Carteret Board of Education

Annual Comprehensive Financial Report
For the Year Ended
June 30, 2025

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Carteret Board of Education

Borough of Carteret, New Jersey

Annual Comprehensive Financial Report
For the Year Ended June 30, 2025

Prepared by

Business Office

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Introductory Section

Carmela Collazo
School Business Administrator/ Board Secretary

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599 Roosevelt Ave. Carteret, NJ 07008

RAMBLERS RISE
CARTERET PUBLIC SCHOOLS

Honorable President and
Members of the Board of Trustees Carteret Board of Education
599 Roosevelt Ave.
Carteret, NJ 07008

Dear President and Members of the Board of Education:

New Jersey Department of Education statutes require all school districts to prepare a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the Carteret Board of Education for the fiscal year ended June 30, 2025.

This report consists of management's representations concerning the finances of the Carteret Board of Education. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the Carteret Board of Education has established a comprehensive internal control framework that is designed both to protect the school district's assets from loss, theft, or misuses and to compile sufficient reliable information for the preparation of the Carteret Board of Education's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Carteret Board of Education's comprehensive framework of internal controls are designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

PKF O'Connor Davies, LLP, a firm of licensed certified public accountants, have audited the Carteret Board of Education's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Carteret Board of Education for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Carteret Board of Education's financial statements for the fiscal year ended June 30, 2025 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Carteret Board of Education was part of a broader, federally and state mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards and state financial assistance. These reports are available in the Single Audit Section of the Carteret Board of Education's ACFR.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter

of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Carteret Board of Education's MD&A can be found immediately following the report of the independent auditors.

REPORT FORMAT

The Annual Comprehensive Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The purpose of each section of the ACFR is as follows:

- **Introductory Section** – This section includes this transmittal letter, the District's organization chart and a list of principal officials. This section is intended to familiarize the reader with the organizational structure of the District, the nature and scope of the services it provides, and the specifics of its legal operating environment. It is primarily designed for the taxpayer.

- **Financial Section** – This includes the independent auditors' report, the Management's Discussion and Analysis (MD&A), basic financial statements, supplemental information, and the combining and individual fund schedules. It is primarily designed for oversight and legislative bodies.

- **Statistical Section** – This section includes selected financial and demographic information, generally presented on a multi-year basis. This section is intended to provide ACFR users with a broader and complete understanding of the school district and its financial affairs than are possible from the financial statements and supporting schedules included in the Financial Section. It is primarily designed for investors and creditors (similar to information contained in an Official Statement).

- **Single Audit Section** – The District is required to undergo an annual single audit in conformity with the provisions Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*.

  Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, is included in the Single Audit Section of this report.

  This section includes independent auditors' reports on compliance and internal control, schedules of expenditures of federal awards and state financial assistance, notes to the schedules of expenditures of federal awards and state financial assistance, schedule of findings and questioned costs, and a summary schedule of prior year audit findings. Uniform Guidance and New Jersey OMB Circular 15-08 require this information.

REPORTING ENTITY AND ITS SERVICES

The Carteret Board of Education is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds of the District are included in this report. The Board of Education and all its schools constitute the District's reporting entity.

Organization of the Board of Education

The Board of Education is a Type II school district whose boundaries are coterminous with the Borough of Carteret in Middlesex County, New Jersey.

The Board of Education has nine (9) members that are elected for three (3) year overlapping terms. The members of the Board are residents of the Borough of Carteret and vote on all matters before the Board of Education.

On January 25, 2012, the Board of Education adopted a resolution to move the annual school election for school board members to November during the regular general election pursuant to Public Law 2011, Chapter 202. In the first week of January, following the annual school election the Board of Education will be organized. The above legislation provides that if a board of education's annual school election is moved to November, voter approval shall not be required for the board of education's base budget, which is a budget with a proposed tax levy that does not exceed its tax levy cap. This decision shall remain in effect for a minimum of four years pursuant to Section 1 of the said Public Law.

The Board holds a Regular Meeting once a month, with certain exceptions. These meetings dates are adopted at the Annual Reorganization Meeting.

The general mandatory powers and duties of the Board of Education are:

1. To adopt an official seal;
2. To enforce the rules of the State Board of Education
3. To make, amend and repeal rules, not inconsistent with applicable laws or with the rules of the State Board, for its own governance and the transaction of its business and for the governance and management of the public schools and public school property, and for the employment, regulations of conduct and discharge of its employees, subject where applicable to the provisions of Article 14, Civil Services of the Revised Statutes.
4. To perform all acts and do all things consistent with law and the rules of the State Board of Education necessary for the lawful and proper conduct, equipment and maintenance of the public schools.

The Board of Education provides a full range of educational services appropriate to grade levels Pre-K through 12 for residents of the Borough of Carteret. These include regular, vocational, as well as special education for handicapped youngsters. The District also provides programs for the children requiring academic remediation and for children with limited English language proficiency.

ECONOMIC CONDITIONS AND OUTLOOK

The financial condition of the District is linked to the status of the taxable ratables of the Borough of Carteret. The tax base is relatively stable. Elected municipal officials and the members of the Board of Education have both expressed strong concern for increased economic vitality within the Borough of Carteret, and development of budgets that reflect stability with preferably no increase in the local tax levy. The high tax burden and the need to attract tax ratables remain a challenge to the local elected officials.

The Mayor of the Borough of Carteret, together with Borough Council, is exploring the creation of an economic development authority that would be charged with stimulating growth and encouraging investment. Carteret currently has eighty businesses participating in the New Jersey Urban Enterprise Zone Program. The Mayor has proposed to develop the Borough's waterfront, which would increase the ratables by approximately one billion dollars. The Borough of Carteret has constructed a wellness center, which is managed by Robert Wood Johnson Hospital. An investment in the community is required to improve the quality of life for the citizenry. Quality of life factors include an improved life style, recreation, employment opportunities, commercial and industrial growth, and well-planned full municipal services to address the needs of its constituency.

The Borough of Carteret has approved and has commenced work on various developments to revitalize the local economy. The following future economic development project is planned:

- Ferry Service to NYC

Strengths of Carteret include a diverse population, abundant and eager workforce, and an accessible highway system. Carteret can serve as a spur to surrounding hub municipalities like Woodbridge, Elizabeth, Edison, and airport and seaport access within five (5) miles. A key factor involves the restoration of usable land for development.

The Borough of Carteret is designated an Urban Enterprise Zone that carries a reduced New Jersey sales tax rate as an incentive to economic growth. The New Jersey sales tax in an Urban Enterprise zone was and remains three and a half (3.5%) percent, as compared with a seven (7%) percent sales tax in other areas of the State.

The low tax base and the high local tax rate in the Borough of Carteret classifies the school district as a "B" district in the New Jersey Department of Education's district factor groupings (DFG). In 1980, the school district was given the ranking of "C." In 1990, the school ranking was given the ranking of "B." The School District Factor Grouping (DFG) is a system of ranking schools by socio-economic status. The DFG group designations are based on information from census data and include the following community data:

* Income;
* Poverty;
* Unemployment;
* Percent with no high school diploma;
* Percent with some college;
* Occupations; and
* Population density;

There are eight DFG groupings: A designates the lowest socio-economic level and includes B, CD, DE, FG, GH, J. and I The DFG groupings are valuable for comparison of districts with similar profiles for purposes of state aid and assessment information.

MAJOR INITIATIVES

Facilities

The District received ROD grant funds for roof replacements at Carteret Middle School, Columbus School, Carteret High School and Private Nicholas Minue School. Renovations to stairwells and bathrooms at Columbus School, Carteret Middle School and Minue School are complete.

The District was also awarded a Preschool Facilities Expansion Grant, which will be used to build an addition for three and four-year-old PreK students at Columbus Elementary School. The additional classrooms will help meet the growing needs of the community and allow the district to reallocate classrooms to meet the needs of both preschool and special Education Students.

The District has also taken steps to improve and increase security measures at each our schools. As part of these efforts, capital funds were allocated towards the redesign of the new Carteret High School security vestibule. This includes increased security processes and the future implementation and use of metal detectors.

Meaningful And Targeted Professional Development:

- Mental Health & Wellness programs and strategies to support staff and students
- Social Emotional Learning training
- Coaching on best practices that support reading, writing, and differentiation of instruction in grades K-8
- K-8 ESL and SIOP training
- ESL-related professional development

- Understanding Biliteracy and ELL Learners
- STOP the Bleed training for staff and students
- Innovamat Math PD sessions and coaching
- Co-Teaching Training and Coaching at the HS
- AI PD for administrators, administrative assistants, and staff
- Mentoring and new teacher coaching
- Professional development on meeting the NJSLS and academic needs of the students

Partnerships With Colleges, Universities And Trade Schools:

- Rutgers State University
- Middlesex College
- NJ Carpenter's Unions

Curricular Support And Resources:

- Edario scheduling platform to assist with program offerings and placements
- Curriculum revisions to ensure alignment with updated DOE standards
- Continuing Implementation of the Multi-Tiered System of Supports for Academics
- Implementation of a new math program to support the math workshop model
- Continued implementation of science-based reading and writing programs
- Documented Interventions through LinkIt Intervention Manager
- Preschool Disabled Program Expansion
- Autism Program Expansion
- Purchase of assessment, instructional tools and additional resources in Spanish Language Arts

Security Measures

- Monthly meetings with the Middlesex County Office of Emergency
- Door upgrade project, including swipe access door locks throughout the district
- Redesign and renovations to the Carteret High School Security Vestibule complete
- Purchase of metal detectors

FINANCIAL ACCOUNTING AND REPORTING:

The Carteret Board of Education continues to utilize the Systems 3000 software for financial accounting, payroll, and personnel since July 1, 2005. Beginning in Fiscal Year 2015, the parents were able to input the lunch applications on-line. The district has implemented point of sales (POS) system for the food service. Since the implementation of the POS System, the district has realized an increase in revenue. All maintenance and technology work orders are processed utilizing the School Dude software for Maintenance and Technology work-order system The Special Education Department utilizes IEP Direct special needs students' data base software. The Student Database software provider was changed from PowerSchool to Realtime.

INTERNAL CONTROL STRUCTURE:

Management 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) in the United States of America. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of controls should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

The District receives federal and state financial assistance, and is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the management of the school district. The District has established policies and procedures to effectively implement and maintain an internal accounting control structure that safeguards the District's financial integrity. These policies and procedures are evaluated and revised on an on-going basis.

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

BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the General, the Special Revenue, and the Debt Service Funds. Project-length budgets are approved for the capital improvements accounted for in the Capital Projects Fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end either are canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as assignments of fund balance at June 30, 2025.

The New Jersey Department of Education has prescribed forms and formats for the presentation of the annual school budget. The Board of Education adheres to Department of Education requirements for budget development, presentation, and adoption.

PROPRIETARY FUND

The Food Service Fund accounts for the operation of food service in all schools within the school district. The Enrichment Academy Fund accounts for the Before and After School program offered to the students of Carteret Public Schools.

DEBT ADMINISTRATION

The Carteret Public Schools is authorized to issue debt based on the action of voters at authorized elections where a referendum is approved. Once the voters approve the referendum, the district is authorized to issue debt, with the payment of principal and interest becoming a part of the annual budget. The School Funding Reform Act of 2008 (SFRA) provides state aid to assist in the support of the district's debt obligation.

In prior fiscal years, the District completed capital construction programs financed through certificates of participation. The balance of the certificates of participation is $2,790,000 as of June 30, 2025.

During the FY2020, the District issued $36,999,995 of serial bonds to construct a new junior high school for grades 7 and 8; make all necessary onsite improvements and purchase the necessary equipment, furniture, apparatus and fixtures associated with the new junior high school; and undertake various interior renovations and capital improvements to Columbus Elementary School, Minue Elementary School, Nathan Hale Elementary School, Carteret Middle School and Carteret High School consisting of, as applicable, renovations to bathrooms, stair towers/handrails and the high school auditorium, and replacement of HVAC in the gym/auditorium at Minue Elementary School and Carteret Middle School,

including all fixtures, furnishings, equipment and related work. The balance of the serial bonds payable is $33,395,000 as of June 30, 2025.

CASH MANAGEMENT

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

RISK MANAGEMENT

The Board of Education utilizes an insurance consultant to assist in the review and evaluation of its third party commercial insurances. The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents and fidelity bonds. The statistical section of the ACFR includes a schedule that outlines the types and amounts of coverage.

