balance, July 1	 <u>8,277</u>
Fund Balance, June 30	<u><u>\$ -</u></u>

East Brunswick Public Schools  
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status  
(Budgetary Basis)

Energy Savings Improvement Program - Project No. ESP

Year ended June 30, 2024

	Prior Periods	Current Year	Totals	Revised Authorized Cost
<b>Revenues and other financing sources</b>				
State sources - SDA grant				
Bond proceeds	\$ 8,135,000		\$ 8,135,000	\$ 8,135,000
Lease purchase				
Premium on bond issuance	839,236		839,236	839,236
Transfer from capital reserve				
Interest earned	114,414		114,414	114,414
Miscellaneous				
Total Revenues	<u>9,088,650</u>		<u>9,088,650</u>	<u>9,088,650</u>
<b>Expenditures and other financing uses</b>				
Legal				
Other professional services				
Purchased professional and technical services	523,326		523,326	523,326
Construction services	8,355,742		8,355,742	8,355,742
Other objects				
Transfer to capital reserve				
Costs of issuance	86,896		86,896	86,896
Total expenditures	<u>8,965,964</u>		<u>8,965,964</u>	<u>8,965,964</u>
<b>Other Financing Uses</b>				
Transfers out	<u>(114,409)</u>	<u>\$ (8,277)</u>	<u>(122,686)</u>	<u>(122,686)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 8,277</u>	<u>\$ (8,277)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Additional project information</b>				
Project number	ESP			
Grant date	N/A			
Bond authorization date	January 23, 2019			
Bonds Authorized	\$ 8,135,000			
Bonds Issued	8,135,000			
Premium	839,236			
Original Authorized Cost	8,135,000			
Revised Authorized Cost	9,088,650			
Percentage Increase over Original				
Authorized Cost	11.72%			
Percentage completion	98.65%			
Original target completion date	2020			
Revised target completion date	Complete			

East Brunswick Public Schools  
Capital Projects Fund

Summary Schedule of Project Expenditures  
(Budgetary Basis)

From Inception and for the year ended June 30, 2024

Issue/Project Title	District Project Number	Original Date	Revised Appropriations	Expenditures to Date	Transfers Out	Unexpended Balance
				Prior Years		
Energy Savings Improvement Program	ESP	1/23/2019	\$ 8,974,236	\$ 8,965,959	\$ 8,277	\$ -
Grand Total			<u>\$ 8,974,236</u>	<u>\$ 8,965,959</u>	<u>\$ 8,277</u>	<u>\$ -</u>

## **Long-Term Debt**

**East Brunswick Public Schools  
Long-Term Debt**

**Schedule of Serial Bonds Payable**

Year ended June 30, 2024

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2023	Retired	Balance June 30, 2024			
			Date	Amount							
School Energy Savings Improvement Program - Refunding Bonds	2/6/2019	\$ 8,135,000	8/1/2024	\$ 480,000	5.000%						
			8/1/2025	415,000	5.000%						
			8/1/2026	455,000	5.000%						
			8/1/2027	490,000	5.000%						
			8/1/2028	535,000	5.000%						
			8/1/2029	575,000	5.000%						
			8/1/2030	620,000	4.000%						
			8/1/2031	665,000	4.000%						
			8/1/2032	705,000	4.000%						
			8/1/2033	755,000	4.000%						
			8/1/2034	805,000	4.000%	\$ 6,965,000	\$ 465,000	\$ 6,500,000			
2020 Refunding of 2010 School Bonds	2/25/2020	10,355,000	5/15/2025	375,000	5.000%						
			5/15/2026	395,000	5.000%						
			5/15/2027	420,000	5.000%						
			5/15/2028	445,000	5.000%						
			5/15/2029	470,000	5.000%						
			5/15/2030	495,000	5.000%						
			5/15/2031	525,000	5.000%						
			5/15/2032	555,000	4.000%						
			5/15/2033	575,000	4.000%						
			5/15/2034	600,000	4.000%						
			5/15/2035	625,000	4.000%						
			5/15/2036	655,000	4.000%						
			5/15/2037	685,000	3.000%						
			5/15/2038	700,000	3.000%						
			5/15/2039	730,000	3.000%						
			5/15/2040	755,000	3.000%	9,360,000	355,000	9,005,000			
			2022 Refunding of 2012 School Bonds	8/3/2022	41,355,000	11/1/2024	3,265,000	2.430%			
11/1/2025	3,570,000	2.430%									
11/1/2026	3,505,000	2.430%									
11/1/2027	3,445,000	2.430%									
11/1/2028	3,380,000	2.430%									
11/1/2029	3,310,000	2.430%									
11/1/2030	3,605,000	2.430%									
11/1/2031	3,525,000	2.430%									
11/1/2032	3,450,000	2.430%									
11/1/2033	3,360,000	2.430%									
11/1/2034	3,140,000	2.430%				40,865,000	3,310,000	37,555,000			
						\$ 57,190,000	\$ 4,130,000	\$ 53,060,000			

East Brunswick Public Schools  
Long-Term Debt

Schedule of Financed Purchases Payable

Year ended June 30, 2024

	<b>Interest Rate</b>	<b>Amount of Original Issue</b>	<b>Balance July 1, 2023</b>	<b>Additions</b>	<b>Current Retired</b>	<b>Balance June 30, 2024</b>
Capital Improvement Projects - 2018 Lease with East Brunswick Township	1.35%	\$ 5,800,000	\$ 1,160,000		\$ 1,160,000	
Capital Improvement Projects - 2020 Lease with East Brunswick Township	1.20%	14,600,000	5,840,000		2,920,000	\$ 2,920,000
Capital Improvement Projects - 2021 Lease with East Brunswick Township	1.16%	3,600,000	1,440,000		720,000	720,000
Capital Improvement Projects - 2022 Lease with East Brunswick Township	0.30%	4,200,000	3,360,000		840,000	2,520,000
Capital Improvement Projects - 2023 Lease with East Brunswick Township	0.30%	17,100,000	17,100,000		3,420,000	13,680,000
Capital Improvement Projects - 2024 Lease with East Brunswick Township	3.70%	5,795,000		\$ 5,795,000		5,795,000
Capital Improvements - Truist Bank	1.35%	13,685,000	5,685,000		2,800,000	2,885,000
			<u>\$ 34,585,000</u>	<u>\$ 5,795,000</u>	<u>\$ 11,860,000</u>	<u>\$ 28,520,000</u>

East Brunswick Public Schools  
Debt Service Fund

Budgetary Comparison Schedule

Year ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Final to Actual
Revenues:				
Local sources:				
Local tax levy	\$ 4,986,025	\$ 4,986,025	\$ 4,986,025	
Total revenues	<u>4,986,025</u>	<u>4,986,025</u>	<u>4,986,025</u>	
Expenditures:				
Principal on debt	3,665,000	3,665,000	3,665,000	
Interest on debt	1,329,754	1,329,754	1,329,753	\$ 1
Total expenditures	<u>4,994,754</u>	<u>4,994,754</u>	<u>4,994,753</u>	<u>1</u>
(Deficiency) of revenues (under) expenditures	(8,729)	(8,729)	(8,728)	1
Fund balance, July 1	8,729	8,729	197,394	
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 188,666</u>	<u>\$ 188,666</u>



**Statistical Section**  
(Unaudited)

**Statistical Section**  
**Unaudited**

**Contents**

**Financial Trends**

These schedules contain historical trend information to help the reader understand how the District's financial performance and financial position have changed over time.

**Revenue Capacity**

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

**Operating Information**

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

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

East Brunswick Public Schools  
Net Position by Component  
Last Ten Fiscal Years

(accrual basis of accounting)  
Unaudited

	June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 118,166,184	\$ 130,190,096	\$ 136,473,915	\$ 142,447,803	\$ 150,002,200	\$ 155,044,226	\$ 162,985,803	\$ 170,257,553	\$ 178,647,601	\$ 188,134,607
Restricted	18,700,525	17,502,827	16,384,637	19,147,535	18,170,297	18,343,418	15,315,721	10,433,686	10,779,387	8,897,939
Unrestricted (deficit)	(34,087,398)	(38,447,639)	(40,955,477)	(41,425,952)	(41,746,622)	(41,545,336)	(37,296,619)	(22,593,918)	(26,507,767)	(26,855,186)
Total governmental activities net position	<u>\$ 102,779,311</u>	<u>\$ 109,245,284</u>	<u>\$ 111,903,075</u>	<u>\$ 120,169,386</u>	<u>\$ 126,425,875</u>	<u>\$ 131,842,308</u>	<u>\$ 141,004,905</u>	<u>\$ 158,097,321</u>	<u>\$ 162,919,221</u>	<u>\$ 170,177,360</u>
Business-type activities										
Investment in capital assets	\$ 186,262	\$ 440,722	\$ 487,181	\$ 502,498	\$ 490,034	\$ 457,057	\$ 408,211	\$ 391,113	\$ 1,010,841	\$ 1,033,896
Restricted	2,199,707	2,266,401	2,209,380	2,360,126	2,543,282	2,317,227	1,554,869	3,864,569	4,000,457	4,083,834
Unrestricted	<u>\$ 2,385,969</u>	<u>\$ 2,707,123</u>	<u>\$ 2,696,561</u>	<u>\$ 2,862,624</u>	<u>\$ 3,033,316</u>	<u>\$ 2,774,284</u>	<u>\$ 1,963,080</u>	<u>\$ 4,255,682</u>	<u>\$ 5,011,298</u>	<u>\$ 5,117,730</u>
Total business-type activities net position										
Government-wide										
Net investment in capital assets	\$ 118,352,446	\$ 130,630,818	\$ 136,961,096	\$ 142,950,301	\$ 150,492,234	\$ 155,501,283	\$ 163,394,014	\$ 170,648,666	\$ 179,658,442	\$ 189,168,503
Restricted	18,700,525	17,502,827	16,384,637	19,147,535	18,170,297	18,343,418	15,315,721	10,433,686	10,779,387	8,897,939
Unrestricted (deficit)	(31,887,691)	(36,181,238)	(38,746,097)	(39,065,826)	(39,203,340)	(39,228,109)	(35,741,750)	(18,729,349)	(22,507,310)	(22,771,352)
Total government-wide net position	<u>\$ 105,165,280</u>	<u>\$ 111,952,407</u>	<u>\$ 114,599,636</u>	<u>\$ 123,032,010</u>	<u>\$ 129,459,191</u>	<u>\$ 134,616,592</u>	<u>\$ 142,967,985</u>	<u>\$ 162,353,003</u>	<u>\$ 167,930,519</u>	<u>\$ 175,295,090</u>

Source: ACFR Schedule A-1 and District records.