OTHER INFORMATION

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of PKF O'Connor Davies, LLP. In addition to meeting the requirements set forth in state statues, the audit also was designed to meet the requirements of U. S. Uniform Guidance and State Treasury Circular OMB 15-08. The auditors' report on the basic financial statements and combining and individual fund statements and schedules is 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.

ACKNOWLEDGMENTS

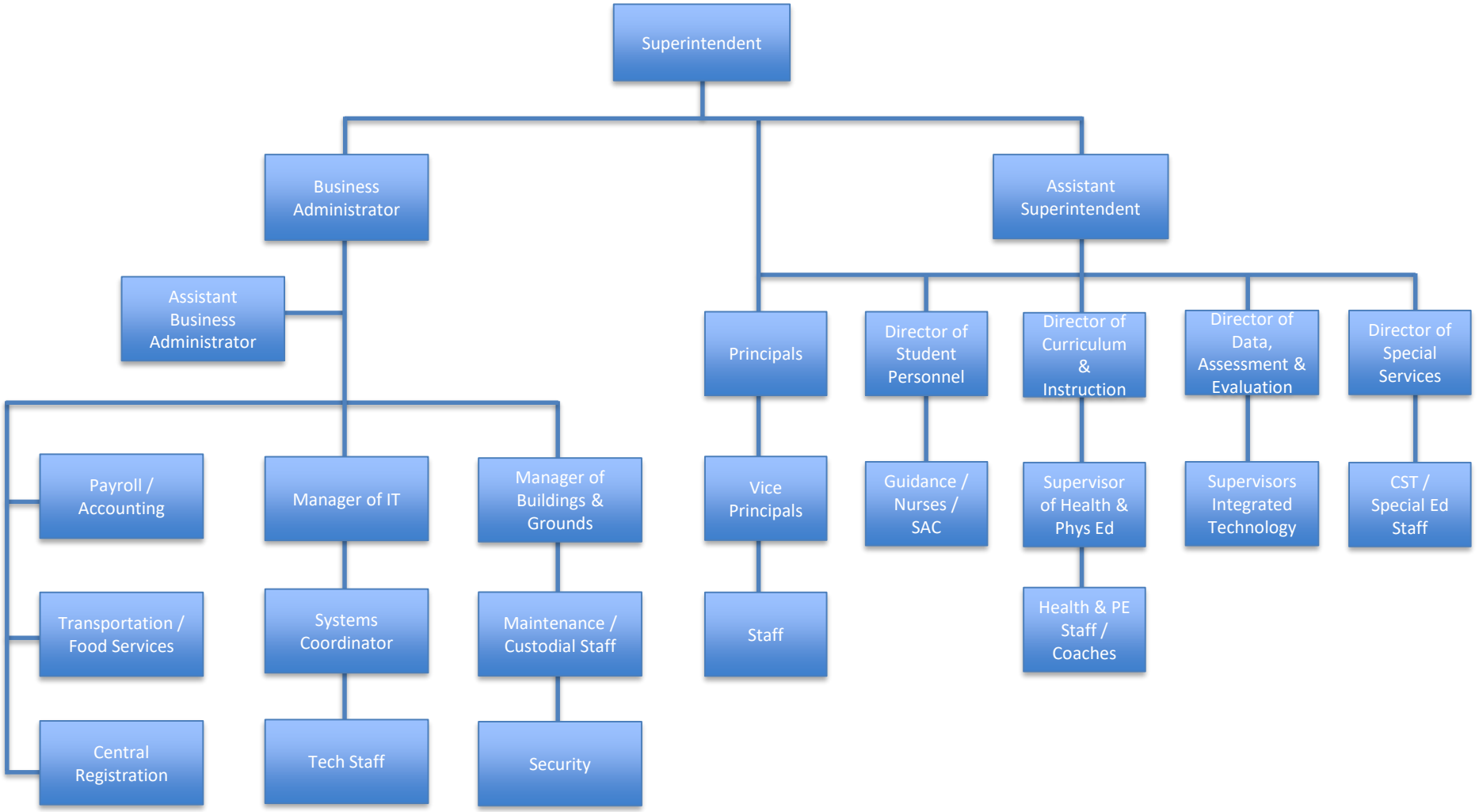
We would like to express our appreciation to the members of the Carteret School Board for their concern in providing fiscal accountability to the citizens and taxpayers of Carteret and thereby contributing their full support to the development and maintenance of our financial operation. We also acknowledge the efforts of the Business Office staff without which this report could not have been completed.

Respectfully Submitted,

Rosa Diaz
Superintendent of Schools

Carmela Collazo
Business Administrator/Board Secretary

Carteret Public Schools



Organization Chart

CARTERET BOARD OF EDUCATION
ROSTER OF OFFICIALS
AS OF JUNE 30, 2025

Members of the Board of Education	Term Expires December 31,
Martin Murray, President	2025
James P. Hart III, Vice President	2027
Dennis Cherepski	2026
Taqualla Lowman	2025
Jean Bellino	2026
Jasbir Judge	2027
Kyle Hansen	2025
Claire Panazzolo	2026

Other Officials

Rosa Diaz, Superintendent of Schools

Carmela Collazo, Business Administrator/Board Secretary

CARTERET BOARD OF EDUCATION
CONSULTANTS AND ADVISORS
AS OF JUNE 30, 2025

AUDITORS

PKF O'CONNOR DAVIES, LLP
300 TICE BOULEVARD, SUITE 315
WOODCLIFF LAKE, NEW JERSEY 07677

ATTORNEYS

DECOTIIS, FITZPATRICK & COLE LLP
GLENPOINTE CENTRE WEST
500 FRANK W. BURR BOULEVARD, SUITE 31
TEANECK, NJ 07666

OFFICIAL DEPOSITORIES

INVESTORS BANK
101 WOOD AVENUE SOUTH
ISELIN, NJ 08830

UNITED ROOSEVELT SAVINGS BANK
11-15 COOKE AVENUE
CARTERET, NJ 07008

Financial Section

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Independent Auditors' Report

Honorable President and Members
of the Board of Trustees
Carteret Board of Education
Carteret, New Jersey
County of Middlesex

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Carteret Board of Education (the "Board of Education"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Board of Education'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 and each major fund of the Board of Education as of June 30, 2025, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Board of Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Policy

We draw attention to Note 9 in the notes to the financial statements which disclose the effects of the District's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 101, "*Compensated Absences*". Our opinion is not modified with respect to this matter.

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.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board of Education'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 Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board of Education's ability to continue as a going concern for a reasonable period of time.

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

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 Board of Education'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, 2025. 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.

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 15, 2025, on our consideration of the Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board of Education's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Woodcliff Lake, New Jersey
December 15, 2025

Gary W. Higgins, CPA
Licensed Public School Accountant, No. CS00814

Required Supplementary Information – Part I

Management's Discussion and Analysis

Carteret Board of Education
Carteret, New Jersey

Management's Discussion and Analysis
Fiscal Year Ended June 30, 2025

This section of Carteret Board of Education annual financial report presents our discussion and analysis of the Board's financial performance during the fiscal year that ended on June 30, 2025. Please read it in conjunction with the transmittal letter at the front of this report and the Board's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34- *Basic Financial Statements- and Management's Discussion and Analysis – for State and Local Governments*. Certain comparative information between the current year (2024-2025) and the prior year (2023-2024) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

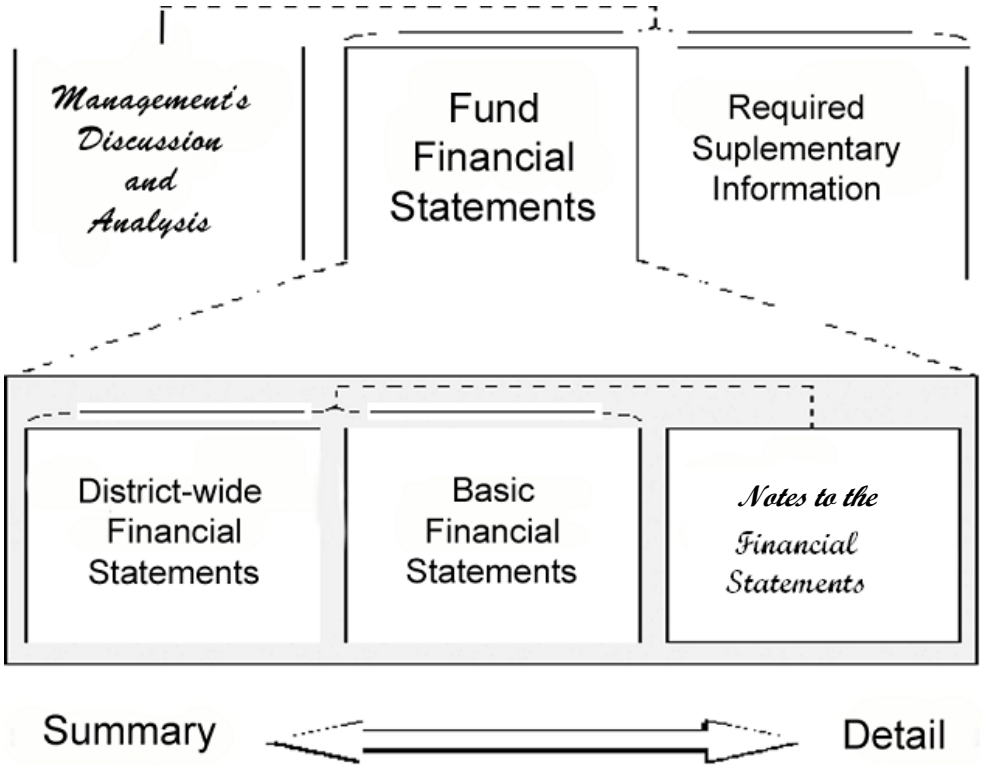
Key financial highlights for the 2024-2025 fiscal years include the following:

- The General Fund fund balance on a GAAP basis at June 30, 2025 was $23,499,084 which represents an increase of $5,363,007 when compared with the beginning balance at July 1, 2024.
- The General Fund budgetary fund balance at June 30, 2025 was $29,459,525 which represents an increase of $6,348,031 when compared to the ending budgetary fund balance of $23,111,494 at June 30, 2024. The difference in GAAP basis fund balance to budgetary fund balance is $5,960,441, which represents the delay of the final 2024-2025 State aid payments, which were not realized as revenue in the GAAP basis financial statements.
- The General Fund unassigned (unreserved, undesignated) budgetary fund balance was $2,401,183 at June 30, 2025. This represents an increase of $436,002 when compared to the balance of $1,965,181 as of June 30, 2024. This amount represents the maximum unassigned balances in both years.
- GASB Statement No. 101, *Compensated Absences* was implemented during the fiscal year ended June 30, 2025. Implementation of this standard required a retroactive adjustment to beginning net position of ($3,844,357) for governmental activities and ($63,567) for business-type activities. These adjustments are not reflected in the financial statements as of June 30, 2024.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditors' Report, required supplementary information that includes the management's discussion and analysis (this section), the basic financial statements including the notes to the financial statements, required supplementary information that includes schedules related to accounting and reporting for pensions and OPEB (GASB 68 and 75) and other supplementary information that includes various financial schedules. The basic financial statements include two kinds of statements that present different views of the Carteret Board of Education.

Figure A-1. Required Components of the Board's Annual Comprehensive Financial Report



- The first two statements are district-wide financial statements that provide both short-term and long-term information about the Carteret Board of Education's overall financial status.

- The remaining statements are fund financial statements that focus on individual parts of the Carteret Board of Education, reporting the Carteret Board of Education's operation in more detail than the district-wide statements.

- The governmental funds statements tell how basic services such as regular and special education were financed in short term as well as what remains for future spending.

- Proprietary funds statements offer short- and long-term financial information about the activities the Carteret Board of Education operates like businesses.

The basic financial statements include the notes that explain some of the information in the statements and provide data that are more detailed. Figure A-2 summarizes the major features of the Carteret Board of Education's financial statements, including the portion of the Carteret Board of Education's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Figure A-2

	District-wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance, food service, and enrichment academy	Activities the district operates similar to private businesses: Food service fund; Enrichment Academy
Required financial statements	Statements of net position Statement of activities	Balance sheet Statement of revenues expenditures and changes in fund balances	Statement of net position Statement of revenues, expenses, and changes in fund net position Statement of cash flows
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets, liabilities, deferred inflows/ outflows of resources, and both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid

District-wide Statements

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

The two district-wide statements report the Carteret Board of Education's net position and how they have changed. Net position – the difference between the district's assets and deferred outflows of resources versus liabilities and deferred inflows of resources – are one way to measure the Board's financial health or position.

- Over time, increase or decreases in the district's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

- To assess the overall health of the district you need to consider additional non-financial factors such as changes in the district's property tax base and the condition of school building and other facilities.

In the district-wide financial statements, the district's activities are shown in two categories:

- *Governmental activities*- Most of the district's basic services are included here, such as regular and special education, transportation, administration and plant operations. Property taxes and state aids finance most of these activities.

- *Business-type activities*- The Board charges fees to customers to help it cover the costs of certain services it provides. The Board's Food Service Fund and Enrichment Academy Fund are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the district's funds – focusing on its most significant or "major" funds – not the district as a whole. Funds are accounting devices the district uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.

- The district uses other funds, established in accordance with the State of New Jersey Uniform Chart of Accounts, to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal funds).

Fund Financial Statements (Continued)

The district has two types of funds:

- *Governmental funds*- Most of the Board's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Board's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.
- *Proprietary funds*- Services for which the Board charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide business-type statements.

FINANCIAL ANALYSIS OF THE CARTERET BOARD OF EDUCATION AS A WHOLE

Net Position. The District's net position for governmental and business type activities were $35,053,203 and $30,208,703 on June 30, 2025 and 2024, respectively. (See Table A-1).

Table A-1
Statement of Net Position
As of June 30, 2025 and 2024

	2025	2024
Assets		
Current and Other Assets	$ 34,438,395	$ 32,986,621
Capital Assets	56,480,744	52,356,309
Total Assets	**90,919,139**	**85,342,930**
Deferred Outflows of Resources	865,168	863,386
Total Deferred Outflows of Resources	**865,168**	**863,386**
Liabilities		
Non-Current Liabilities	51,850,323	49,938,053
Other Liabilities	4,187,742	5,120,569
Total Liabilities	**56,038,065**	**55,058,622**
Deferred Inflows of Resources	693,039	938,991
Total Deferred Inflows of Resources	**693,039**	**938,991**
Net Position:		
Net Investment in Capital Assets	25,335,196	22,049,446
Restricted	17,962,808	16,922,974
Unrestricted	(8,244,801)	(8,763,717)
Total Net Position	**$ 35,053,203**	**$ 30,208,703**

FINANCIAL ANALYSIS OF THE CARTERET BOARD OF EDUCATION AS A WHOLE (Continued)

GASB Statement No. 101 was implemented during the 2025 fiscal year, which required a retroactive adjustment of governmental activities beginning net position in the amount of($3,907,924). This amount is not reflected in the June 30, 2024 net position shown above.

Net position from current year operations for the fiscal year ended June 30, 2025 increased $8,752,424.

The District's financial position is the product of these factors:

- Program revenues for Governmental Activities were $23,822,725 for operating grants and contributions.
- Program revenues for business – type activities
  - ✓ Charges for services $1,080,046.
  - ✓ Operating grants and contributions $2,542,400.
- Combined general revenues for Governmental activities and Business-Type activities during the 2024-2025 school year were $82,448,254.
- Expenditures were $98,074,915 for Governmental activities and $3,769,002 for business type activities.
- On the Statement of Activities, general revenues and beginning net position are adjusted by expenses net of program revenues to arrive at net position of $35,053,203 at June 30, 2025.

Basic Financial Statements

District-wide Financial Statements

The district-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, 2025.

FINANCIAL ANALYSIS OF THE CARTERET BOARD OF EDUCATION AS A WHOLE (Continued)

Table A-2
Changes in Net Position
For the Fiscal Years Ended June 30, 2025 and 2024

	2025	2024
Revenues		
Program revenues		
Charges for Services	$ 1,080,046	$ 1,120,140
Operating Grants and Contributions	26,365,125	26,393,058
Capital grants and contributions	702,916	
General revenues		
Property Taxes	28,693,186	29,929,450
Federal and State Aid	52,035,853	44,404,317
Other	1,719,215	916,216
Total Revenues	**110,596,341**	**102,763,181**
Expenses		
Instruction		
Regular	40,368,849	39,498,780
Special Education	10,408,455	10,967,329
Other Instruction	4,433,493	3,858,748
School Sponsored Activities and Athletic Support Services	874,788	837,816
Support Services		
Student and Instruction Related Services	20,019,413	17,941,096
General Administration Services	1,355,899	1,221,509
School Administration Services	4,107,749	4,052,851
Plant Operations and Maintenance	7,423,265	6,105,378
Pupil Transportation	5,922,852	5,608,520
Central Services	1,467,988	1,542,534
Charter schools	443,918	330,534
Special schools	259,381	271,771
Interest on Long-Term Debt	988,865	1,105,124
Food Service	3,467,604	3,333,131
Enrichment Academy	301,398	259,496
Total Expenses	**101,843,917**	**96,934,617**
Change in Net Position	8,752,424	5,828,564
Net Position, Beginning of Year, as Reported	30,208,703	24,380,139
Cumulative effect of change in accounting principle	(3,907,924)	
Net Position, Beginning of Year, as Restated	26,300,779	24,380,139
Net Position, End of Year	**$ 35,053,203**	**$30,208,703**

FINANCIAL ANALYSIS OF THE CARTERET BOARD OF EDUCATION AS A WHOLE (Continued)

Changes in Net Position. The district's total revenues were $110,596,341 and $102,763,181 in 2025 and 2024, respectively. Property taxes of $28,693,186 and $29,929,450 represented 26% and 29% of revenues for the years ended June 30, 2025 and 2024, respectively. The District's state and federal aid of $79,103,894 and $70,797,375 represented 72% and 69% of revenues for the years ended June 30, 2025 and 2024, respectively. Charges for services of $1,080,046 and $1,120,140 in 2025 and 2024, respectively, and represent approximately 1% and 2% of revenues for the years ended June 30, 2025 and 2024, respectively.

The smallest component of revenues is "Other Revenue." The largest source of "Other Revenue" is miscellaneous and interest income, with $1,719,215 and $916,216 earned in the fiscal years ended June 30, 2025 and 2024, respectively.

The Board's expenses for governmental activities are predominantly related to instruction and support services. Instruction totaled $56,085,585 and $55,162,673 which represented 57% and 59% of total governmental expenditures for the years ended June 30, 2025 and 2024, respectively. Student support services, exclusive of administration, totaled $20,019,413 and $17,941,096 (20% and 19%) of total expenditures for the years ended June 30, 2025 and 2024, respectively.

Table A-3
Total and Net Cost of Services of Governmental Activities
For the Fiscal Years Ended June 30, 2025 and 2024

Functions/Programs	Source	Total Cost of Services		Net Cost of Services	
	Exhibit	2025	2024	2025	2024
Governmental Activities					
Instruction					
Regular	A-2	$ 40,368,849	$ 39,498,780	$ (32,509,757)	$ (30,271,902)
Special Education	A-2	10,408,455	10,967,329	(2,815,652)	(4,601,306)
Other Instruction	A-2	4,433,493	3,858,748	(3,926,868)	(3,257,395)
School Sponsored Activities and Athletics	A-2	874,788	837,816	(773,303)	(708,846)
Support Services					
Student and Instruction Related Services	A-2	20,019,413	17,941,096	(16,147,661)	(13,872,032)
General Administration Services	A-2	1,355,899	1,221,509	(1,222,823)	(1,053,240)
School Administration Services	A-2	4,107,749	4,052,851	(3,664,260)	(3,443,289)
Plant Operations and Maintenance	A-2	7,423,265	6,105,378	(4,425,646)	(4,584,515)
Pupil Transportation	A-2	5,922,852	5,608,520	(5,336,789)	(5,071,629)
Charter schools	A-2	443,918	330,534	(443,918)	(330,534)
Special schools	A-2	259,381	271,771	(243,082)	(237,536)
Central Services	A-2	1,467,988	1,542,534	(1,276,365)	(1,215,682)
Interest on Long-Term Debt	A-2	988,865	1,105,124	(763,150)	(811,460)
Total Governmental Activities		$ 98,074,915	$ 93,341,990	$ (73,549,274)	$ (69,459,366)

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the Carteret Board of Education is reflected in its governmental funds as well. The District completed the fiscal years ended June 30, 2025 and 2024 with its governmental funds reporting combined fund balance (GAAP Basis) of $28,698,680 and $26,136,567 as of June 30, 2025 and 2024, respectively. The increase of $2,562,113 is the net result of current year operations.

Revenues and other financing sources for the District's governmental funds were $119,661,297 and $108,918,100 for the fiscal years ended June 30, 2025 and 2024, respectively. Total expenditures and other financing uses were $117,099,184 and $107,186,257 for the fiscal years ended June 30, 2025 and 2024, respectively.

GENERAL FUND

The General Fund includes the primary operations of the district in providing educational services to students from pre-kindergarten through grade 12 including pupil transportation activities and capital outlay projects.

The following schedule presents a summary of General Fund revenues and transfers for the fiscal years ended June 30, 2025 and 2024.

Table A-4
Summary of General Fund Revenues and Transfers
For the Fiscal Years Ended June 30, 2025 and 2024

General Fund Revenues and Transfers	2025	2024
Local Sources:		
Local Tax Levy	$ 28,268,198	$ 27,988,310
Interest Income	359,525	277,529
Miscellaneous	1,214,953	459,069
Total Local Sources	29,842,676	28,724,908
Intergovernmental		
State Sources	77,487,509	67,417,243
Federal Sources	92,378	109,638
Total Intergovernmental Sources	77,579,887	67,526,881
Transfers		
Transfer in - Capital Projects Fund	100,790	146,134
Total Transfers	100,790	146,134
Total Revenues and Transfers	**$ 107,523,353**	**$ 96,397,923**

GENERAL FUND (continued)

Property taxes and state formula aid accounted for 98 percent and 99 percent of total revenues for the 2025 and 2024 fiscal years, respectively. Interest income, federal revenues and miscellaneous revenues accounted for 1 percent and 1 percent of total revenues for the 2025 and 2024 fiscal years, respectively.

The following schedule presents a summary of General Fund expenditures for the fiscal years ended June 30, 2025 and 2024.

Table A-5
Summary of General Fund Expenditures
For the Fiscal Years Ended June 30, 2025 and 2024

	2025	2024
Current		
Regular Instruction	$ 41,343,994	$ 39,398,774
Special Education Instruction	10,778,195	10,742,707
Other Special Instruction	4,994,303	4,268,314
School Sponsored Activities and Athletics	982,160	921,872
Support Services and Undistributed Costs:		
Student and Instruction Related Services	17,767,879	14,866,087
School Administration Services	4,750,024	4,548,166
General Administration Services	1,492,733	1,328,806
Plant Operations and Maintenance	7,193,727	7,405,856
Pupil Transportation	5,836,902	5,523,521
Central Services	1,674,213	1,606,054
Charter Schools	443,918	330,534
Special Schools	306,664	298,692
Capital Outlay	2,319,307	1,886,988
Total Expenditures	**$ 99,884,019**	**$ 93,126,371**

General Fund Budgetary Highlights

The District's budget is prepared according to New Jersey Department of Education guidelines, and is based on accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The most significant budgetary fund is the General Fund. Over the course of both years, the Board revised the annual operating budgets several times. These budget amendments were related to:

- ✓ Reserved for Encumbrance— The roll over of prior year assigned for encumbrances increased the district-operating budget.

GENERAL FUND (continued)

Actual expenditures (exclusive of on-behalf expenditures) and other financing sources were $84,760,235 and $77,527,411 the years ended June 30, 2025 and 2024, respectively. Revenues (exclusive of on-behalf revenues) and other financing sources were $90,123,242 and $79,216,310 for the fiscal years ended June 30, 2025 and 2024, respectively.

DEBT SERVICE FUND

The amount of debt service expenditures were $2,455,200 and $2,475,075 for the fiscal years ended June 30, 2025 and 2024, respectively. Revenues include $1,924,988 and $1,941,140 from the property tax levies and transfer from capital reserve, and $530,212 and $533,935 coming from state aid for the fiscal years ended June 30, 2025 and 2024, respectively.

BUSINESS-TYPE ENTERPRISE FUNDS

The District's total business-type activities revenues were $3,666,393 and $3,664,057 for the years ended June 30, 2025 and 2024, respectively. Charges for services accounted for 29% and 32% of total revenue for the 2025 and 2024 years. Operating grants and contributions of $2,542,400and $2,417,693 accounted for 69% and 68% of total revenue, for the fiscal years ended June 30, 2025 and 2024, respectively.

The total cost of all business-type activities programs and services was $3,769,002 and $3,592,627 for the fiscal years ended June 30, 2025 and 2024, respectively. The District's expenses are related to food service programs provided to all students and faculty and the operation of the program for enrichment academy for before and after school activities.