GASB 84 was implemented during the 2021 fiscal year, which required a retroactive adjustment of beginning net position in the amount of \$1,375,547. This amount is not reflected in the June 30, 2020 Net Position, above.

East Brunswick Public Schools  
Changes in Net Position  
Last Ten Fiscal Years

(accrual basis of accounting)  
Unaudited

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
Governmental activities										
Instruction										
Regular	\$ 68,615,626	\$ 72,875,349	\$ 80,070,187	\$ 82,512,817	\$ 73,533,156	\$ 75,992,707	\$ 85,945,987	\$ 79,325,498	\$ 80,421,344	\$ 78,089,733
Special Education	21,564,452	23,574,092	24,696,833	25,112,417	24,221,633	24,195,306	25,140,440	23,272,993	25,552,968	26,424,347
Other Special Education	5,724,102	6,123,010	7,312,040	7,522,335	7,061,494	6,969,391	8,225,240	7,500,829	6,860,309	7,163,837
Support services:										
Tuition	2,583,902	2,423,489	2,627,104	2,532,463	2,936,393	2,747,159	2,334,472	1,779,546	2,185,857	3,779,207
Student & Instruction Related Services	26,533,976	28,307,168	33,274,760	32,243,803	30,835,965	28,629,194	32,137,788	30,189,905	32,907,640	34,376,717
School Administrative Services	7,732,508	8,390,585	8,954,594	9,438,744	8,712,715	8,326,857	9,536,348	8,407,020	8,808,460	7,756,484
General and Business Administrative Services	7,562,626	8,633,111	9,509,700	9,798,590	9,196,495	9,371,226	10,262,786	9,340,082	9,944,280	9,626,916
Plant Operations and Maintenance	14,699,178	15,438,680	17,248,552	18,667,797	18,695,399	18,656,056	20,751,098	21,355,069	23,201,496	23,849,000
Pupil Transportation	7,687,318	8,370,455	9,725,990	10,386,458	11,101,169	9,895,612	9,859,627	11,605,075	16,346,542	16,456,080
Special Schools				24,014		14,840	52,053	35,214	11,622	11,631
Charter Schools*	2,056,054	2,253,355	2,354,479	2,610,331	2,701,322	2,728,132	3,220,597	3,908,178	4,398,913	4,978,836
Interest and other charges	3,832,985	3,580,983	3,272,398	3,079,180	3,085,432	2,817,287	2,590,700	2,210,286	700,924	2,264,031
Total governmental activities	168,592,727	179,970,277	199,046,637	203,904,935	192,105,187	190,343,767	210,057,146	198,929,695	211,340,353	214,776,799
Business-type activities:										
Food service	2,754,647	2,680,889	2,934,130	3,010,836	3,222,140	2,688,518	2,910,095	3,985,393	3,728,252	3,867,135
Community Programs	2,163,566	2,447,648	2,641,014	2,833,842	2,815,848	2,830,324	1,858,213	2,324,188	2,689,829	2,784,477
Facilities Rentals**			234,894	327,386	429,023	230,051	24,778	245,950	459,986	567,571
Technology								66,979	76,768	119,166
Total business-type activities expense	4,918,213	5,128,537	5,810,038	6,172,064	6,467,011	5,748,893	4,793,086	6,622,510	6,954,855	7,338,349
Total district expenses	173,510,940	185,098,814	204,856,675	210,076,999	198,572,198	196,092,660	214,850,232	205,552,205	218,295,208	222,115,148
<b>Program Revenues</b>										
Governmental activities:										
Charges for services										
Instruction	358,579	475,978	868,256	1,042,113	895,102	699,894	1,082,359	679,571	628,586	576,072
Student and instruction related services							337,614	632,958	871,785	891,263
Operating grants and contributions	3,267,971	3,610,352	3,477,402	3,439,319	3,533,693	3,484,760	4,776,862	8,002,063	9,567,355	9,191,381
Capital grants and contributions										
Total governmental activities program revenues	3,626,550	4,086,330	6,021,898	4,707,485	4,428,795	4,184,654	6,196,835	9,314,592	11,067,726	10,658,716
Business-type activities:										
Charges for services										
Food service	1,936,567	1,981,236	2,089,646	2,102,393	2,249,304	1,597,544	31,635	513,177	2,622,695	2,791,707
Community Programs	2,979,625	3,109,991	2,963,049	3,383,839	3,621,566	2,409,690	862,783	2,767,667	3,311,538	3,619,535
Facilities Rentals**			601,910	728,881	923,997	356,301	1,526	486,668	191,900	236,592
Technology								199,174	773,190	990,582
Operating grants and contributions	793,844	857,304	911,506	1,017,532	1,083,113	1,045,955	3,083,538	4,948,091	1,815,423	1,806,775
Total business-type activities program revenues	5,710,036	5,948,531	6,566,111	7,232,645	7,877,980	5,409,490	3,979,482	8,914,777	8,714,746	9,445,191
Total district program revenues	9,336,586	10,034,861	12,588,009	11,940,130	12,306,775	9,594,144	10,176,317	18,229,369	19,782,472	20,103,907
<b>Net (Expense) / Revenue</b>										
Governmental activities	(164,966,177)	(175,883,947)	(193,024,739)	(199,197,450)	(187,676,392)	(186,159,113)	(203,860,311)	(189,615,103)	(200,272,627)	(204,118,083)
Business-type activities	791,823	819,994	756,073	1,060,581	1,410,969	(339,403)	(813,604)	2,292,267	1,759,891	2,106,842
Total government-wide net expense	\$ (164,174,354)	\$ (175,063,953)	\$ (192,268,666)	\$ (198,136,869)	\$ (186,265,423)	\$ (186,498,516)	\$ (204,673,915)	\$ (187,322,836)	\$ (198,512,736)	\$ (202,011,241)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 116,518,219	\$ 119,532,427	\$ 121,923,075	\$ 124,769,255	\$ 127,264,640	\$ 129,809,932	\$ 132,406,131	\$ 136,587,587	\$ 136,587,587	\$ 139,319,339
Taxes levied for debt service	7,698,287	8,406,666	8,254,263	7,655,421	7,371,342	6,693,984	6,632,912	6,343,263	5,302,157	4,986,025
Grants and contributions	46,511,588	51,579,165	65,567,501	72,722,934	60,150,455	53,986,819	72,206,494	60,603,307	58,789,350	61,662,174
Investment earnings	13,327	17,394	18,216	64,177	488,517	774,264	14,297	11,123	596,467	1,584,885
Miscellaneous income	588,893	638,028	601,196	1,573,749	369,672	210,547	387,527	3,162,239	2,809,295	1,574,184
Transfers	400,000	500,000	768,466	904,278	1,288,255				1,009,671	2,249,615
Total governmental activities	171,730,314	180,673,680	197,132,717	207,689,814	196,932,881	191,475,546	211,647,361	206,707,519	205,094,527	211,376,222
Business-type activities:										
Investment earnings	1,062	1,160	1,831	6,812	47,978	80,371	2,400	335	5,396	249,205
Miscellaneous				2,948						
Transfers	(400,000)	(500,000)	(768,466)	(904,278)	(1,288,255)				(1,009,671)	(2,249,615)
Total business-type activities	(398,938)	(498,840)	(766,635)	(894,518)	(1,240,277)	80,371	2,400	335	(1,004,275)	(2,000,410)
Special items						100,000				
Total government-wide	171,331,376	180,174,840	196,366,082	206,795,296	195,692,604	191,655,917	211,649,761	206,707,854	204,090,252	209,375,812
<b>Change in Net Position</b>										
Governmental activities	6,764,137	4,789,733	4,107,978	8,492,364	9,256,489	5,416,433	7,787,050	17,092,416	4,821,900	7,258,139
Business-type activities	392,885	321,154	(10,562)	166,063	170,692	(259,032)	(811,204)	2,292,602	755,616	106,432
Total district	\$ 7,157,022	\$ 5,110,887	\$ 4,097,416	\$ 8,658,427	\$ 9,427,181	\$ 5,157,401	\$ 6,975,846	\$ 19,385,018	\$ 5,577,516	\$ 7,364,571

Source: ACFR Schedules A-2 and District records

GASB 75 was implemented in the 2018 fiscal year, which increased the grants and contributions and various expense lines from the previous year.

GASB 84 was implemented in the 2021 fiscal year, which increased the related services expense line and charges for services from the previous year.

\*Charter school expenditures were included with tuition on ACFR Schedule A-2 in the year ended June 30, 2017.

\*\*The activity of the Facilities Rentals Fund was included with the Community Programs Fund prior to the 2017 fiscal year.

East Brunswick Public Schools  
Fund Balances - Governmental Funds  
Last Ten Fiscal Years

(modified accrual basis of accounting)  
Unaudited

	2015	2016	2017	2018	2019	June 30, 2020	2021	2022	2023	2024
General Fund										
Restricted for	\$ 14,201,020	\$ 15,583,672	\$ 15,274,268	\$ 18,355,206	\$ 17,391,140	\$ 17,468,674	\$ 14,034,453	\$ 9,864,079	\$ 10,221,864	\$ 8,316,511
Assigned to	5,658,436	2,337,847	3,516,683	2,765,172	3,013,885	3,434,722	2,422,154	10,910,491	5,981,306	3,989,350
Unassigned	1,280,719	1,453,597	1,741,040	2,307,316	2,350,912	2,359,257	6,273,366	6,647,576	2,339,734	1,888,412
Total general fund	<u>\$ 21,140,175</u>	<u>\$ 19,375,116</u>	<u>\$ 20,531,991</u>	<u>\$ 23,427,694</u>	<u>\$ 22,755,937</u>	<u>\$ 23,262,653</u>	<u>\$ 22,729,973</u>	<u>\$ 27,422,146</u>	<u>\$ 18,542,904</u>	<u>\$ 14,194,273</u>
All Other Governmental Funds										
Restricted for:										
Special revenue fund *							\$ 563,782	\$ 569,607	\$ 557,523	\$ 581,428
Capital projects fund	\$ 4,499,505	\$ 1,919,155	\$ 1,110,369	\$ 792,329	\$ 7,158,718	\$ 1,335,302	794,087	8,277	8,277	
Debt service fund	7	9,663	37,073	89,193	22,122	112,462	112,461	8,729	197,394	188,666
Assigned to:										
Special revenue fund	6,984,466	2,920,017	3,313,095	6,326,984	1,070,300	4,811,632	15,616,699	19,341,987	14,198,989	13,815,608
Total all other governmental funds	<u>\$ 11,483,978</u>	<u>\$ 4,848,835</u>	<u>\$ 4,460,537</u>	<u>\$ 7,208,506</u>	<u>\$ 8,251,140</u>	<u>\$ 6,259,396</u>	<u>\$ 17,087,029</u>	<u>\$ 19,928,600</u>	<u>\$ 14,962,183</u>	<u>\$ 14,585,702</u>

Source: ACFR Schedule B-1 and District records.