Total business-type activities expenses exceeded revenues during the year ended June 30, 2025 decreasing net position by $(102,609) over the prior year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets – Governmental Activities

As of June 30, 2025 and 2024, the district had invested $84,410,469 and $78,410,670, respectively, in a broad range of capital assets, including school buildings, athletic facilities, computer and audio-visual equipment, and administrative offices. (See Table A-6) More detailed information about capital assets can be found in Note 4 of the basic financial statements. Total depreciation expense for the fiscal years ended June 30, 2025 and 2024 was $2,024,351 and $1,869,158, respectively.

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Table A-6
Capital Assets - Governmental Activities
as of June 30, 2025 and 2024

	2025	2024
Land	$ 384,459	$ 384,459
Land Improvements	467,281	393,249
Buildings and Building Improvements	76,661,017	72,654,366
Construction in Progress	3,495,155	1,837,218
Machinery and Equipment	3,402,557	3,141,378
Total	**84,410,469**	**78,410,670**
Less: Accumulated Depreciation	28,605,548	26,581,197
Total	**$ 55,804,921**	**$ 51,829,473**

Capital Assets – Business-type Activities

The District as of June 30, 2025 and 2024 had $1,602,879 and $1,383,234 invested in building improvements and machinery and equipment for its Food Service Fund. Depreciation was $81,258 and $56,080 for the fiscal years ended June 30, 2025 and 2024, respectively.

Table A-7
Capital Assets - Business-Type Activities
as of June 30, 2025 and 2024

	2025	2024
Building Improvements	$ 22,069	$ 22,069
Machinery and Equipment	1,580,810	1,361,165
	1,602,879	1,383,234
Less: Accumulated Depreciation	927,056	856,398
Total Net	**$ 675,823**	**$ 526,836**

Long-term Liabilities

The District had $33,395,000 and $34,295,000 at June 30, 2025 and 2024, respectively, in general obligation bonds, respectively. The bonds were comprised of one issue which was the 2020 school bonds.

In addition, the District had $2,790,000 and $3,300,000 at June 30, 2025 and 2024, respectively, in certificates of participation for various school improvements. These agreements were funded by the issuance of refunding certificates of participation ("COPS") as discussed in Note 4 to the basic financial statements.

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

The District also had $8,382,024 and $4,632,289 at June 30, 2025 and 2024, respectively, as a liability for compensated absences for its governmental activities. This liability represents the district's contractual obligation to compensate employees for accumulated unused sick leave and severance pay upon retirement. GASB Statement No. 101 was implemented during the 2025 fiscal year, which required a retroactive adjustment to compensated absences for its governmental activities in the amount of $3,844,357, which is not reflected above.

The business-type activities had a compensated absences balance of $62,261 as of June 30, 2025.

The District had $7,221,038 and $7,710,764 at June 30, 2024 and 2023, respectively, in net pension liability regarding the Public Employees' Retirement System.

More detailed information about the district's long-term liabilities is presented in Note 4 to the basic financial statements.

Table A-8
Long Term Debt Liabilities
as of June 30, 2025 and 2024

Governmental Activities	**2025**	**2024**
Bonds Payable	$ 33,395,000	$ 34,295,000
Certificates of Participation Payable	2,790,000	3,300,000
Net Pension Liability	7,221,038	7,710,764
Compensated Absences	8,382,024	4,632,289
Total	**$ 51,788,062**	**$ 49,938,053**

FOR THE FUTURE

The Carteret Board of Education is in sound financial condition presently. The District is proud of its community support of the public schools. A major concern is the continued enrollment growth of the District and the increased reliance on property taxes.

In conclusion, the District has committed itself to continue its system of financial planning, budgeting and internal financial controls to meet the challenge of the future.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Board's finances and to demonstrate the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Carteret Board of Education, 599 Roosevelt Avenue, Carteret, New Jersey 07008.

Contact: Carmela Collazo, School Business Administrator/Board Secretary
Telephone: 732-541-8960 ext. 6005
Fax: 732-541-2106
Email: ccollazo@carteretschools.org

Carteret Board of Education

Statement of Net Position

June 30, 2025

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	$ 28,634,458	$ 2,169,494	$ 30,803,952
Accounts receivable	3,298,694	300,337	3,599,031
Internal balances	(192,797)	192,797	-
Inventories		35,412	35,412
Capital assets - non-depreciable	3,879,614		3,879,614
Capital assets - depreciable, net	51,925,307	675,823	52,601,130
Total assets	87,545,276	3,373,863	90,919,139
Deferred Outflows of Resources			
Pension deferrals	865,168		865,168
Liabilities			
Accounts payable	1,276,153	1,293	1,277,446
Payable to other governments	122,152		122,152
Payroll deductions and withholdings payable	397,038		397,038
Unearned revenue	1,950,407	14,634	1,965,041
Accrued interest payable	426,065		426,065
Net pension liability	7,221,038		7,221,038
Current portion of long-term obligations	2,365,147	6,226	2,371,373
Noncurrent portion of long-term obligations	42,201,877	56,035	42,257,912
Total liabilities	55,959,877	78,188	56,038,065
Deferred Inflows of Resources			
Pension deferrals	693,039		693,039
Net Position			
Net investment in capital assets	24,659,373	675,823	25,335,196
Restricted for:			
Capital projects	227,700		227,700
Capital reserve	16,614,169		16,614,169
Emergency reserve	507,620		507,620
Unemployment reserve	367,555		367,555
Student activities and scholarships	245,764		245,764
Unrestricted (deficit)	(10,864,653)	2,619,852	(8,244,801)
Total net position	$ 31,757,528	$ 3,295,675	$ 35,053,203

See accompanying notes to the basic financial statements.

Carteret Board of Education

Statement of Activities

Year ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Total
Governmental activities							
Instruction:							
Regular	$ 40,368,849		$ 7,859,092		$ (32,509,757)		$ (32,509,757)
Special education	10,408,455		7,592,803		(2,815,652)		(2,815,652)
Other special instruction	4,433,493		506,625		(3,926,868)		(3,926,868)
School-sponsored activities and athletics	874,788		101,485		(773,303)		(773,303)
Support services:							
Student and instruction related services	20,019,413		3,871,752		(16,147,661)		(16,147,661)
General administration services	1,355,899		133,076		(1,222,823)		(1,222,823)
School administration services	4,107,749		443,489		(3,664,260)		(3,664,260)
Central services	1,467,988		191,623		(1,276,365)		(1,276,365)
Plant operations and maintenance	7,423,265		2,294,703	$ 702,916	(4,425,646)		(4,425,646)
Pupil transportation	5,922,852		586,063		(5,336,789)		(5,336,789)
Charter schools	443,918				(443,918)		(443,918)
Special schools	259,381		16,299		(243,082)		(243,082)
Interest on long-term debt	988,865		225,715		(763,150)		(763,150)
Total governmental activities	98,074,915	-	23,822,725	702,916	(73,549,274)		(73,549,274)
Business-type activities							
Food service	3,467,604	$ 362,742	2,542,400			$ (562,462)	(562,462)
Enrichment academy	301,398	717,304				415,906	415,906
Total business-type activities	3,769,002	1,080,046	2,542,400	-	-	(146,556)	(146,556)
Total primary government	$ 101,843,917	$ 1,080,046	$ 26,365,125	$ 702,916	(73,549,274)	(146,556)	(73,695,830)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					28,268,198		28,268,198
Property taxes, levied for debt service					424,988		424,988
State and federal sources - unrestricted					51,731,356		51,731,356
State and federal sources - restricted					304,497		304,497
Other revenue					1,675,268	43,947	1,719,215
Total general revenues					82,404,307	43,947	82,448,254
Change in net position					8,855,033	(102,609)	8,752,424
Net position—beginning of year, as reported					26,746,852	3,461,851	30,208,703
Cumulative effect of change in accounting principle					(3,844,357)	(63,567)	(3,907,924)
Net position—beginning of year, as restated					22,902,495	3,398,284	26,300,779
Net position-end of year					$ 31,757,528	$ 3,295,675	$ 35,053,203

See accompanying notes to the basic financial statements.

Fund Financial Statements

Governmental Funds

Carteret Board of Education
Governmental Funds

Balance Sheet

June 30, 2025

	Major Funds				
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 22,648,450	$ 1,421,772	$ 4,564,236		$ 28,634,458
Accounts receivable:					
Federal		1,101,838			1,101,838
State	1,464,541	20,380	702,916		2,187,837
Interfund	175,155				175,155
Other	16	9,003			9,019
Total assets	$ 24,288,162	$ 2,552,993	$ 5,267,152	$ -	$ 32,108,307
Liabilities and fund balances					
Liabilities:					
Accounts payable	$ 112,272	$ 459,806			$ 572,078
Intergovernmental payables:					
State	85,865	36,287			122,152
Interfunds payable	193,903	174,049			367,952
Unearned revenue		1,950,407			1,950,407
Payroll deductions and withholdings payable	397,038				397,038
Total liabilities	789,078	2,620,549	-	-	3,409,627
Fund balances:					
Restricted for:					
Capital reserve	9,120,669				9,120,669
Capital reserve - Designated for subsequent year's expenditures	7,493,500				7,493,500
Emergency reserve	507,620				507,620
Unemployment reserve	367,555				367,555
Student activities and scholarships		245,764			245,764
Capital projects			$ 5,267,152		5,267,152
Committed to:					
Year end encumbrances	3,887,909				3,887,909
Assigned to:					
Year end encumbrances	3,715,908				3,715,908
Designated for Subsequent Year's Expenditures	1,965,181				1,965,181
Unassigned (deficit)	(3,559,258)	(313,320)			(3,872,578)
Total fund balances	23,499,084	(67,556)	5,267,152	-	28,698,680
Total liabilities and fund balances	$ 24,288,162	$ 2,552,993	$ 5,267,152	$ -	
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 $84,410,469 and the accumulated depreciation is $28,605,548.					55,804,921
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.					(426,065)
Long-term liabilities, including bonds payable, certificates of participation payable and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 2).					(44,567,024)
Deferred pension costs in governmental activities are not financial resources and are therefore not reported in the funds.			Deferred outflows of resources	$ 865,168	
			Deferred inflows of resources	(693,039)	
					172,129
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.					(704,075)
Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the funds.					(7,221,038)
Net position of governmental activities					$ 31,757,528

See accompanying notes to the basic financial statements.

Carteret Board of Education
Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance

Year Ended June 30, 2025

	Major Funds				
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues:					
Local sources:					
Local tax levy	$ 28,268,198			$ 424,988	$ 28,693,186
Interest on investments	329,005				329,005
Interest earned on emergency reserve	7,620				7,620
Interest earned on capital reserve funds	22,900		$ 100,790		123,690
Miscellaneous unrestricted	1,208,669	$ 426,250			1,634,919
Other restricted miscellaneous	6,284				6,284
Total revenues–local sources	29,842,676	426,250	100,790	424,988	30,794,704
State sources	77,487,509	3,098,234	702,916	530,212	81,818,871
Federal sources	92,378	4,578,227			4,670,605
Total revenues	107,422,563	8,102,711	803,706	955,200	117,284,180
Expenditures:					
Current:					
Regular instruction	41,343,994	3,765,722			45,109,716
Special education instruction	10,778,195	865,175			11,643,370
Other instruction	4,994,303				4,994,303
School-sponsored activities and athletics	982,160				982,160
Undistributed - current:					
Student and instruction related services	17,767,879	3,205,819			20,973,698
General administration	1,492,733				1,492,733
School administration	4,750,024				4,750,024
Central services	1,674,213				1,674,213
Plant operations and maintenance	7,193,727				7,193,727
Pupil transportation	5,836,902				5,836,902
Transfer to charter schools	443,918				443,918
Debt Service:					
Principal				1,410,000	1,410,000
Interest				1,045,200	1,045,200
Capital outlay	2,319,307	888,231	3,508,214		6,715,752
Special schools	306,664				306,664
Total expenditures	99,884,019	8,724,947	3,508,214	2,455,200	114,572,380
Excess of revenues over expenditures	7,538,544	(622,236)	(2,704,508)	(1,500,000)	2,711,800
Other financing sources (uses):					
Transfers in	100,790	776,327		1,500,000	2,377,117
Transfers out	(2,276,327)		(100,790)		(2,377,117)
Cancellation of Grant Receivable		(149,687)			(149,687)
Total other financing sources (uses)	(2,175,537)	626,640	(100,790)	1,500,000	(149,687)
Net change in fund balances	5,363,007	4,404	(2,805,298)	-	2,562,113
Fund balances (deficit), July 1,	18,136,077	(71,960)	8,072,450	-	26,136,567
Fund balances (deficit), June 30	$ 23,499,084	$ (67,556)	$ 5,267,152	$ -	$ 28,698,680

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).

See accompanying notes to the basic financial statements.

Carteret Board of Education
Governmental Funds

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

Year ended June 30, 2025

Total net change in fund balances - governmental funds (B-2)	$ 2,562,113
Amounts reported for governmental activities in the statement of activities (A-2) are different because:	
Capital additions are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital assets acquisitions exceeded depreciation in the period (see Note 2).	3,975,448
The repayment of the principal of long-term debt, including capital lease obligations, consumes the current financial resources of governmental funds. This transaction, however, has no effect on net position (see Note 2).	1,410,000
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 (see Note 2).	907,472
Change in net position of governmental activities (A-2)	$ 8,855,033

See accompanying notes to the basic financial statements.

Proprietary Funds

Carteret Board of Education
Proprietary Funds

Statement of Net Position

June 30, 2025

	Business-Type Activities Major Enterprise Funds		
	Food Service	Enrichment Academy	Total Enterprise
Assets			
Current assets:			
Cash and cash equivalents	$ 244,183	$ 1,925,311	$ 2,169,494
Accounts receivable:			
Federal	148,891		148,891
State	11,073		11,073
Other	95,071	45,302	140,373
Interfund receivable	193,903		193,903
Inventories	35,412		35,412
Total current assets	728,533	1,970,613	2,699,146
Capital assets:			
Building improvements	22,069		22,069
Machinery and equipment	1,580,810		1,580,810
Accumulated depreciation	(927,056)		(927,056)
Total capital assets	675,823		675,823
Total assets	1,404,356	1,970,613	3,374,969
Liabilities			
Current liabilities:			
Accounts payable	1,293		1,293
Interfund payable		1,106	1,106
Unearned revenue	14,634		14,634
Compensated absences	6,226		6,226
Total current liabilities	22,153	1,106	23,259
Noncurrent liabilities:			
Compensated absences	56,035		56,035
Total noncurrent liabilities	56,035		56,035
Total liabilities	78,188	1,106	79,294
Net position			
Investment in capital assets	675,823		675,823
Unrestricted	650,345	1,969,507	2,619,852
Total net position	$ 1,326,168	$ 1,969,507	$ 3,295,675

See accompanying notes to the basic financial statements.

Carteret Board of Education
Proprietary Funds

Statement of Revenues, Expenses and
Changes in Net Position

Year ended June 30, 2025

	Business-Type Activities Major Enterprise Funds		
	Food Service	**Enrichment Academy**	**Total Enterprise**
Operating revenues:			
Local sources:			
Daily food sales-reimbursable programs:	$ 232,806		$ 232,806
Daily sales non-reimbursable programs	129,936		129,936
Program fees		$ 717,304	717,304
Miscellaneous revenue			-
Total operating revenues	362,742	717,304	1,080,046
Operating expenses:			
Cost of sales - reimbursable programs	1,294,010		1,294,010
Cost of sales - non-reimbursable programs	55,747		55,747
Salaries and employee benefits	1,665,400	299,572	1,964,972
Other purchased services	129,857	1,200	131,057
Insurance	153,112		153,112
Supplies and materials	2,538		2,538
Equipment	20,038		20,038
Depreciation	81,258		81,258
Bad debt expense	52,281		52,281
Other	1,551	626	2,177
Total operating expenses	3,455,792	301,398	3,757,190
Operating income (loss)	(3,093,050)	415,906	(2,677,144)
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	46,830		46,830
State school breakfast program	5,573		5,573
Breakfast after the bell program	18,220		18,220
S-EBT administrative cost reimbursements	3,057		3,057
State NJ EIE - lunch	62,680		62,680
State NJ EIE - breakfast	14,132		14,132
Federal sources:			
School breakfast program	468,247		468,247
National school lunch program	1,621,904		1,621,904
National snack program	34,268		34,268
Healthy Hunger-Free Kids Act	39,064		39,064
S-EBT administrative cost reimbursements	3,057		3,057
Fresh fruit and vegetable program	25,310		25,310
Food donation program	200,058		200,058
Interest income	19,914	24,033	43,947
Cancellation of federal and state accounts receivable	(11,812)		(11,812)
Total nonoperating revenues (expenses)	2,550,502	24,033	2,574,535
Change in net position	(542,548)	439,939	(102,609)
Total net position, beginning, as reported	1,932,283	1,529,568	3,461,851
Cumulative Effect of Change in Accounting Principle	(63,567)		(63,567)
Total net position, beginning, as restated	1,868,716	1,529,568	3,398,284
Total net position, end of year	$ 1,326,168	$ 1,969,507	$ 3,295,675

See accompanying notes to the basic financial statements.

Carteret Board of Education
Proprietary Funds

Statement of Cash Flows

Year ended June 30, 2025

	Business-Type Activities Major Enterprise Funds		
	Food Service	Enrichment Academy	Total Enterprise
Cash flows from operating activities			
Receipts from customers	$ 318,866	$ 715,371	$ 1,034,237
Payments to employees	(1,666,706)	(299,572)	(1,966,278)
Payments to suppliers	(1,445,593)	(1,826)	(1,447,419)
Net cash (used in)/provided by operating activities	(2,793,433)	413,973	(2,379,460)
Cash flows from non-capital financing activities			
Cash received from state and federal sources	2,728,009		2,728,009
Payment of interfunds	(493,243)		(493,243)
Net cash provided by non-capital financing activities	2,234,766		2,234,766
Cash flows from capital and related financing activities			
Acquisition of capital assets	(230,245)		(230,245)
Net cash (used in) capital and related financing activities	(230,245)		(230,245)
Cash flows from investing activities			
Interest on deposits	19,914	24,033	43,947
Net cash provided by investing activities	19,914	24,033	43,947
Net increase/(decrease) in cash and cash equivalents	(768,998)	438,006	(330,992)
Cash and cash equivalents, beginning of year	1,013,181	1,487,305	2,500,486
Cash and cash equivalents, end of year	$ 244,183	$ 1,925,311	$ 2,169,494
Reconciliation of operating income/(loss) to net cash (used in)/provided by operating activities			
Operating income/(loss)	$ (3,093,050)	$ 415,906	$ (2,677,144)
Adjustments to reconcile operating income/(loss) to net cash (used in)/provided by operating activities:			
Depreciation	81,258		81,258
Commodities expense	200,058		200,058
Bad debt expense	52,281		
Change in assets and liabilities:			
Increase in other accounts receivable	(42,681)	(1,933)	(44,614)
Decrease in inventories (non commodities)	9,909		9,909
Decrease in unearned revenue (non commodities)	(1,195)		(1,195)
Increase in accounts payable	1,293		1,293
Decrease in compensated absences	(1,306)		(1,306)
Net cash (used in)/provided by operating activities	$ (2,793,433)	$ 413,973	$ (2,379,460)

Non-cash non-capital financing activities:

The District received $186,513 of food commodities from the U.S. Department of Agriculture and expended $200,058 of food commodities for the year ended June 30, 2025.

See accompanying notes to the basic financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Carteret Board of Education (the "Board" or the "District") is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A Superintendent is appointed by the Board and is responsible for the administrative control of the District. A Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) school district.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent to the Board.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Carteret Board of Education this includes general operations, food service, enrichment academy and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

During fiscal year 2025, the District adopted the following GASB Standards:

- The District adopted GASB Statement No. 100, "*Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62"*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement was implemented during the 2025 fiscal year. See Note 9.

- The District adopted GASB Statement No. 101, "*Compensated Absences"*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement was implemented during the 2025 fiscal year. See Note 9.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- The GASB issued Statement No. 102 "*Certain Risk Disclosures*" in December 2023. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. Management has reviewed this Statement and determined that it did not have an impact on the District's financial statements.

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements involve:

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

- The GASB issued Statement No. 104, "*Disclosure 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 yet determined the impact of this Statement on the financial statements.

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements. Currently, the District has no fiduciary funds.

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

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 or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

District-Wide Financial Statements (Continued)

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Separate fund financial statements are provided for governmental and proprietary activities. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and the food service and enrichment academy enterprise funds to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs and student activity funds derived from athletic events or other activities of pupil organizations.

The *capital projects fund* accounts for the proceeds from the sale of bonds, lease purchases and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary funds which are organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for administrators, teachers and special events.

The *enrichment academy* accounts for the activities of the District's Before and After School Program activities, which provides extra-curricular activities for students as well as child care.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

Subsequent Events

Management has reviewed and evaluated all events and transactions from June 30, 2025 though December 15, 2025, the date the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are 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 when susceptible to accrual (i.e. when 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 Board considers revenues to be available if they are collected within 60 days after year-end**.** Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, unrestricted state aid, and interest 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 period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. Receivables

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

3. Inventories

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities inventory at year-end is reported as unearned revenue.

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of $2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Land Improvements	20
Buildings and Building Improvements	20-50
Machinery and Equipment	5-20

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has one item which arises only under the accrual basis of accounting that qualifies for reporting in this category. The item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

5. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one type which arises only under the accrual basis of accounting that qualify for reporting in this category. The item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years.

6. 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 and collective bargaining agreements. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after one year of service.

The liability for compensated absences represents the vacation and sick time ("leave"/"leave days") and salary related payments which have been earned for services previously rendered by employees in accordance with the District's various collective bargaining agreements, accumulates, is allowed to be carried over to subsequent year(s) and is deemed more likely than not (by management) to be used for time off or otherwise paid/settled in the future. The liability is calculated based on each employee's rate of pay and the number of unused leave days accumulated as of year-end, management's assumption that likelihood of future use (either by use during employment or settlement/payment upon separation from service) is probable, and the salary-related payments that are directly and incrementally associated with payments for the leave. The District utilizes historical data of past usage patterns to estimate the expected usage and payment of compensated absences. The liability for compensated absences is reflected in the government-wide financial statements as current and long-term liabilities. In the fund financial statements, only the compensated absences liability that has matured through employee resignation or retirement and is expected to be payable from expendable available financial resources is reported. The financial reporting of these amounts is presented in accordance with the provisions of GASB Statement No. 101, *"Compensated Absences."*

As of June 30, 2025, the District recorded liabilities for vested compensated absences totaling $8,382,024, in the government-wide financial statements and $62,261 in the business-type activities financial statements.

7. *Pensions*

In the district-wide financial statements and proprietary fund types in the fund financial statements for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

7. Pensions (Continued)

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

8. Long-Term Obligations

In the district-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. Differences are reported as deferred outflows of resources. Bond discounts are deferred and amortized over the life of the bonds using the effective interest method. Differences resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

In the fund financial statements, governmental fund types recognize bond discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Discounts on debt issuances are reported as other financing uses.

9. Net Position/Fund Balance

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

9. Net Position/Fund Balance (Continued)

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 3B).

Capital Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2025/2026 District budget certified for taxes.

Emergency Reserve – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 3C).

Unemployment Reserve – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District's election for payment in lieu of contributions (benefit reimbursement method). (See Note 5).

Student Activities and Scholarships – This restriction was created in accordance with NJAC 6A:23A-16.12 to represent the accumulation of funds derived from athletic events and other student organizations reserved for the payment of student group activities and scholarships.

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Committed Fund Balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustees for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2025/2026 District budget certified for taxes.

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

In the general operating fund and other governmental funds (special revenue, capital projects and debt service fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

10. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Board of Trustees itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the school district's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

F. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, 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 property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

2. Property Taxes

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. Tuition Revenues and Expenditures

Tuition Expenditures - Tuition charges for the fiscal years 2023-2024 and 2024-2025 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

4. Proprietary Funds, Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 food service enterprise fund and the enrichment academy enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

NOTE 2 RECONCILIATION OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the district-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 district-wide statement of net position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this $(44,567,024) difference are as follows:

Bonds Payable	$ (33,395,000)
Certificates of Participation Payable	(2,790,000)
Compensated Absences	(8,382,024)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$ (44,567,024)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the district-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the district-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense". The details of this $3,975,448 difference are as follows:

Capital Outlay	$ 6,719,799
Depreciation Expense	(2,024,351)
Adjustments	(720,000)
Net Adjustment to increase net changes in fund balances - total government funds to arrive at changes in net position of governmental activities	$ 3,975,448

The $(720,000) adjustment reflects the completion of a previously capitalized encumbrance related to construction in progress, which is now included in the current fiscal year additions.