\* The increase is due to the implementation of GASB 84, which required the reporting of student activities in the Special Revenue Fund.

East Brunswick Public Schools  
Changes in Fund Balances - Governmental Funds  
Last Ten Fiscal Years

(modified accrual basis of accounting)  
Unaudited

	June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues</b>										
Tax Levy	\$ 124,216,506	\$ 127,939,093	\$ 130,177,338	\$ 132,424,676	\$ 134,635,982	\$ 136,503,916	\$ 139,039,043	\$ 142,930,850	\$ 141,889,744	\$ 144,305,364
Tuition Charges	358,579	475,978	868,256	1,042,113	895,102	699,894	1,082,359	679,571	628,586	576,072
Miscellaneous	818,651	843,337	763,753	774,623	1,322,176	1,314,724	1,029,590	6,332,105	3,896,472	4,765,808
State Sources	32,775,963	36,100,049	37,042,942	40,010,830	43,261,558	44,872,508	50,986,422	65,131,952	73,000,914	80,770,233
Federal Sources	2,935,861	3,275,464	3,115,558	3,076,939	3,133,976	3,177,071	4,594,213	4,984,195	8,914,697	8,549,753
Total revenue	161,105,560	168,633,921	171,967,847	177,329,181	183,248,794	186,568,113	196,731,627	220,058,673	228,330,413	238,967,230
<b>Expenditures</b>										
Instruction										
Regular Instruction	42,609,345	43,161,359	43,480,565	44,932,487	44,555,848	46,205,968	47,062,427	50,948,420	52,896,080	53,091,917
Special Education Instruction	13,625,208	14,241,889	13,824,988	13,907,405	14,492,335	15,012,585	14,009,646	14,983,616	16,932,399	18,023,289
Other Instruction	3,505,574	3,579,677	3,935,738	4,020,042	4,105,261	4,194,618	4,436,582	4,717,886	4,455,513	4,788,026
Support Services:										
Tuition	2,583,902	2,423,489	2,627,104	2,532,463	2,936,393	2,747,159	2,334,472	1,779,546	2,121,460	3,779,207
Student and Instruction Related Services	17,091,007	17,647,875	19,461,012	18,483,757	19,086,322	18,257,127	19,009,773	20,323,691	22,955,400	24,665,224
School Administration Services	4,679,531	4,869,160	4,760,481	5,001,742	5,005,151	4,968,962	5,130,684	5,208,377	5,617,796	5,134,224
Business Administration Services	5,089,572	5,717,736	5,860,112	6,071,897	5,975,496	6,315,430	6,276,522	6,435,417	7,040,963	6,991,624
Plant Operations and maintenance	11,496,169	11,541,729	12,138,367	13,167,655	13,840,485	13,739,620	15,144,162	17,307,062	18,243,929	19,486,243
Pupil transportation	6,579,452	7,066,950	8,032,512	8,378,473	9,203,154	8,149,213	7,742,801	9,666,862	13,869,911	14,319,037
Employee Benefits	34,833,557	38,216,421	39,076,214	40,118,595	44,981,048	47,712,010	54,693,024	62,309,564	66,421,697	69,109,920
Special Schools					14,169	9,143	28,517	22,655	7,831	7,959
Charter Schools	2,056,054	2,253,355	2,354,479	2,610,331	2,701,322	2,728,132	3,220,597	3,908,178	4,398,913	4,978,836
Capital Outlay	12,547,621	15,196,326	10,016,035	7,182,391	12,618,881	20,727,505	9,117,619	3,775,686	28,146,390	9,942,799
Debt Service:										
Principal	6,942,671	8,893,503	9,369,352	10,088,849	10,660,960	9,363,240	14,227,792	12,890,000	12,485,000	15,525,000
Interest and other charges	3,695,700	3,584,654	3,287,554	3,054,263	2,876,687	2,622,429	2,662,603	2,447,969	1,500,797	1,893,652
Costs of issuance					86,896	110,849			94,346	
Total expenditures	167,335,363	178,394,123	178,224,513	179,550,350	193,140,408	202,863,990	205,097,221	216,724,929	257,188,425	251,736,957
Excess (Deficiency) of revenues over (under) expenditures	(6,229,803)	(9,760,202)	(6,256,666)	(2,221,169)	(9,891,614)	(16,295,877)	(8,365,594)	3,333,744	(28,858,012)	(12,769,727)
<b>Other Financing sources (uses)</b>										
Financed purchases	7,850,000	860,000					17,285,000	4,200,000	13,908,336	5,795,000
Lease purchase issuance	5,800,000		6,200,000	6,900,000		14,600,000				
Refunding bonds issued			5,515,000		8,135,000	10,355,000			41,355,000	
Premium on bonds issued					839,236	1,799,553				
Payment to refunding bond escrow agent			(5,472,984)			(12,043,704)			(41,157,266)	
Discount on refunding bonds issued									(103,388)	
Non-Federal Cost Share Reimb. Program proceeds			14,761							
Transfers in	3,771,596	500,000	768,466	1,753,874	1,331,724	70,827	89,635	717,485	1,009,763	2,257,892
Transfers Out	(3,371,596)			(789,033)	(43,469)	(70,827)	(89,635)	(717,485)	(92)	(8,277)
Total other financing sources (uses)	14,050,000	1,360,000	7,025,243	7,864,841	10,262,491	14,710,849	17,285,000	4,200,000	15,012,353	8,044,615
Special item:										
SDA settlement						100,000				
Net change in fund balances	\$ 7,820,197	\$ (8,400,202)	\$ 768,577	\$ 5,643,672	\$ 370,877	\$ (1,485,028)	\$ 8,919,406	\$ 7,533,744	\$ (13,845,659)	\$ (4,725,112)
Debt service as a percentage of noncapital expenditures	6.87%	7.65%	7.10%	7.98%	7.50%	5.91%	9.14%	7.21%	6.10%	6.92%
Source: ACFR Schedule B-2										

Note: Noncapital expenditures are total expenditures less capital outlay.

East Brunswick Public Schools  
General Fund - Other Local Revenue by Source  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)  
Unaudited

Fiscal Year Ended June 30,	Interest on Investments	Tuition Revenue	Rentals	Fees	Refunds	Miscellaneous	Annual Totals
2015	\$ 13,327	\$ 358,579	\$ 146,556			\$ 442,337	\$ 960,799
2016	17,394	475,978	113,618			514,754	1,121,744
2017	18,216	868,256	108,755			471,373	1,466,600
2018	64,177	1,042,113	102,758			393,937	1,602,985
2019	445,048	895,102				587,457	1,927,607
2020	703,437	699,894				344,942	1,748,273
2021	14,184	1,082,359				596,622	1,693,165
2022	11,118	679,571		\$ 169,571	\$ 1,035,096	1,894,846	3,790,202
2023	596,375	628,586		290,607	457,455	1,410,214	3,383,237
2024	1,584,885	576,072		269,143	207,898	1,660,408	4,298,406

**Source:** District Records

East Brunswick Public Schools  
Assessed Value and Actual Value of Taxable Property  
Last Ten Years

Unaudited

Year Ended December 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment
2015	\$ 12,763,300	\$ 1,485,430,500	\$ 2,582,800	\$ 287,524,800	\$ 85,132,900	\$ 19,733,100
2016	13,442,700	1,489,679,700	2,568,400	286,964,750	83,421,100	19,733,100
2017	14,646,300	1,492,830,200	2,471,500	286,380,850	84,933,800	19,733,100
2018	14,581,900	1,495,898,800	2,394,300	281,670,250	84,108,700	19,733,100
2019	13,884,700	1,502,220,000	2,394,300	281,921,250	83,170,400	19,723,100
2020	15,528,800	1,508,031,500	2,392,700	275,828,650	78,054,500	19,983,300
2021	13,785,300	1,512,432,400	2,668,500	275,240,350	78,080,000	27,137,600
2022	13,204,000	1,516,410,200	2,668,500	273,851,650	78,098,000	27,137,600
2023	14,591,800	1,520,976,100	2,672,500	273,493,150	78,824,700	27,109,900
2024	13,942,600	1,526,676,600	2,672,500	272,571,850	78,824,700	31,320,300

Source: District records, Abstract of Ratables, Table of Aggregates & 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



East Brunswick Public Schools  
Assessed Value and Actual Value of Taxable Property  
Last Ten Years

Unaudited

Year Ended December 31,	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Ratio to True Value %	Aggregate True Value
2015	\$ 1,893,167,400	\$ 2,143,448	\$ 1,895,310,848	\$ 6.65	26.64 %	\$ 7,106,484,234
2016	1,895,809,750	2,077,187	1,897,886,937	6.80	26.22	7,230,395,690
2017	1,900,995,750	2,031,934	1,903,027,684	6.90	25.34	7,501,956,393
2018	1,898,387,050	2,146,634	1,900,533,684	7.03	24.36	7,793,050,287
2019	1,903,313,750	2,227,252	1,905,541,002	7.12	25.03	7,604,130,044
2020	1,899,819,450	2,321,389	1,902,140,839	7.25	24.82	7,652,042,909
2021	1,909,344,150	2,410,316	1,911,754,466	7.21	23.24	8,215,766,566
2022	1,911,369,950	2,188,943	1,913,558,893	7.44	22.16	8,625,315,659
2023	1,917,668,150	2,225,100	1,919,893,250	7.45	20.35	9,423,430,713
2024	1,926,008,550		1,926,008,550	7.63	20.35	9,464,415,479

Source: District records, Abstract of Ratables, Table of Aggregates & 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

East Brunswick Public Schools  
Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years  
(rate per \$100 of assessed value)