NOTE 2 RECONCILIATION OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the district-wide statement of activities (Continued)

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The details of this $1,410,000 difference are as follows:

Principal Repayments:	
Bonds Payable	$ 900,000
Certificates of Participation	510,000
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$ 1,410,000

Another element of that reconciliation states that "Some 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". The details of this $907,472 difference are as follows:

Compensated Absences	$ 94,623
Accrued Interest	56,335
Pension benefit	756,514
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$ 907,472

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education ("the Department"), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Capital lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The budget is submitted to the county superintendent for review and approval prior to adoption. On January 25, 2012, the Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2024/2025. Also, during 2024/2025 the Board increased the original budget by $7,771,587. The General Fund increased $4,920,285 as a result of the reappropriation of prior year encumbrances. The Special Revenue Fund increased $2,851,302 as a result of the net of additional state and federal grant awards and student activities transactions.

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

B. Capital Reserve

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve is maintained in the general fund and its activity is included in the general fund annual budget.

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

The activity of the capital reserve account for the fiscal year ended June 30, 2025 is as follows:

Balance, July 1, 2024		$ 15,021,629
Increased by		
Interest Earnings	$ 22,900	
Deposits Approved by Board Resolution	7,519,640	
		7,542,540
		22,564,169
Withdrawals		
Approved in District Budget	4,450,000	
Transfers to Debt Service Fund	1,500,000	
		5,950,000
Balance, June 30, 2025		$ 16,614,169

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve (Continued)

The withdrawals from the capital reserve were for use in Department approved facilities projects, consistent with the District's Long Range Facilities Plan. Of the $16,614,169 capital reserve balance at June 30, 2025, $7,493,500 was designated and appropriated for use in the 2025/2026 original budget certified for taxes. This amount of $7,493,500 will be utilized for the local share of capital projects.

C. Emergency Reserve

An emergency reserve account was established by the District. The accumulation of funds will be used to finance unanticipated General Fund current expenditures required for a thorough and efficient education in subsequent fiscal years.

Funds placed in the emergency reserve are restricted to finance reasonably unforeseeable costs and shall not include additional costs due to poor planning. A District may appropriate funds into the emergency reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent or the withdrawal is included in the original budget certified for taxes to finance school security improvements to school facilities pursuant to 18A:7G-6(c)1. Pursuant to NJAC 6A:23A-14.4(A), the balance in the reserve cannot at any time exceed the greater of $250,000 or one percent of the school district's General Fund budget as certified for taxes up to a maximum of $1,000,000.

The activity of the emergency reserve account for the fiscal year ended June 30, 2025 is as follows:

Balance, July 1, 2024	$ 500,000
Increased by	
Interest Earnings	7,620
Balance, June 30, 2025	$ 507,620

NOTE 4 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or $200 million for all deposits not covered by the FDIC and NCUSIF.

Bank balances are insured up to $250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to $250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of $250,000 for each failed brokerage firm. At June 30, 2025, the book value of the Board's deposits were $30,803,952 and bank and brokerage firm balances of the Board's deposits amounted to $34,659,361. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (continued)

FDIC	$ 500,000
GUDPA	33,697,705
Uninsured	461,656
	$ 34,659,361

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk.

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law," (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2025, the Board had no outstanding investments.

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.
Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.
Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board's investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer.

B. Receivables

Receivables as of June 30, 2025 for the district's individual major funds, including the applicable allowances for uncollectible accounts, are as follows:

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables (Continued)

	General	Special Revenue	Capital Projects	Food Service	Enrichment Academy	Total
Receivables:						
Intergovernmental						
Federal		$ 1,101,838		$ 148,891		$ 1,250,729
State	$ 1,464,541	20,380	$ 702,916	11,073		2,198,910
Other	16	9,003		95,071	$ 45,302	149,392
Gross Receivables	1,464,557	1,131,221	702,916	255,035	45,302	3,599,031
Less: Allowance for Uncollectibles						
Net Total Receivables	$ 1,464,557	$ 1,131,221	$ 702,916	$ 255,035	$ 45,302	$ 3,599,031

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

Special Revenue Fund	
Unencumbered grant draw downs	$ 1,524,524
Grant drawdowns year end encumbrances	425,883
Total Unearned Revenue for Governmental Funds	$ 1,950,407

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2025 was as follows:

	Balance, July 1, 2024	Additions	Transfers	Adjustments	Balance, June 30, 2025
Governmental Activities:					
Capital assets, not being depreciated:					
Land	$ 384,459				$ 384,459
Construction in Progress	1,837,218	$ 6,325,150	$ (3,947,213)	$ (720,000)	3,495,155
Total capital assets, not being depreciated	2,221,677	6,325,150	(3,947,213)	(720,000)	3,879,614
Capital assets, being depreciated:					
Buildings and Building Improvements	72,654,366	102,253	3,904,398		76,661,017
Land Improvements	393,249	31,217	42,815		467,281
Machinery and equipment	3,141,378	261,179			3,402,557
Total capital assets being depreciated	76,188,993	394,649	3,947,213	-	80,530,855
Less accumulated depreciation for:					
Buildings and Building Improvements	(23,795,516)	(1,930,600)			(25,726,116)
Land Improvements	(305,180)	(9,388)			(314,568)
Machinery and equipment	(2,480,501)	(84,363)			(2,564,864)
Total accumulated depreciation	(26,581,197)	(2,024,351)	-	-	(28,605,548)
Total capital assets, being depreciated, net	49,607,796	(1,629,702)	3,947,213	-	51,925,307
Governmental Activities Capital Assets, Net	$51,829,473	$ 4,695,448	$ -	$ (720,000)	$55,804,921

	Balance, July 1, 2024	Increases	Decreases	Balance, June 30, 2025
Business-Type Activities:				
Capital assets, being depreciated:				
Building Improvements	$ 22,069			$ 22,069
Machinery and equipment	1,361,165	$ 230,245	$ (10,600)	1,580,810
Total capital assets being depreciated	1,383,234	230,245	(10,600)	1,602,879
Less accumulated depreciation for:				
Building Improvements	(2,681)	(1,103)		(3,784)
Machinery and equipment	(853,717)	(80,155)	10,600	(923,272)
Total accumulated depreciation	(856,398)	(81,258)	10,600	(927,056)
Total capital assets, being depreciated, net	526,836	148,987	-	675,823
Business-Type Activities Capital Assets, Net	$ 526,836	$ 148,987	$ -	$ 675,823

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:	
Instruction	
Regular instruction	$ 872,596
Special education	225,228
Other special instruction	96,609
School-sponsored activities and athletics	18,999
Total Instruction	1,213,432
Support Services	
Student and instruction related services	405,712
General administrative services	28,875
School administrative services	91,884
Central services	32,386
Plant operations and maintenance	139,154
Pupil transportation	112,908
Total Support Services	810,919
Total Depreciation Expense - Governmental Activities	$ 2,024,351
Business-Type Activities:	
Food Service Fund	$ 81,258
Total Depreciation Expense-Business-Type Activities	$ 81,258

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2025, is as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	$ 175,155	$ 193,903
Special Revenue Fund		174,049
Capital Projects Fund		
Enterprise Fund - Food service	193,903	
Enterprise Fund - Enrichment Academy		1,106
	$ 369,058	$ 369,058

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and to cover cash balances which were in an overdraft position.

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers (Continued)

The District expects all interfund balances to be liquidated within one year.

	Transfer In			
	General Fund	Special Revenue Fund	Debt Service Fund	Total
Transfer Out:				
General Fund		$ 776,327	$ 1,500,000	$ 2,276,327
Capital Projects Fund	$ 100,790		-	100,790
Total Transfers Out	$ 100,790	$ 776,327	$ 1,500,000	$ 2,377,117

The above transfers are the result of interest earned in the Capital Projects Fund that has been directed to the General Fund, the transfer to Special Revenue Fund Preschool Education local share and to fund a prior year grant receivable from General Fund and a budgeted transfer to Debt Service Fund from the capital reserve account.

F. Refunding Certificates of 2015

The Board of Education adopted a resolution on August 27, 2014 for the purpose of issuing Refunding Certificates of Participation (the Refunding Certificates) in order to currently refund all of the outstanding Certificates of Participation dated January 15, 2006 (the Prior Certificate) which were issued to finance building improvements.

On April 30, 2015 the Board of Education issued $7,455,000 Refunding Certificates and the proceeds of the Refunding Certificates were deposited into an escrow fund, and together with other available funds, will be used to pay all principal and interest on the Prior Certificates.

Under the Refunding Certificates, the Board is required to pay Basic Rent due on January 15 commencing January 15, 2016. Basic Rent is composed of an interest component and a principal component. The Refunding Certificates carry interest rates in the range of 1.25% to 4.00%; and mature on January 15, 2030. Payments of the principal and interest on the Refunding Certificates are insured by National Public Finance Guarantee. Bank of New York Mellon has been appointed to serve as a trustee in the agreement.

The maturity schedule of the remaining lease payments for principal and interest is as follows:

Governmental Activities:

Fiscal Year Ending June 30,	Certificates of Participation		
	Principal	Interest	Total
2026	$ 530,000	$ 81,050	$ 611,050
2027	540,000	67,800	607,800
2028	555,000	51,600	606,600
2029	575,000	34,950	609,950
2030	590,000	17,700	607,700
Total	$ 2,790,000	$ 253,100	$ 3,043,100

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2025 is comprised of the following issue:

$36,999,995, Series 2020 School Bonds, due in annual installments of $905,000 to $1,800,000 through February 1, 2050, interest at 2.00% to 3.00%	$33,395,000

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Fiscal Year Ending June 30,	Serial Bonds Principal	Interest	Total
2026	$ 905,000	$ 933,400	$ 1,838,400
2027	925,000	915,300	1,840,300
2028	950,000	896,800	1,846,800
2029	970,000	877,800	1,847,800
2030	1,000,000	858,400	1,858,400
2031-2035	5,495,000	3,945,950	9,440,950
2036-2040	6,510,000	3,095,050	9,605,050
2041-2045	7,730,000	2,048,400	9,778,400
2046-2050	8,910,000	807,000	9,717,000
Total	$ 33,395,000	$ 14,378,100	$ 47,773,100

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2025, was as follows:

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities (Continued)

	Balance Reported as of July 1, 2024	Cumulative Effect of Change in Accounting Principle*	Balance as Restated July 1, 2024	Reductions	Balance, June 30, 2025	Due Within One Year
Governmental Activities:						
Certificates of Participation Payable	$ 3,300,000			$ 510,000	$ 2,790,000	$ 530,000
Bonds Payable	34,295,000			900,000	33,395,000	905,000
Net Pension Liability	7,710,764			489,726	7,221,038	
Compensated Absences	4,632,289	$ 3,844,357	$ 8,476,646	94,622	8,382,024	930,147
Governmental Activity Long-term Liabilities	49,938,053	3,844,357	8,476,646	1,994,348	51,788,062	2,365,147
Business-Type Activities:						
Compensated Absences	-	63,567	63,567	1,306	62,261	6,226
Business-Type Activity Long-term Liabilities	-	63,567	63,567	1,306	62,261	6,226
Total Liabilities	$ 49,938,053	$ 3,907,924	$ 8,540,213	$ 1,995,654	$51,850,323	$ 2,371,373

For the governmental activities, the compensated absences and net pension liability are generally liquidated by the General Fund. The bonds payable and certificates of participation payable are liquidated by the Debt Service Fund.

Changes in compensated absences is presented on a net basis.

*See Note 9.

NOTE 5 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report.

The District is a member of the New Jersey Schools Insurance Group (NJSIG) (the “Group”). The Group is a risk sharing public entity pool, established for the purpose of insuring against various risks.

The relationship between the Board and the Group is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the Group, to report claims on a timely basis, cooperate with the management of the Group, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the Group. Members have a contractual obligation to fund any deficit of the Group attributable to a membership year during which they were a member.

NOTE 5 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

NJSIG provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the Group are on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's restricted fund balance for unemployment compensation claims in the General Fund for the current and previous two years:

Year Ended June 30,	District Contributions	Employee Contributions	Reimbursements	Interest Earnings	Ending Balance
2025	$ 392,872	$ 79,611	$ (111,212)	$ 6,284	$ 367,555
2024	286,905	101,415		4,552	392,872
2023	283,232			3,673	286,905

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2025, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2025, the District has not estimated its arbitrage earnings due to the IRS, if any.

NOTE 5 OTHER INFORMATION (Continued)

D. 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 $25,174,626 indicated as part of the Governmental Activities net position is calculated as follows:

Capital Assets, Net		$ 55,804,921
Add:		
Unexpended Bond Proceeds		5,039,452
		60,844,373
Less:		
Bonds Payable	33,395,000	
Certificates of Participation Payable	2,790,000	
		36,185,000
Net Investment in Capital Assets		$ 24,659,373

NOTE 6 PENSION PLANS

Description of Systems

Substantially all of the District'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 defined benefit 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 defined benefit 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.

NOTE 6 PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (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, vesting and benefit provisions are 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.

Members are classified into one of five tiers dependent upon the date of their enrollment. 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.

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.

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. Employee contribution rates for TPAF and PERS are 7.5% of employees' annual pensionable compensation. 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.

NOTE 6 PENSION PLANS (Continued)

During the year ended June 30, 2025, the State of New Jersey contributed $24,576,416 to the TPAF for on-behalf medical, non-contributory insurance and pension and post-retirement medical benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District $2,535,595 during the year ended June 30, 2025 for the employer's share of social security contributions for TPAF members as calculated on their base salaries.

The District's actuarially determined contributions to PERS for each of the years ended June 30, 2025, 2024, and 2024 were $723,130, $711,502, and $681,768, respectively.

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, 2025, the District reported a liability of $7,221,038 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation July 1, 2023, which was rolled forward to June 30, 2024. 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, 2024, the District's proportion was 0.0531425826 percent, which was a decrease of 0.0000924708 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized full accrual pension (benefit) of ($756,514) in the district-wide financial statements. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 144,651	$ 19,224
Changes of assumptions	8,971	82,159
Net difference between projected and actual earnings on pension plan investments		334,820
Changes in proportion and differences between District contributions and proportionate share of contributions	7,471	256,836
District contributions subsequent to the measurement date	704,075	
	$ 865,168	$ 693,039

NOTE 6 PENSION PLANS (Continued)

$704,075 is reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date will be recognized as a reduction to the 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:		
2026	$	(428,857)
2027		149,283
2028		(172,378)
2029		(82,057)
2030		2,063
	$	(531,946)

Actuarial Assumptions

The collective total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions:

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

The actuarial assumptions used in the July 1, 2023 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.

NOTE 6 PENSION PLANS (Continued)

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, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	28.00%	8.63%
Non-U.S. Developed Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Market Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%
	100.00%	

Discount rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. 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 non-employer 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.

NOTE 6 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 net pension liability as of June 30, 2024, calculated using the discount rate as disclosed above as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the net pension liability	$ 9,594,984	$ 7,221,038	$5,200,823

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, 2024 are as follows:

Deferred outflows of resources	$	1,079,580,780
Deferred inflows of resources		1,611,322,898
Net pension liability		13,702,423,985
District's proportion		0.0531425826%

Collective pension expense for the Local Group for the measurement period ended June 30, 2024 is $372,160,096.

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, 2024, 2023, 2022, 2021, 2020 and 2019 is 5.08, 5.08, 5.04, 5.13, 5.16 and 5.21 years, respectively.

Special Funding Situation

A special funding situation exists for certain local participating employers in the PERS. The State of New Jersey, a non-employer contributing entity, 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, 2024 State special funding situation net pension liability amount of $114.3 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.

NOTE 6 PENSION PLANS (Continued)

Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2024, 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 $53.7 million, for the fiscal year ending June 30, 2024, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2024. 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 $23,281.

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 non-employer 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 non-employer 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, 2024 was $132,998,237. The District's proportionate share was $0.

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. 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, 2024, the State's proportionate share of the TPAF net pension liability associated with the District was 0.2690904402 percent, which was an increase of 0.0072221275 from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized on-behalf pension expense and revenue in the government-wide financial statements of $2,880,085 for contributions incurred by the State.

Actuarial assumptions

The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	
Price	2.75%
Wage	3.25%
Salary increases	2.75 - 5.65% based on years of service

NOTE 6 PENSION PLANS (Continued)

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, 2023 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, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	28.00%	8.63%
Non-U.S. Developed Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Market Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%
	100.00%	

NOTE 6 PENSION PLANS (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. 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 all projected benefit payments determining the total pension liability.

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

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2024 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 or 1-percentage-point higher than the current rate:

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's proportionate share of the net pension liability associated with the District	$ 158,087,233	$ 132,998,237	$ 111,868,560

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, 2024 are as follows:

Deferred outflows of resources	$ 1,178,433,819
Deferred inflows of resources	10,615,423,132
Net pension liability	49,492,072,325
State's proportionate share associated with the District	0.2690904402%

Collective pension (benefit) for the Local Group for the measurement period ended June 30, 2024 is $148,167,647.

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, 2024, 2023, 2022, 2021, 2020 and 2019 is 7.84, 7.93, 7.83, 7.93, 8.04 and 8.29 years, respectively.

NOTE 7 POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

State Health Benefits Local Education Retired Employees Plan

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

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A. 52:14-17.32f. Accordingly, N.J.S.A. 52:14-17.32f, the State p[provides employer-paid coverage to employees who retire from a board of education or county college with 25 or more years of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for post medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

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. The State is 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 was $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/ financialreports.shtml.

Employees covered by benefit terms

The following employees were covered by the benefit terms:

Local Education	June 30, 2024
Active Plan Members	219,185
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	153,556
Total Plan Members	372,741

NOTE 7 POST-RETIREMENT BENEFITS (Continued)

Actuarial assumptions and other inputs

The total non-employer OPEB liability of $59,650,630,530 as of June 30, 2024 was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024 and included in the June 30, 2024 audited financial statements of the State Health Benefit Local Education Retired Employees Plan. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	TPAF	PERS
Salary increases:	2.75 - 5.65% 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.

Actuarial assumptions used in the July 1, 2023 valuation were based on the results of the TPAF and PERS experience studies prepared for 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 used to measure the total OPEB liability was 3.93%. 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 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 19.36% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO, the trend is increasing to 22.88% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.25% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

NOTE 7 POST-RETIREMENT BENEFITS (Continued)

Changes in Total Non-employer OPEB Liability

Below represents the changes in the District's total OPEB liability for the year ended June 30, 2024:

Balance at June 30, 2023	$ 115,790,760
Increased by:	
Service cost	4,819,314
Interest cost	4,354,205
Changes of assumptions	9,895,986
Member contributions	113,864
Differences between expected and actual experience	627,012
	135,601,141
Decreased by:	
Benefit payments	3,325,377
Balance at June 30, 2024	$ 132,275,764

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, 2024 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 (2.93%) or 1-percentage-point higher (4.93%) than the current rate:

	1% Decrease (2.93%)	At Current Discount Rate (3.93%)	1% Increase (4.93%)
Net OPEB Liability (Allocable to the District and Responsibility of the State)	$ 154,923,249	$ 132,275,764	$ 114,062,485

The following presents the total non-employer OPEB liability associated with the District as of June 30, 2024 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:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability (Allocable to the District and Responsibility of the State)	$ 110,186,674	$ 132,275,764	$ 161,048,261

NOTE 7 POST-RETIREMENT BENEFITS (Continued)

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

For the year ended June 30, 2024, the District recognized on-behalf OPEB expense and revenue in the district-wide financial statements of $5,139,986 for OPEB expenses incurred by the State. Collective balances of the Local Education Group at June 30, 2024 are as follows:

Deferred outflows of resources	$18,640,445,786
Deferred inflows of resources	25,058,850,175
Collective OPEB expense	1,999,742,665
District's Proportion	0.22%

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.

NOTE 8 TAX ABATEMENTS

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

For Carteret Board of Education, the District's share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

NOTE 9 CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION

Effective for the year ended June 30, 2025, the District implemented the provisions of GASB Statement No. 101, *Compensated Absences*. This statement establishes new recognition and measurement criteria for compensated absences, requiring governments to recognize a liability for certain types of compensated absences when the leave is earned, rather than when it is paid.

In accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections*, the provisions of GASB Statement No. 101 were adopted effective July 1, 2024. As a result, the compensated absences liability was restated as of June 30, 2024, and the cumulative effect of the change, totaling $(3,844,357) for governmental activities and $(63,567) for business-type activities, was recognized as an adjustment to the June 30, 2024 net position. Compensated absence liability was restated as follows:

NOTE 9 CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION (Continued)

	Governmental Activities	Business-type Activities
Compensated absence liability as reported, July 1, 2024	$ 4,632,289	
Cumulative effect of change in accounting principle	3,844,357	$ 63,567
Compensated absence liability as restated, July 1, 2024	$ 8,476,646	$ 63,567

NOTE 10 DEFICIT FUND BALANCES

The District has a deficit unassigned fund balance of $3,559,258 in the General Fund and $313,320 in the Special Revenue Fund at June 30, 2025 that was reported in the fund statements (modified accrual basis). *N.J.S.A.* 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize these revenues in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the District is not recording the last state aid payments on the GAAP financial statements until the year the State records the payable, it is possible that a positive fund balance could be reported on a mandated budgetary basis while a deficit is reported on a GAAP basis based upon non-recognition of revenue on the GAAP basis for the final state aid payment.

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

Required Supplementary Information – Part II

Schedules Related to Accounting and Reporting for Pensions and OPEBs
(GASB 68 and GASB 75)

CARTERET BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY

PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Last Ten Fiscal Years *

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's Proportion of the Net Position Liability (Asset)	0.05314%	0.05324%	0.05406%	0.05603%	0.05588%	0.05729%	0.06074%	0.06031%	0.06089%	0.05747%
District's Proportionate Share of the Net Pension Liability (Asset)	$ 7,221,038	$ 7,710,764	$ 8,158,942	$ 6,638,550	$ 9,112,984	$ 10,322,642	$ 11,960,022	$ 14,040,040	$ 18,034,970	$ 12,900,005
District's Covered Payroll	$ 4,268,965	$ 4,210,091	$ 4,092,833	$ 3,937,780	$ 4,153,997	$ 4,008,614	$ 4,094,130	$ 4,299,920	$ 4,203,373	$ 4,136,669
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	169%	183%	199%	169%	219%	258%	292%	327%	429%	312%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.92%

* 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 in accordance with GASB Statement No. 68.

Notes to Required Supplementary Information:

Benefit Changes
There were none.

Changes of Assumptions
The discount rate was 7.00% as of June 30, 2023 and June 30, 2024.

CARTERET BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS

PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Last Ten Fiscal Years
Year Ended June 30,

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	$ 723,130	$ 711,502	$ 681,768	$ 656,271	$ 611,327	$ 557,255	$ 604,198	$ 558,741	$ 540,971	$ 494,055
Contributions in Relation to the Contractually Required Contributions	723,130	711,502	681,768	656,271	611,327	557,255	604,198	558,741	540,971	494,055
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's Covered Payroll	$ 4,286,284	$ 4,268,965	$ 4,210,091	$ 4,092,833	$ 3,937,780	$ 4,153,997	$ 4,008,614	$ 4,094,130	$ 4,299,920	$ 4,203,373
Contributions as a Percentage of Covered Payroll	16.87%	16.67%	16.19%	16.03%	15.52%	13.41%	15.07%	13.65%	12.58%	11.75%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68.

CARTERET BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY

TEACHERS' PENSION AND ANNUITY FUND
Last Ten Fiscal Years *
Year Ended June 30,

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	132,998,237	133,638,391	136,674,503	126,652,171	167,555,684	159,124,413	160,493,860	167,047,650	174,200,588	140,909,092
Total	$ 132,998,237	$ 133,638,391	$ 136,674,503	$ 126,652,171	$ 167,555,684	$ 159,124,413	$ 160,493,860	$ 167,047,650	$ 174,200,588	$ 140,909,092
District's Covered Payroll	$ 33,774,901	$ 32,636,817	$ 31,561,032	$ 30,701,221	$ 29,546,106	$ 28,626,757	$ 27,164,014	$ 27,224,857	$ 25,807,372	$ 25,029,848
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

* 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 in accordance with GASB Statement No. 68.

Notes to Required Supplementary Information:

Benefit Changes
There were none.

Changes of Assumptions
The discount rate was 7.00% as of June 30, 2023 and June 30, 2024.