Unaudited

Year Ended December 31,	East Brunswick Public Schools			Overlapping Rates				Total Direct and Overlapping Tax Rate
		General	Total Direct	East Brunswick Township	Middlesex County	Municipal Open Space	Middlesex County Open Space	
	Basic Rate <sup>a</sup>	Obligation Debt Service <sup>b</sup>						
2015	\$ 6.228	\$ 0.425	\$ 6.653	\$ 2.009	\$ 1.385	\$ 0.019	\$ 0.113	\$ 10.179
2016	6.362	0.439	6.801	2.139	1.358	0.020	0.113	10.431
2017	6.482	0.418	6.900	2.211	1.406	0.019	0.115	10.651
2018	6.631	0.395	7.026	2.218	1.447	0.019	0.119	10.829
2019	6.746	0.369	7.115	2.300	1.463	0.019	0.123	11.020
2020	6.895	0.351	7.246	2.307	1.437	0.020	0.120	11.130
2021	7.036	0.173	7.209	2.316	1.471	0.020	0.121	11.137
2022	7.138	0.304	7.442	2.342	1.530	0.020	0.129	11.463
2023	7.185	0.268	7.453	2.362	1.532	0.020	0.135	11.502
2024	7.383	0.251	7.634	2.394	1.626	0.020	0.148	11.822

Source: District Records and Municipal Tax Collector

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

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

East Brunswick Public Schools  
Principal Property Taxpayers  
Current Year and Nine Years Ago

Taxpayer	Unaudited					
	2024			2015		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Brunswick Square Mall	\$ 22,032,600	1	1.14%	\$ 38,106,000	1	2.01%
Mid State Mall	15,460,000	2	0.80%	15,460,000	2	0.82%
Tower II	13,284,000	3	0.69%	14,375,000	3	0.76%
Highview Partners, LLC	12,828,000	4	0.67%			
Tower I	10,205,600	5	0.53%	13,039,400	4	0.69%
East Brunswick UE, LLC	9,500,000	6	0.49%			
East Brunswick VF, LLC				9,500,000	5	0.50%
L.P.E. Partners				9,038,400	6	0.48%
Wyndmoor Apartments	9,375,000	7	0.49%	7,769,400	7	0.41%
Summerhill Square LLC	7,377,100	8	0.38%			
JP Taylor, LLC	6,500,100	9	0.34%			
East Coast Cranbury Crossing	6,324,000	10	0.33%	6,000,000	8	0.32%
Toll JM EB, LLC				5,977,600	9	0.32%
Belmont Associates (K Mart)				5,880,600	10	0.31%
Total	<u>\$ 112,886,400</u>		<u>5.86%</u>	<u>\$ 125,146,400</u>		<u>6.60%</u>

Source: District ACFR & Municipal Tax Assessor

East Brunswick Public Schools  
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	Percentage of Levy	
2015	* \$	116,518,219	\$ 116,518,219	100.00%	
2016		127,939,093	127,939,093	100.00%	
2017		130,177,338	130,177,338	100.00%	
2018		132,424,676	132,424,676	100.00%	
2019		134,635,982	134,635,982	100.00%	
2020		136,503,916	136,503,916	100.00%	
2021		139,039,043	139,039,043	100.00%	
2022		142,930,850	142,930,850	100.00%	
2023		141,889,744	141,889,744	100.00%	
2024		144,305,364	144,305,364	100.00%	

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

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

\* Years presented prior to 2016 only include the General Fund tax levy.

East Brunswick Public Schools  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Unaudited

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Unamortized Premium on Bonds	Financed Purchases Payable			
2015	\$ 83,465,000	\$ 5,091,707	\$ 22,603,771	\$ 111,160,478	*	\$ 2,315
2016	79,585,000	4,813,978	18,450,268	102,849,246	*	2,146
2017	75,780,000	4,536,249	19,235,679	99,551,928	*	2,078
2018	71,660,000	4,258,520	20,166,992	96,085,512	*	2,011
2019	75,715,000	4,785,059	13,586,032	94,086,091	*	1,977
2020	70,140,000	6,193,377	22,917,792	99,251,169	*	2,055
2021	65,400,000	5,746,031	30,360,000	101,506,031	*	2,060
2022	60,620,000	5,298,685	26,060,000	91,978,685	*	1,864
2023	57,190,000	1,981,464	34,585,000	93,756,464	*	1,896
2024	53,060,000	1,811,847	28,520,000	83,391,847	*	*

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

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

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

\* District personal income information is not available.

\*\* Information for the noted year not available

East Brunswick Public Schools  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years

Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General <sup>d</sup> Obligation Bonds	Deductions <sup>c</sup>	Net General Bonded Debt Outstanding		
2015	\$ 88,556,707	\$ 5,091,714	\$ 83,464,993	4.41%	\$ 1,739
2016	84,398,978	4,823,641	79,575,337	4.20%	1,660
2017	80,316,249	4,573,322	75,742,927	3.98%	1,581
2018	75,918,520	4,347,713	71,570,807	3.77%	1,498
2019	80,500,059	4,807,181	75,692,878	3.98%	1,590
2020	76,333,377	6,305,839	70,027,538	3.69%	1,450
2021	71,146,031	5,858,492	65,287,539	3.42%	1,325
2022	65,918,685	5,307,414	60,611,271	3.17%	1,228
2023	59,171,464	2,274,348	56,897,116	2.97%	1,151
2024	54,871,847	2,000,513	52,871,334	2.75%	*

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

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

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

**c** Deductions are externally restricted for the payment of principal of the debt.

**d** Includes the unamortized premiums.

\* Information for the noted year not available

East Brunswick Public Schools  
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>			
East Brunswick Township (as of 12/31/23)	\$ 162,639,250	100.000%	\$ 162,639,250
<b>Other debt</b>			
Middlesex County as of 12/31/23	573,306,641	6.520%	37,378,446
Middlesex County Utility Authority as of 12/31/23	95,008,947	3.868%	<u>3,675,257</u>
Subtotal, overlapping debt			203,692,953
<b>East Brunswick Public Schools Direct Debt</b>			<u>83,391,847</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 287,084,800</u></u>

**Sources:** District Records, East Brunswick Township Official Statement

**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 East Brunswick. 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.

East Brunswick Public Schools  
Legal Debt Margin Information,  
Last Ten Fiscal Years

Unaudited

**Legal Debt Margin Calculation for Fiscal Year 2024**

Equalized valuation basis

2024	\$	9,464,415,479
2023		9,423,430,713
2022		8,625,315,659
<b>[A]</b>	<b>\$</b>	<b><u>27,513,161,851</u></b>

Average equalized valuation of taxable property	<b>[A/3]</b>	<b>\$</b>	<b><u>9,171,053,950</u></b>
---	--------------	-----------	-----------------------------

Debt limit (4 % of average equalization value)		\$	366,842,158
Net bonded school debt	<b>[C]</b>		<u>54,683,181</u>
Legal debt margin	<b>[B-C]</b>	<b>\$</b>	<b><u>312,158,977</u></b>

	2015	2016	2017	2018	2019
Debt limit	\$ 287,017,317	\$ 287,399,422	\$ 291,184,484	\$ 300,338,698	\$ 305,321,823
Total net debt applicable to limit *	<u>92,553,180</u>	<u>88,385,795</u>	<u>84,275,656</u>	<u>79,825,807</u>	<u>84,474,417</u>
Legal debt margin	<b><u>\$ 194,464,137</u></b>	<b><u>\$ 199,013,627</u></b>	<b><u>\$ 206,908,828</u></b>	<b><u>\$ 220,512,891</u></b>	<b><u>\$ 220,847,406</u></b>
Total net debt applicable to the limit as a percentage of debt limit	32.25%	30.75%	28.94%	26.58%	27.67%
	2020	2021	2022	2023	2024
Debt limit	\$ 307,322,977	\$ 312,959,194	\$ 326,575,002	\$ 350,193,506	\$ 366,842,158
Total net debt applicable to limit *	<u>80,217,395</u>	<u>75,030,050</u>	<u>69,906,436</u>	<u>58,878,580</u>	<u>54,683,181</u>
Legal debt margin	<b><u>\$ 227,105,582</u></b>	<b><u>\$ 237,929,144</u></b>	<b><u>\$ 256,668,566</u></b>	<b><u>\$ 291,314,926</u></b>	<b><u>\$ 312,158,977</u></b>
Total net debt applicable to the limit as a percentage of debt limit	26.10%	23.97%	21.41%	16.81%	14.91%

Source: Township Official Statement and District Records ACFR Schedule J-11

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



East Brunswick Public Schools  
Demographic and Economic Statistics  
Last Ten Fiscal Years

Unaudited

Year	Population **	Personal Income (thousands of dollars)	Per Capita Personal Income **	Unemployment Rate
2015	48,008	-	\$ 54,542	4.2%
2016	47,933	-	56,207	3.7%
2017	47,905	-	57,889	3.5%
2018	47,784	-	60,547	3.1%
2019	47,593	-	62,665	2.60%
2020	48,309	-	66,640	7.80%
2021	49,285	-	70,221	5.00%
2022	49,339	-	70,951	2.90%
2023	49,447	-	*	3.40%
2024	*	-	*	*

Source: NJ Department of Labor and Workforce Development

\* Information for the noted years was not available.

\*\* Prior year estimates revised.

Note: Per capita personal income is disclosed at the county level. Personal income and per capita personal income information was not available at the district level.

East Brunswick Public Schools  
Principal Employers  
Current Year and Nine Years Ago

Unaudited

Employer	2024			2015		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Robert Wood Johnson University Hospital	5,000 - 5,249	1	0.00%	5,000 - 5,249	1	0.00%
Novo Nordisk	4,500 - 4,579	2	0.00%	4,500 - 4,579	2	0.00%
Wakefern Food Corporation	3,500 - 3,749	3	0.00%	3,500 - 3,749	3	0.00%
J.F.K. Medical Center	3,000 - 3,369	4	0.00%	3,000 - 3,369	4	0.00%
Bristol-Myers Squibb	3,000 - 3,249	5	0.00%	3,000 - 3,249	5	0.00%
St. Peter's Healthcare System	2,750 - 2,999	6	0.00%	2,750 - 2,999	6	0.00%
Silverline Building Products	2,250 - 2,299	7	0.00%	2,250 - 2,299	7	0.00%
Johnson & Johnson	2,000 - 2,249	8	0.00%	2,000 - 2,249	8	0.00%
Raritan Bay Medical Center	2,000 - 2,249	9	0.00%	2,000 - 2,249	9	0.00%
Home Depot / United Parcel Service	1,750 - 1,999	10	0.00%	1,750 - 1,999	10	0.00%

**Source:** Middlesex County Department of Economic Development

\* Note: Top ten employers by number of employees was not available at the municipal level, therefore we have presented the current year information at the county level. We have also presented the number of employees as a range, as an exact number of employees was unavailable.

East Brunswick Public Schools  
Full-time Equivalent District Employees by Function/Program  
Last Ten Fiscal Years

Unaudited

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017*</u>	<u>2018</u>	<u>2019**</u>	<u>2020**</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Instruction										
Regular	510.2	516.2	605.8	562.5	571.5	565.3	561.1	564.1	573.6	564.6
Special education	230.5	238.5	268.3	257.1	254.0	268.7	264.0	270.5	270.5	268.5
Support Services:										
Student & instruction related services	205.7	206.7	214.3	235.0	242.4	246.5	225.9	233.4	243.4	243.4
General administrative services	7.9	7.9	7.9	9.0	9.0	8.5	6.5	6.5	7.5	7.5
School administrative services	60.6	60.6	56.4	57.2	57.2	55.7	53.8	53.8	56.1	56.1
Business administrative services	22.9	23.9	25.7	25.7	25.7	24.1	26.0	27.0	27.0	27.0
Information Technology	19.0	19.0	20.0	21.0	22.0	22.0	22.0	23.0	24.0	24.0
Plant operations and maintenance	157.8	157.8	144.5	121.0	129.8	130.1	151.1	147.1	162.0	161.0
Pupil transportation	37.3	37.3	39.5	45.1	45.0	46.3	43.9	43.9	43.9	48.9
Food Service	37.8	40.1	34.3	37.9	33.1	32.9	34.3	31.7	35.1	38.0
Adult and Community Programs	6.2	6.2	6.4	6.7	6.4	6.6	6.4	6.4	6.4	6.4
JMPAC	-	-	0.9	0.9	0.1	1.1	1.1	1.1	1.1	1.1
Total	<u>1,295.9</u>	<u>1,314.2</u>	<u>1,424.0</u>	<u>1,379.0</u>	<u>1,396.1</u>	<u>1,407.7</u>	<u>1,396.1</u>	<u>1,408.3</u>	<u>1,450.4</u>	<u>1,446.4</u>

\*\* Prior year revision

Source: District Personnel Records

East Brunswick Public Schools  
Operating Statistics  
Last Ten Fiscal Years

Unaudited

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio				Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Upper Elementary School	Junior High School	High School				
2015	8,399	\$ 144,149,371	\$ 17,163	2.62%	690	11.8	11.0	12.0	13.0	8,261.29	7,904.34	-0.11%	95.68%
2016	8,259	150,719,640	18,249	6.33%	717	10.4	10.0	11.0	12.0	8,107.92	7,769.14	-1.86%	95.82%
2017	8,089	155,551,572	19,230	5.37%	722	10.4	10.0	11.0	12.0	7,993.63	7,647.36	-1.41%	95.67%
2018	8,167	159,224,847	19,497	1.39%	723	10.1	11.0	11.0	12.0	8,048.68	7,654.10	0.69%	95.10%
2019	8,381	166,896,984	19,914	2.14%	724	10.6	10.0	11.0	12.0	8,301.65	7,900.57	3.14%	95.17%
2020	8,403	170,039,967	20,237	1.62%	735	10.5	12.0	11.0	12.0	8,217.80	7,958.95	-1.01%	96.85%
2021	8,279	179,089,207	21,632	6.89%	720	10.3	12.0	11.0	12.0	8,063.70	7,835.65	-1.88%	97.17%
2022	8,346	197,611,274	23,677	9.46%	725	10.5	12.0	12.0	14.0	8,092.62	7,691.87	0.36%	95.05%
2023	8,391	214,961,892	25,618	8.20%	751	10.0	12.0	12.0	14.0	8,162.34	7,686.28	0.86%	94.17%
2024	8,423	224,375,506	26,640	3.99%	761	9.4	11.0	13.0	13.0	8,165.06	7,727.39	0.03%	94.64%

**Sources:** District records, ASSA, NJ School Report Card, NJ School Performance Report

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

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

East Brunswick Public Schools  
School Building Information  
Last Ten Fiscal Years

Unaudited

	2015	2016	2017	2018	2019	2020	2021	2022	2023*	2024
<b><u>District Building</u></b>										
<b><u>Elementary</u></b>										
Bowne-Munro (1952)										
Square Feet	32,738	32,738	32,738	32,738	32,738	32,738	32,738	32,738	32,738	32,738
Capacity (students)	270	270	270	270	270	270	270	270	196	196
Enrollment	215	205	209	224	219	250	240	246	175	186
Central (1949)										
Square Feet	78,283	78,283	78,283	78,283	78,283	78,283	78,283	78,283	78,283	78,283
Capacity (students)	532	532	532	532	532	532	532	532	504	504
Enrollment	438	418	416	399	414	433	429	395	354	353
Chittick (1969)										
Square Feet	52,241	52,241	52,241	53,058	53,058	53,058	53,058	53,058	53,058	53,058
Capacity (students)	550	550	550	550	550	550	550	550	460	460
Enrollment	417	397	414	437	500	509	471	490	394	353
Frost (1965)										
Square Feet	52,230	52,230	52,230	52,545	52,545	52,545	52,545	52,545	52,545	52,545
Capacity (students)	455	455	455	455	455	455	455	455	370	370
Enrollment	427	442	444	463	472	450	448	457	375	393
Irwin (1957)										
Square Feet	43,279	43,279	43,279	43,986	43,986	43,986	43,986	43,986	43,986	43,986
Capacity (students)	478	478	478	478	478	478	478	478	365	365
Enrollment	468	464	440	449	473	429	380	362	323	311
Lawrence Brook (1959)										
Square Feet	77,218	77,218	77,218	77,218	77,218	77,218	77,218	77,218	77,218	77,218
Capacity (students)	520	520	520	520	520	520	520	520	476	476
Enrollment	405	406	446	439	451	422	432	463	357	364
Memorial (2012)										
Square Feet	82,821	82,821	82,821	82,821	82,821	82,821	82,821	82,821	82,821	82,821
Capacity (students)	565	565	565	565	565	565	565	565	631	631
Enrollment	507	494	493	537	570	541	529	543	425	409
Warnsdorfer (1968)										
Square Feet	55,708	55,708	55,708	55,708	55,708	55,708	55,708	55,708	55,708	55,708
Capacity (students)	488	488	488	488	488	488	488	488	381	381
Enrollment	476	472	462	461	449	478	446	452	361	336
<b>Total Elementary Schools</b>										
Square Feet	474,518	474,518	474,518	476,357	476,357	476,357	476,357	476,357	476,357	476,357
Capacity (students)	3,858	3,858	3,858	3,858	3,858	3,858	3,858	3,858	3,383	3,383
Enrollment	3,353	3,298	3,324	3,409	3,548	3,512	3,375	3,408	2,764	2,705

East Brunswick Public Schools  
School Building Information (continued)  
Last Ten Fiscal Years

	Unaudited									
	2015	2016	2017	2018	2019	2020	2021	2022	2023*	2024
<b><u>Upper Elementary School</u></b>										
Hammar skjold (2009)										
Square Feet	271,520	271,520	271,520	271,520	271,520	271,520	271,520	271,520	271,520	271,520
Capacity (students)	1,518	1,518	1,518	1,518	1,518	1,518	1,518	1,518	1,518	1,518
Enrollment	1,311	1,294	1,212	1,197	1,280	1,343	1,297	1,273	1,315	1,312
<b><u>Junior High School</u></b>										
Churchill Jr. High (1962)										
Square Feet	260,332	260,332	260,332	260,332	260,332	260,332	260,332	260,332	288,187	288,187
Capacity (students)	1,432	1,432	1,432	1,432	1,432	1,432	1,432	1,432	1,432	1,432
Enrollment	1,372	1,374	1,336	1,320	1,273	1,269	1,329	1,367	1,993	2,006
<b><u>High School</u></b>										
East Brunswick High (1958)										
Square Feet	360,422	360,422	360,422	360,422	360,422	360,422	360,422	360,422	360,422	360,422
Capacity (students)	2,724	2,724	2,724	2,724	2,724	2,724	2,724	2,724	2,724	2,724
Enrollment	2,165	2,101	2,055	2,052	2,082	2,066	2,023	2,010	2,031	2,097
<b><u>Other</u></b>										
Administration Building										
Square Feet	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Support Operations										
Square Feet	-	-	29,614	29,614	29,614	29,614	29,614	29,614	29,614	29,614
Number of Schools at June 30, 2024										
Elementary = 8										
Upper Elementary = 1										
Junior High School = 1										
High School = 1										
Other = 2										

**Source:** District records, ASSA, LRFP

\* - Variances from the prior year are the result of a district wide grade reconfiguration as well as the addition of Temporary Classroom Units at Churchill Junior High School.

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

East Brunswick Public Schools  
Schedule of Required Maintenance  
Last Ten Fiscal Years

Unaudited

**Undistributed Expenditures - Required Maintenance for School Facilities**

School Facilities	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
East Brunswick High School	\$ 684,564	\$ 693,497	\$ 711,188	\$ 700,862	\$ 560,420	\$ 541,155	\$ 423,026	\$ 368,229	\$ 459,471	\$ 415,952
Churchill Junior High School	524,288	517,657	485,854	385,500	416,052	342,511	281,798	268,147	329,563	300,543
Hammarckjold School	492,578	497,290	494,216	446,323	383,963	359,302	293,000	277,384	348,852	313,353
Bowne-Munro School	68,514	68,288	60,270	55,495	49,128	49,203	40,076	33,445	41,444	37,782
Central School	148,748	162,282	149,774	130,713	121,223	110,613	88,024	81,914	100,193	90,344
Irwin School	92,425	89,242	90,936	74,517	68,511	69,173	58,937	46,594	54,788	49,947
Lawrence Brook School	154,126	151,956	149,800	158,489	129,693	123,090	91,806	78,886	97,753	89,115
Memorial School	174,270	157,661	152,844	137,337	115,232	111,569	86,970	84,610	105,652	95,581
Chittick School	113,150	107,767	93,659	88,259	85,357	89,491	76,794	53,369	66,134	60,290
Frost School	106,101	107,836	90,555	75,849	113,646	67,116	56,698	53,358	66,120	60,277
Warnsdorfer School	118,453	99,244	98,812	87,330	112,729	75,125	61,597	57,086	70,523	64,291
<b>Total School Facilities</b>	<b>2,677,217</b>	<b>2,652,720</b>	<b>2,577,908</b>	<b>2,340,674</b>	<b>2,155,954</b>	<b>1,938,348</b>	<b>1,558,726</b>	<b>1,403,022</b>	<b>1,740,493</b>	<b>1,577,475</b>
Other Facilities										
Administration	44,762	45,825	42,676	37,857	37,398	31,291	25,050	30,647	37,976	34,622
Support Operations	44,186	45,235	42,126	37,370	36,917	30,890	24,726	30,254	-	-
<b>Total Other Facilities</b>	<b>88,948</b>	<b>91,060</b>	<b>84,802</b>	<b>75,227</b>	<b>74,315</b>	<b>62,181</b>	<b>49,776</b>	<b>60,901</b>	<b>37,976</b>	<b>34,622</b>
<b>Grand Total</b>	<b>\$ 2,766,165</b>	<b>\$ 2,743,780</b>	<b>\$ 2,662,710</b>	<b>\$ 2,415,901</b>	<b>\$ 2,230,269</b>	<b>\$ 2,000,529</b>	<b>\$ 1,608,502</b>	<b>\$ 1,463,923</b>	<b>\$ 1,778,469</b>	<b>\$ 1,612,097</b>

Source: M1

East Brunswick Public Schools  
Insurance Schedule  
Year Ended June 30, 2024

Unaudited

	Coverage	Deductible
<u>MULTI-PERIL PACKAGE POLICY</u>		
EDUCATIONAL RISK AND INSURANCE CONSORTIUM / NJSIG		
POLICY NO. P-135AO		
ANNUAL PREMIUM: \$887,209		
<u>Section II - Commercial General Liability</u>		
Bodily Injury, Property Damage and Personal Injury	\$ 31,000,000	
Medical Expense	10,000	
Aggregate Child Molestation/Sexual Abuse	31,000,000	
Employee Benefits Legal Liability	31,000,000	
<u>Section III - Crime</u>		
Money and Securities	50,000	\$ 500
Employee Dishonesty	1,000,000	1,000
Depositors Forgery	1,000,000	1,000
Computer Fraud	1,000,000	1,000
<u>SCHOOL BOARD LEGAL</u>		
EDUCATIONAL RISK AND INSURANCE CONSORTIUM / NJSIG		
POLICY NO. E-135AO		
ANNUAL PREMIUM: \$266,319		
Wrongful Acts Liability - Each Occurrence	31,000,000	15,000
Annual Aggregate	31,000,000	
<u>CATASTROPHIC POLICY</u>		
FIREMAN'S FUND		
POLICY NO. USL007276232		
ANNUAL PREMIUM: \$78,927		
Limit of Insurance (Group Aggregate)	25,000,000	
<u>PROPERTY INSURANCE</u>		
EDUCATIONAL RISK AND INSURANCE CONSORTIUM / NJSIG		
POLICY NO. P135AO		
ANNUAL PREMIUM: Included		
Blanket Building - Contents Coverage	408,852,456	10,000
Extra Expense	50,000,000	10,000
Flood & Earthquake	75,000,000	10,000
EDP	2,100,000	1,000
Energy Systems - Property Damage	408,852,456	25,000
Energy Systems - Extra Expense	10,000,000	10,000



East Brunswick Public Schools  
Insurance Schedule  
Year Ended June 30, 2024

Unaudited

	Coverage	Deductible
<u>AUTOMOBILE POLICY AND GARAGE KEEPERS</u>		
INCLUDED IN MULTI-PERIL PACKAGE POLICY BY EDUCATIONAL RISK AND INSURANCE CONSORTIUM / NJSIG		
Bodily Injury and Property Damage	\$ 31,000,000	
Uninsured Motorist Coverage	1,000,000	
Comprehensive	Replacement	\$ 1,000
Collision	Replacement	1,000
Beazley Environmental POLICY NO. W1BE82230801 ANNUAL PREMIUM: \$23,763		
Legal Liability	1,000,000 each loss 3,000,000 aggregate	10,000
<u>WORKERS COMPENSATION</u>		
EDUCATIONAL RISK AND INSURANCE CONSORTIUM / NJSBAIG POLICY NO. W-135AO PREMIUM: \$470,573		
A. Worker's Compensation Insurance Under New Jersey State Laws		
B. Employer's Liability		
Bodily Injury - Each Accident	3,000,000	
Bodily Injury By Disease - Each Employee	3,000,000	
CHUBB INSURANCE POLICY NO. 64775774 ANNUAL PREMIUM: \$50,953		
Supplemental Coverage:		
Reimbursement of Salary - Max Weekly Benefit	1,750	
<u>PRIMARY UMBRELLA</u>		
INCLUDED IN MULTI-PERIL PACKAGE POLICY BY EDUCATIONAL RISK AND INSURANCE CONSORTIUM / NJSIG		

East Brunswick Public Schools  
Insurance Schedule  
Year Ended June 30, 2024

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
<u>STUDENT ACCIDENT INSURANCE</u>		
BOLLINGER		
POLICY NO. MCB5859349		
ANNUAL PREMIUM: \$83,204	\$	6,000,000
Supplemental to primary family policy - full excess		
 <u>BONDS</u>		
SELECTIVE INSURANCE		
POLICY NO. B1005007		
ANNUAL PREMIUM: \$2,100		
Bernardo J. Giuliani, Business Administrator / Board Secretary		750,000

Source: District Records

## **Single Audit Section**

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

**Independent Auditors' Report**

**Honorable President and Members  
of the Board of Education  
East Brunswick Public Schools  
East Brunswick, New Jersey**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the East Brunswick Public Schools, in the County of Middlesex, New Jersey (the "District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 19, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

**Honorable President and Members  
of the Board of Education  
East Brunswick Public Schools**

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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 or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*PKF O'Connor Davies, LLP*

Cranford, New Jersey  
December 19, 2024

*Scott A. Clelland*

Scott A. Clelland, CPA  
Licensed Public School Accountant, No. 1049

**Report on Compliance for Each Major  
Federal and State Program and  
on Internal Control Over Compliance Required by the  
Uniform Guidance and New Jersey OMB 15-08**

**Independent Auditors' Report**

**Honorable President and Members  
of the Board of Education  
East Brunswick Public Schools  
East Brunswick, New Jersey**

**Report on Compliance for Each Major Federal and State Program**

**Opinion on Each Major Federal and State Program**

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

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

**Basis for Opinion on Each Major Federal and State Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards, the Uniform Guidance and New Jersey OMB Circular 15-08 are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

**Honorable President and Members  
of the Board of Education  
East Brunswick Public Schools**

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

**Responsibilities of Management for Compliance**

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

**Auditors' Responsibilities for the Audit of Compliance**

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

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

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

**Honorable President and Members  
of the Board of Education  
East Brunswick Public Schools**

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

**Report on Internal Control Over Compliance**

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

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

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

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

*PKF O'Connor Davies, LLP*

Cranford, New Jersey  
December 19, 2024

*Scott A. Clelland*

Scott A. Clelland, CPA  
Licensed Public School Accountant, No. 1049



East Brunswick Public Schools

Schedule of Expenditures of Federal Awards

Year ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal AL Number	Federal Award Identification Number	Program or Award Amount	Grant Period		Balance June 30, 2023		Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Balance June 30, 2024			
				From	To	(Accounts Receivable)	Unearned Revenue					(Accounts Receivable)	Unearned Revenue	Due to Grantor	Amounts Provided to Subrecipients
General Fund:															
U.S. Department of Health and Human Services															
–Passed-Through State Department of Health and Human Services															
Medicaid Cluster:															
Medical Assistance Aid (SEMI)	93.778	2005NJ5MAP	\$ 99,827	7/1/2023	6/30/2024				\$ 99,827	\$ (99,827)					
Medicaid Administrative Claiming (MAC)	93.778	2005NJ5MAP	22,584	7/1/2023	6/30/2024					(22,584)		\$ (22,584)			
Total Medicaid Cluster									99,827	(122,411)			(22,584)		
Total U.S. Department of Health and Human Services - Passed-Through State Department of Human Services									99,827	(122,411)			(22,584)		
Total General Fund									99,827	(122,411)			(22,584)		
Special Revenue Fund:															
U.S. Department of Education–Passed-Through State Department of Education															
Elementary and Secondary Education Act (ESEA):															
Title I, Part A - 23/24	84.010A	S010A240030	424,834	7/1/2023	9/30/2024				274,192	(399,693)	\$ (2)	(125,503)			
Title I, Part A - 22/23	84.010A	S010A230030	961,469	7/1/2022	9/30/2023	\$ (201,893)			201,893						
Total Title I, Part A						(201,893)			476,085	(399,693)	(2)	(125,503)			
Title II, Part A - 23/24	84.367A	S367A240029	185,403	7/1/2023	9/30/2024				8,222	(170,724)		(162,502)			
Title II, Part A - 22/23	84.367A	S367A230029	187,074	7/1/2022	9/30/2023	(23,681)			23,681						
Total Title II, Part A						(23,681)			31,903	(170,724)		(162,502)			
Title III - 23/24	84.365A	S365A240030	71,761	7/1/2023	9/30/2024				56,014	(63,376)	3	(7,359)			
Title III - 22/23	84.365A	S365A230030	60,715	7/1/2022	9/30/2023	(5,801)			5,801						
Total Title III						(5,801)			61,815	(63,376)	3	(7,359)			
Title IV, Part A - 23/24	84.424	S424A240031	71,289	7/1/2023	9/30/2024				37,323	(65,873)	1	(28,549)			
Title IV, Part A - 22/23	84.424	S424A230031	99,499	7/1/2022	9/30/2023	(9,659)			9,497		162				
Total Title IV, Part A						(9,659)			46,820	(65,873)	163	(28,549)			
Special Education Grant Cluster:															
IDEA Part B, Basic Regular 23/24	84.027A	H027A240100	2,273,392	7/1/2023	9/30/2024				1,711,992	(2,266,224)		(554,232)			
IDEA Part B, Basic Regular 22/23	84.027A	H027A230100	2,093,559	7/1/2022	9/30/2023	(450,269)			450,269						
COVID-19 ARP IDEA Part B, Basic Regular	84.027X	H027X230100	388,963	7/1/2021	9/30/2022	(126,501)			126,501						
IDEA Preschool - 23/24	84.173	H173A240114	77,316	7/1/2023	9/30/2024				44,618	(77,316)		(32,698)			
IDEA Preschool - 22/23	84.173	H173A230114	77,123	7/1/2022	9/30/2023	(32,344)			32,344						
COVID-19 ARP IDEA Preschool	84.173X	H173X230114	33,149	7/1/2021	9/30/2022	(590)			590						
Total of Special Education Grant Cluster						(609,704)			2,366,314	(2,343,540)	-	(586,930)			
Adult Basic Education	84.002A	V002A240031	351,943	7/1/2023	9/30/2024				136,775	(298,191)	\$ (1)	(161,417)			
Adult Basic Education	84.002A	V002A230031	350,145	7/1/2022	9/30/2023	(235,130)			235,125		5				
Total Adult Basic Education						(235,130)			371,900	(298,191)	4	(161,417)			
Education Stabilization Fund (ESF):															
COVID-19 CRRSA ESSER II	84.425D	S425D240027	2,173,325	3/13/2020	9/30/2023	(805,706)			875,926	(70,220)					
COVID-19 CRRSA Learning Acceleration	84.425D	S425D240027	139,473	3/13/2020	9/30/2023	(5,531)			65,984	(60,452)	(1)				
COVID-19 ARP ESSER III	84.425U	S425U240027	4,884,407	3/13/2020	9/30/2024	(2,891,823)			2,412,675	(753,782)		(1,232,930)			
COVID-19 ARP Learning Acceleration	84.425U	S425U240027	713,380	3/13/2020	9/30/2024	(66,956)			324,212	(370,665)	1	(113,408)			
COVID-19 ARP Summer Learning	84.425U	S425U240027	48,637	3/13/2020	9/30/2024				22,215	(22,215)					
COVID-19 ARP Beyond the School Day	84.425U	S425U240027	48,637	3/13/2020	9/30/2024	(26,243)			34,528	(21,907)		(13,622)			
COVID-19 ARP Mental Health	84.425U	S425U240027	45,000	3/13/2020	9/30/2024				17,721	(45,000)		(27,279)			
COVID-19 ARP Homeless II	84.425W	S425W240031	24,446	9/1/2021	8/31/2023	(66)			4,731	(12,179)		(7,514)			
Total Education Stabilization Fund (ESF)						(3,796,325)			3,757,992	(1,356,420)	-	(1,394,753)			
Total U.S. Department of Education - Passed-Through State Department of Education						(4,882,193)			7,112,829	(4,697,817)	168	(2,467,013)			
U.S. Department of the Treasury–Passed-Through State Department of Education															
Department of Education															
State and Local Fiscal Recovery Funds:															
COVID-19 Additional or Compensatory Special Education and Related Services (ACSERS)	21.027	SLFRFDOE1SES	1,553,697	3/3/2021	12/31/2024	(228,038)			999,925	(1,553,697)		(781,810)			
COVID-19 High Impact Tutoring Competitive	21.027	C2221SLFRF21	460,000	10/11/2023	6/30/2025				92,388	(371,401)		(279,013)			
Total U.S. Department of Treasury - Passed-Through State Department of Education						(228,038)			1,092,313	(1,925,098)	-	(1,060,823)			
Total Special Revenue Fund						(5,110,231)			8,205,142	(6,622,915)	168	(3,527,836)			

East Brunswick Public Schools

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Schedule A

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(continued)

Schedule of Expenditures of Federal Awards

Year ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal AL Number	Federal Award Identification Number	Program or Award Amount	Grant Period		Balance June 30, 2023		Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Balance June 30, 2024			
				From	To	at June 30, Receivable)	at June 30, Revenue					(Accounts Receivable)	Unearned Revenue	Due to Grantor	Amounts Provided to Subrecipients
U.S. Department of Agriculture--Passed-Through State															
Department of Agriculture															
Enterprise Fund:															
Child Nutrition Cluster:															
National School Lunch Program	10.555	241NJ304N1099	\$ 1,014,205	7/1/2023	6/30/2024				\$ 967,538	\$ (1,014,205)		\$ (46,667)			
National School Lunch Program	10.555	231NJ304N1099	1,164,035	7/1/2022	6/30/2023	\$ (59,135)			59,135						
School Breakfast Program	10.553	241NJ304N1099	137,950	7/1/2023	6/30/2024				128,651	(137,950)		(9,299)			
School Breakfast Program	10.553	231NJ304N1099	114,513	7/1/2022	6/30/2023	(9,031)			9,031						
COVID-19 Supply Chain Assistance Funding (Round 1 and 2)	10.555	221NJ344N8903	305,575	7/1/2023	6/30/2024		\$ 19,048			(19,048)					
COVID-19 Supply Chain Assistance Funding (Round 3)	10.555	231NJ344N8903	68,378	7/1/2023	6/30/2024		68,378			(68,378)					
COVID-19 Supply Chain Assistance Funding (Round 4)	10.555	241NJ344N8903	188,725	7/1/2023	6/30/2024				188,725	(188,725)					
Food Donation Program (NC)	10.555	241NJ304N1099	286,668	7/1/2023	6/30/2024				286,668	(286,668)					
Total Child Nutrition Cluster						(68,166)	87,426		1,639,748	(1,714,974)		(55,966)			
P-EBT Administrative Cost Reimbursement	10.649	231NJ30459009	3,256	7/1/2022	6/30/2023	(3,256)			3,256						
Summer-EBT Administrative Cost Reimbursement	10.646	202424N180341	1,556	7/1/2023	6/30/2024					(1,556)		(1,556)			
Total Enterprise Fund and Total U.S. Department of Agriculture-- Passed-Through State Department of Agriculture						(71,422)	87,426		1,643,004	(1,716,530)		(57,522)			
Total Federal Awards Expenditures						\$ (5,181,653)	\$ 87,426	\$ -	\$ 9,947,973	\$ (8,461,856)	\$ 168	\$ (3,607,942)	\$ -	\$ -	\$ -

NC - non-cash expenditures

The accompanying notes to schedules of expenditures of federal awards and state financial assistance are an integral part of this schedule.

East Brunswick Public Schools

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Schedule B

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Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2024

State Grantor/Program Title	Grant or State Project Number	Grant Period		Award Amount	Balance June 30, 2023			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2024			Memo	
		From	To		Unearned Revenue	(Accounts Receivable)	Due to Grantor				Unearned Revenue	(Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education															
General Fund:															
Equalization Aid	24-495-034-5120-078	7/1/2023	6/30/2024	\$ 27,806,176				\$ 25,069,372	\$ (27,806,176)					\$ (2,736,804)	\$ (27,806,176)
Equalization Aid	23-495-034-5120-078	7/1/2022	6/30/2023	26,300,337		\$ (2,581,459)		2,581,459							
Special Education Categorical Aid	24-495-034-5120-089	7/1/2023	6/30/2024	9,239,567				8,330,169	(9,239,567)					(909,398)	(9,239,567)
Special Education Categorical Aid	23-495-034-5120-089	7/1/2022	6/30/2023	5,355,986		(525,707)		525,707							
Transportation Aid	24-495-034-5120-014	7/1/2023	6/30/2024	1,555,315				1,402,234	(1,555,315)					(153,081)	(1,555,315)
Transportation Aid	23-495-034-5120-014	7/1/2022	6/30/2023	1,491,445		(146,390)		146,390							
Security Aid	24-495-034-5120-084	7/1/2023	6/30/2024	1,225,192				1,104,603	(1,225,192)					(120,589)	(1,225,192)
Security Aid	23-495-034-5120-084	7/1/2022	6/30/2023	176,418		(17,316)		17,316							
Nonpublic School Transportation Aid	24-495-034-5120-014	7/1/2023	6/30/2024	117,390					(117,390)		\$ (117,390)				(117,390)
Nonpublic School Transportation Aid	23-495-034-5120-014	7/1/2022	6/30/2023	59,955		(59,955)		59,955							
Extraordinary Aid	24-495-034-5120-044	7/1/2023	6/30/2024	2,740,703					(2,740,703)			(2,740,703)			(2,740,703)
Extraordinary Aid	23-495-034-5120-044	7/1/2022	6/30/2023	3,818,540		(3,818,540)		3,818,540							
Payment for Institutionalized Children-Unknown District of Residence	24-495-034-5120-005	7/1/2023	6/30/2024	127,455				127,455	(127,455)						(127,455)
On-Behalf TPAF - Pension Contribution	24-495-034-5094-002	7/1/2023	6/30/2024	25,580,608				25,580,608	(25,580,608)						(25,580,608)
On-Behalf TPAF - Post-Retirement Medical	24-495-034-5094-001	7/1/2023	6/30/2024	6,962,105				6,962,105	(6,962,105)						(6,962,105)
On-Behalf TPAF - Long-Term Disability Insurance	24-495-034-5094-004	7/1/2023	6/30/2024	10,945				10,945	(10,945)						(10,945)
TPAF Social Security Reimbursements	24-495-034-5094-003	7/1/2023	6/30/2024	5,441,948				4,910,206	(5,441,948)			(531,742)			(5,441,948)
Total General Fund						(7,149,367)		80,647,064	(80,807,404)			(3,389,835)		(3,919,872)	(80,807,404)
N.J. Schools Development Authority															
Special Revenue Fund:															
Emergent and Capital Maintenance Grant	24-100-034-5120-519	7/1/2023	6/30/2024	197,366				197,366	(197,366)						(197,366)
State Department of Education															
Special Revenue Fund:															
N.J. Nonpublic Aid:															
Auxiliary Services:															
English as a Second Language	24-100-034-5120-067	7/1/2023	6/30/2024	916				916	(916)						(916)
English as a Second Language	23-100-034-5120-067	7/1/2022	6/30/2023	1,002											
Compensatory Education	24-100-034-5120-067	7/1/2023	6/30/2024	137,559				137,559	(122,594)			\$ 14,965			(122,594)
Compensatory Education	23-100-034-5120-067	7/1/2022	6/30/2023	124,033			14,233			\$ (14,233)					
Transportation	24-100-034-5120-068	7/1/2023	6/30/2024	14,678				14,678					14,678		
Transportation	23-100-034-5120-068	7/1/2022	6/30/2023	11,649			11,649			(11,649)					
Handicapped Services:															
Supplemental Instruction	24-100-034-5120-066	7/1/2023	6/30/2024	26,391				26,391	(26,391)						(26,391)
Supplemental Instruction	23-100-034-5120-066	7/1/2022	6/30/2023	21,229			1			(1)					
Examination and Classification	24-100-034-5120-066	7/1/2023	6/30/2024	44,168				44,168	(42,462)				1,706		(42,462)
Examination and Classification	23-100-034-5120-066	7/1/2022	6/30/2023	37,916			2,653			(2,653)					
Corrective Speech	24-100-034-5120-066	7/1/2023	6/30/2024	22,390				22,390	(22,390)						(22,390)
Corrective Speech	23-100-034-5120-066	7/1/2022	6/30/2023	19,995											
Textbook Aid	24-100-034-5120-064	7/1/2023	6/30/2024	29,194				29,194	(28,675)				519		(28,675)
Textbook Aid	23-100-034-5120-064	7/1/2022	6/30/2023	31,284			7,551			(7,551)					
Nursing Services	24-100-034-5120-070	7/1/2023	6/30/2024	56,880				56,880	(52,119)				4,761		(52,119)
Nursing Services	23-100-034-5120-070	7/1/2022	6/30/2023	49,616			5,600			(5,600)					
Technology Services	24-100-034-5120-373	7/1/2023	6/30/2024	24,647				24,647	(22,914)				1,733		(22,914)
Technology Services	23-100-034-5120-373	7/1/2022	6/30/2023	19,908			1,652			(1,652)					
Security	24-100-034-5120-509	7/1/2023	6/30/2024	96,760				96,760	(81,864)				14,896		(81,864)
Security	23-100-034-5120-509	7/1/2022	6/30/2023	90,815			5,379			(5,379)					
Nonpublic Teach STEM Grant	Not available	7/1/2023	6/30/2024	18,702				6,189	(14,137)			(7,948)			(14,137)
Nonpublic Teach STEM Grant	Not available	7/1/2022	6/30/2023	5,287		(1,231)		1,231							
Total Special Revenue Fund						(1,231)	48,718	658,369	(611,828)	(48,718)		(7,948)	53,258		(611,828)

East Brunswick Public Schools

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Schedule B

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Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2024

State Grantor/Program Title	Grant or State Project Number	Grant Period		Award Amount	Balance June 30, 2023			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2024			Memo	
		From	To		Unearned Revenue	(Accounts Receivable)	Due to Grantor				Unearned Revenue	(Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education															
Enterprise Fund:															
State School Lunch Program	24-100-010-3350-023	7/1/2023	6/30/2024	\$ 81,641				\$ 77,996	\$ (81,641)		\$ (3,645)			\$ (81,641)	
State School Lunch Program	23-100-010-3350-023	7/1/2022	6/30/2023	62,311	\$	(3,170)		3,170							
State School Breakfast Program	24-100-010-3350-023	7/1/2023	6/30/2024	7,048				6,618	(7,048)		(430)			(7,048)	
State School Breakfast Program	23-100-010-3350-023	7/1/2022	6/30/2023	3,471		(268)		268							
Summer-EBT Administrative Cost Reimbursement	N/A	7/1/2023	6/30/2024	1,556					(1,556)		(1,556)			(1,556)	
Total Enterprise Fund						(3,438)		88,052	(90,245)		(5,631)			(88,689)	
Total Expenditures of State Financial Assistance					\$ -	\$ (7,154,036)	\$ 48,718	\$ 81,393,485	\$ (81,509,477)	\$ (48,718)	\$ -	\$ (3,403,414)	\$ 53,258	\$ (3,919,872)	\$ (81,507,921)
State Financial Assistance Not Subject to Single Audit Determination:															
On-Behalf TPAF - Pension Contribution	24-495-034-5094-002	7/1/2023	6/30/2024	25,580,608				\$ 25,580,608	\$ (25,580,608)					\$ (25,580,608)	
On-Behalf TPAF - Post-Retirement Medical	24-495-034-5094-001	7/1/2023	6/30/2024	6,962,105				6,962,105	(6,962,105)					(6,962,105)	
On-Behalf TPAF - Long-Term Disability Insurance	24-495-034-5094-004	7/1/2023	6/30/2024	10,945				10,945	(10,945)					(10,945)	
Total State Financial Assistance Subject to Single Audit Determination					\$ -	\$ (7,154,036)	\$ 48,718	\$ 48,839,827	\$ (48,955,819)	\$ (48,718)	\$ -	\$ (3,403,414)	\$ 53,258	\$ (3,919,872)	\$ (48,954,263)

The accompanying notes to schedules of expenditures of federal awards and state financial assistance are an integral part of this statement.

## East Brunswick Public Schools

### Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

Year ended June 30, 2024

#### **1. General**

The accompanying schedules of expenditures of federal awards and state financial assistance include the federal award and state financial assistance activity under programs of the federal and state government for the year ended June 30, 2024. The District is defined in Note 1 to the District's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies are included on the schedules of expenditures of federal awards and state financial assistance.

#### **2. Basis of Presentation**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the enterprise fund, which are presented using the accrual basis of accounting and those recorded in the special revenue fund, which are presented using the budgetary basis of accounting. These bases of accounting are described in Note 1 to the District's basic financial statements. The information in these schedules are presented in accordance with the requirements of 2 CFR 200-*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in these schedules may differ from amounts presented, or used in the preparation of, the basic financial statements. Because the schedules present only selected portions of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

#### **3. Relationship to Basic Financial Statements**

Amounts reported in the accompanying schedules agree with amounts reported in the District's 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 fiscal year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

## East Brunswick Public Schools

### Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

Year ended June 30, 2024

#### 3. Relationship to Basic Financial Statements (continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$648,999 for the general fund and \$1,794,061 for the special revenue fund. See the Note to Required Supplementary Information (C-3) for a reconciliation of the budgetary basis to the GAAP basis of accounting for the general fund and special revenue fund.

As a result, the federal account receivable balance in the special revenue fund on the budgetary basis differs from the GAAP basis as follows:

<u>Accounts Receivable</u>	<u>Budgetary Basis</u>	<u>Less: CY Encumbrances</u>	<u>GAAP Basis</u>
Federal	\$ 3,527,836	\$ 113,317	\$ 3,414,519

Financial award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	<b>Federal</b>	<b>State</b>	<b>Total</b>
General Fund	\$ 122,411	\$ 80,158,405	\$ 80,280,816
Special Revenue Fund	8,427,342	611,828	9,039,170
Enterprise Fund – Food Service	1,716,530	90,245	1,806,775
Total financial award revenues	<u>\$ 10,266,283</u>	<u>\$ 80,860,478</u>	<u>\$ 91,126,761</u>

## East Brunswick Public Schools

### Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

Year ended June 30, 2024

#### **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 report.

#### **5. Other**

Revenues and expenditures reported under the Food Donation Program represent current year value received and current year distributions, respectively. TPAF Social Security Contributions represent the amounts reimbursed by the State for the employer's share of Social Security for TPAF members for the year ended June 30, 2024.

The post retirement pension medical benefits and long-term disability received on-behalf of the District for the year ended June 30, 2024 amounted to \$32,553,658. Since on-behalf post retirement pension medical and other long-term disability benefits are paid by the State directly, these expenditures are not subject to a single audit in accordance with New Jersey OMB Circular 15-08, however they are reported on the Schedule of Expenditures of State Financial Assistance, as directed by the funding agency.

#### **6. Indirect Costs**

The District charged indirect costs of \$133,552 to the Food Service Enterprise Fund. The District did not elect to use the 10% de minimis indirect cost rate allowed by the Uniform Guidance for any other grants.

East Brunswick Public Schools  
Schedule of Findings and Questioned Costs

Year ended June 30, 2024

**Part I - Summary of Auditors' Results**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ Yes   X   No

Significant deficiency(ies) identified?

\_\_\_\_\_ Yes   X   None Reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ Yes   X   No

**Federal Awards**

Internal control over major federal programs:

Material weaknesses identified?

\_\_\_\_\_ Yes   X   No

Significant deficiency(ies) identified?

\_\_\_\_\_ Yes   X   None Reported

Type of auditors' report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

\_\_\_\_\_ Yes   X   No

Identification of major federal programs:

AL Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
		<b>Special Education Cluster:</b>
84.027	H027A240100	IDEA Part B, Basic
84.173	H173A240114	IDEA Preschool
		<b>State and Local Fiscal Recovery Funds:</b>
21.027	SLFRFDOE1SES	COVID-19 Additional or Compensatory Special Education and Related Services (ACSERS)
21.027	C2221SLFRF21	COVID-19 High Impact Tutoring Competitive



# East Brunswick Public Schools

Year ended June 30, 2024

## Part I - Summary of Auditors' Results

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

X	Yes	No
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East Brunswick Public Schools  
Schedule of Findings and Questioned Costs

Year ended June 30, 2024

**Part I - Summary of Auditors' Results**

**State Financial Assistance**

Internal control over major state programs:

Material weakness(es) identified? \_\_\_\_\_ Yes   X   No

Significant deficiency(ies) identified? \_\_\_\_\_ Yes   X   None Reported

Type of auditors' report on compliance for major state programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular 15-08?

\_\_\_\_\_ Yes   X   No

Identification of major state programs:

State Grant/Project Number(s)	Name of State Program or Cluster
	<b>General State Aid Cluster:</b>
24-495-034-5120-078	Equalization Aid
24-495-034-5120-089	Special Education Categorical Aid
24-495-034-5120-084	Security Aid
24-495-034-5120-044	Extraordinary Aid

Dollar threshold used to distinguish between Type A and Type B programs:

\$1,468,675

Auditee qualified as low-risk auditee?

  X   Yes \_\_\_\_\_ No

East Brunswick Public Schools

Schedule of Findings and Questioned Costs

Year ended June 30, 2024

**Part II - Schedule of Financial Statement Findings**

No compliance or internal control over financial reporting findings noted that are required to be reported under *Government Auditing Standards*.

East Brunswick Public Schools

Schedule of Findings and Questioned Costs

Year ended June 30, 2024

**Part III – Schedule of Federal Award and State Financial Assistance Findings and Questioned Costs**

No federal award or state financial assistance program internal control over compliance or compliance findings or questioned costs were noted that are required to be reported in accordance with 2 CFR 200 Section 516(a) or New Jersey State OMB Circular 15-08.