CARTERET BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORAMTION
SCHEDULE OF THE STATE'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY ASSOCIATED WITH THE DISTRICT
TOTAL OPEB LIABILITY

PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND TEACHERS' PENSION AND ANNUITY FUND

Last Eight Fiscal Years*

	Year Ended June 30,							
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Total OPEB Liability								
Service Cost	$ 4,819,314	$ 4,667,925	$ 6,236,739	$ 7,063,198	$ 3,875,668	$ 3,659,946	$ 4,054,143	$ 4,877,797
Interest on the Total OPEB Liability	4,354,205	4,078,009	2,924,790	3,457,666	3,269,020	3,946,072	4,153,369	3,596,203
Differences Between Expected and Actual Experience	627,012	(479,020)	324,450	(23,448,937)	26,268,645	(15,129,822)	(7,792,216)	
Changes of Assumptions	9,895,986	233,386	(29,606,356)	131,500	27,192,169	1,353,397	(11,434,740)	(14,960,197)
Gross Benefit Payments	(3,325,377)	(3,178,874)	(2,897,091)	(2,723,673)	(2,591,584)	(2,786,387)	(2,664,467)	(2,757,013)
Changes of Benefit Terms				(141,870)				
Contribution from the Member	113,864	104,505	92,940	88,396	78,551	82,596	92,088	101,520
Net Change in Total OPEB Liability	16,485,004	5,425,931	(22,924,528)	(15,573,720)	58,092,469	(8,874,198)	(13,591,823)	(9,141,690)
Total OPEB Liability - Beginning	115,790,760	110,364,829	133,289,357	148,863,077	90,770,608	99,644,806	113,236,629	122,378,319
Total OPEB Liability - Ending	$ 132,275,764	$ 115,790,760	$ 110,364,829	$ 133,289,357	$ 148,863,077	$ 90,770,608	$ 99,644,806	$ 113,236,629
State's Proportionate Share	$ 132,275,764	$ 115,790,760	$ 110,364,829	$ 133,289,357	$ 148,863,077	$ 90,770,608	$ 99,644,806	$ 113,236,629
Total OPEB Liability - Ending	$ 132,275,764	$ 115,790,760	$ 110,364,829	$ 133,289,357	$ 148,863,077	$ 90,770,608	$ 99,644,806	$ 113,236,629
Covered Payroll	$ 38,043,866	$ 36,846,908	$ 35,653,865	$ 34,659,001	$ 33,700,103	$ 32,635,371	$ 31,258,144	$ 31,524,777
District's Proportionate Share of OPEB Liability as a Percentage of Covered Payroll:	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

*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 in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

Notes to Required Supplementary Information

Benefit Changes
There were none.

Changes of Assumptions
The discount rate changed from 3.65% as of June 30, 2023 to 3.93% as of June 30, 2024.

Required Supplementary Information – Part III

Budgetary Comparison Schedule
(Budgetary Basis)

CARTERET BOARD OF EDUCATION
Budgetary Comparison Schedule
(Budgetary Basis)
General Fund
Year Ended June 30, 2025

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	$ 28,268,196		$ 28,268,196	$ 28,268,198	$ 2
Interest on investments				329,005	329,005
Interest Earned on Current Expense Emergency Reserve	1,500		1,500	7,620	6,120
Interest Earned on Capital Reserve Funds	1,500		1,500	22,900	21,400
Other Restricted Miscellaneous Revenues				6,284	6,284
Miscellaneous				1,208,669	1,208,669
Total - Local Sources	28,271,196		28,271,196	29,842,676	1,571,480
State Sources:					
Categorical Special Education Aid	4,488,916		4,488,916	4,488,916	
Transportation Aid	567,504		567,504	567,504	
Security Aid	2,034,423		2,034,423	2,034,423	
Equalization Aid	52,642,607		52,642,607	52,642,607	
Extraordinary Aid	600,000		600,000	1,289,937	689,937
Additional Non-Public Transportation Aid				49,035	49,035
TPAF Pension Contribution (On-Behalf - Non-Budgeted)				11,499,274	11,499,274
TPAF Post-Retirement Medical (On-Behalf - Non-Budgeted)				3,360,097	3,360,097
TPAF Long-Term Disability Insurance (On-Behalf - Non-Budgeted)				5,145	5,145
TPAF Social Security (Reimbursed - Non-Budgeted)				2,535,595	2,535,595
Total State Sources	60,333,450		60,333,450	78,472,533	18,139,083
Federal Sources:					
Medical reimbursement	123,284		123,284	92,378	(30,906)
Total - Federal Sources	123,284		123,284	92,378	(30,906)
Total Revenues	88,727,930		88,727,930	108,407,587	19,679,657
EXPENDITURES:					
Current Expense:					
Regular Programs - Preschool					
Preschool - Salaries of Teachers	111,499		111,499		111,499
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	1,339,686		1,339,686	1,002,883	336,803
Grades 1-5 - Salaries of Teachers	8,886,087	$ (26,753)	8,859,334	7,484,788	1,374,546
Grades 6-8 - Salaries of Teachers	4,854,784	26,752	4,881,536	4,793,337	88,199
Grades 9-12 - Salaries of Teachers	6,873,371	(55,930)	6,817,441	6,572,552	244,889
Regular Programs - Home Instruction					
Salaries of Teachers	50,000	7,544	57,544	57,544	
Purchased Professional-Educational Services	13,500	4,562	18,062	13,782	4,280
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	646,758	(312,629)	334,129	210,434	123,695
Purchased Professional-Educational Services	878,250	393,440	1,271,690	1,182,722	88,968
Communications/Telephone	353,200		353,200	112,033	241,167
General Supplies	1,462,976	(102,662)	1,360,314	1,075,322	284,992
Textbooks	27,000	61,000	88,000		88,000
Other Objects	2,946,480	1,100,999	4,047,479	2,682,964	1,364,515
TOTAL REGULAR PROGRAMS - INSTRUCTION	28,443,591	1,096,323	29,539,914	25,188,361	4,351,553
Learning and/or Language Disabilities- Mild or Moderate					
Salaries of Teachers	463,653	(155,381)	308,272	293,159	15,113
Other Salaries for Instruction	292,073	(48,454)	243,619		243,619
Purchased Professional-Educational Services	200,000	80,325	280,325	280,325	
Total Learning and/or Language Disabilities- Mild or Moderate	955,726	(123,510)	832,216	573,484	258,732
Learning and/or Language Disabilities- Severe					
Salaries of Teachers		111,085	111,085	111,085	
Other Salaries for Instruction		44,296	44,296	44,296	
Total Learning and/or Language Disabilities- Severe	-	155,381	155,381	155,381	-

CARTERET BOARD OF EDUCATION
Budgetary Comparison Schedule
(Budgetary Basis)
General Fund
Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Emotional Regulation Impairment					
Salaries of Teachers	$ 130,337		$ 130,337		$ 130,337
Purchased Professional-Educational Services	500,000	$ 36,000	536,000	$ 31,885	504,115
Total Emotional Regulation Impairment	630,337	36,000	666,337	31,885	634,452
Multiple Disabilities					
Salaries of Teachers	664,178	(133,433)	530,745	451,233	79,512
Other Salaries for Instruction	159,185		159,185	132,888	26,297
Purchased Professional-Educational Services	400,000	131,480	531,480	522,661	8,819
Total Multiple Disabilities	1,223,363	(1,953)	1,221,410	1,106,782	114,628
Resource Room/Resource Center					
Salaries of Teachers	3,644,473	50,843	3,695,316	3,643,787	51,529
Other Salaries for Instruction	177,184		177,184	176,288	896
Purchased Professional-Educational Services	400,000	(43,237)	356,763	29,606	327,157
Total Resource Room/Resource Center	4,221,657	7,606	4,229,263	3,849,681	379,582
Special Education- Autism					
Salaries of Teachers	143,207	2,000	145,207	145,207	
Other Salaries for Instruction	31,837	(31,837)			
Purchased Professional-Educational Services	110,000	53,952	163,952	148,563	15,389
Total Special Education- Autism	285,044	24,115	309,159	293,770	15,389
Preschool Disabilities - Full-Time					
Salaries of Teachers	368,359		368,359	265,144	103,215
Other Salaries for Instruction	159,185		159,185		159,185
Purchased Professional-Educational Services	426,052	50,095	476,147	339,169	136,978
Other Objects	40,000	996	40,996	-	40,996
Total Preschool Disabilities - Full-Time	993,596	51,091	1,044,687	604,313	440,374
TOTAL SPECIAL EDUCATION - INSTRUCTION	8,309,723	148,730	8,458,453	6,615,296	1,843,157
Bilingual Education - Instruction					
Salaries of Teachers	2,537,260	(64,764)	2,472,496	2,312,231	160,265
Other Salaries for Instruction	44,296		44,296	44,296	
Purchased Professional-Educational Services	462,000	101,162	563,162	563,162	
Other Objects		161,475	161,475	161,161	314
Total Bilingual Education - Instruction	3,043,556	197,873	3,241,429	3,080,850	160,579
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	107,676	26,108	133,784	133,784	
Total School-Spon. Cocurricular Actvts. - Inst.	107,676	26,108	133,784	133,784	-
School-Spon. Athletics					
Salaries	300,177	19,017	319,194	319,194	
Puchased Services	47,050	5,583	52,633	43,763	8,870
Supplies and Materials	91,950	29,762	121,712	99,519	22,193
Other Objects	31,720	(7,570)	24,150	23,884	266
Total School-Spon. Athletics	470,897	46,792	517,689	486,360	31,329
Instructional Alternative Education Program					
Puchased Services		35,000	35,000	33,000	2,000
Total Instructional Alternative Education Program	-	35,000	35,000	33,000	2,000
Total Instruction	40,375,443	1,550,826	41,926,269	35,537,651	6,388,618

CARTERET BOARD OF EDUCATION
Budgetary Comparison Schedule
(Budgetary Basis)
General Fund
Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State - Regular	$ 52,280	$ 270,408	$ 322,688	$ 290,986	$ 31,702
Tuition to Other LEAs Within the State - Special	713,956	(156,073)	557,883	470,109	87,774
Tuition to CSSD & Regional Day Schools	3,165,360	409,171	3,574,531	3,280,562	293,969
Tuition to Private Schools for the Disabled - Within State	2,278,565	186,359	2,464,924	2,065,615	399,309
Total Undistributed Expenditures - Instruction	6,210,161	709,865	6,920,026	6,107,272	812,754
Undistributed Expenditures - Attend. and Social Work					
Salaries	472,866	(73,500)	399,366	381,529	17,837
Purchased Services- Performing Arts	58,187		58,187	33,907	24,280
Supplies and Materials	11,000		11,000	7,656	3,344
Total Undistributed Expenditures - Attend. and Social Work	542,053	(73,500)	468,553	423,092	45,461
Undistributed Expenditures- Health Services					
Salaries	662,413	(62,721)	599,692	599,042	650
Purchased Professional and Technical Services	20,000	16,300	36,300	24,125	12,175
Supplies and Materials	26,000	(12,880)	13,120	11,659	1,461
Supplies Menstrual Products	-	2,000	2,000	1,247	753
Total Undistributed Expenditures - Health Services	708,413	(57,301)	651,112	636,073	15,039
Undistributed Expenditures - Other Supp. Serv. Students - Speech, OT, PT and Related Services					
Salaries	605,514	(27,002)	578,512	496,707	81,805
Purchased Professional - Educational Services	5,500	20,237	25,737	25,737	
Supplies and Materials	45,000	11,545	56,545	42,059	14,486
Total Undist. Expend. - Other Supp. Serv. Students - Speech, OT, PT and	656,014	4,780	660,794	564,503	96,291
Undistributed Expenditures - Guidance					
Salaries of Other Professional Staff	807,765	65,757	873,522	873,522	
Salaries of Secretarial and Clerical Assistants	68,778		68,778	68,778	
Purchased Professional - Educational Services	10,000	(10,000)			
Other Purchased Prof. and Tech. Services	1,013,004	(182,454)	830,550	828,442	2,108
Other Purchased Services	19,000	4,888	23,888	13,179	10,709
Supplies and Materials	207,025	(78,913)	128,112	87,882	40,230
Other Objects	25,000	6,875	31,875	7,774	24,101
Total Undist. Expend. - Guidance	2,150,572	(193,847)	1,956,725	1,879,577	77,148
Undistributed Expenditures - Child Study Teams					
Salaries of Other Professional Staff	1,750,979	1,106	1,752,085	1,713,647	38,438
Salaries of Secretarial and Clerical Assistants	140,556		140,556	121,317	19,239
Purchased Prof. - Educational Services	700,000	(159,578)	540,422	309,681	230,741
Other Purchased Prof. and Tech. Services	1,302,175	181,766	1,483,941	1,433,784	50,157
Other Purchased Services	2,200	2,274	4,474	3,773	701
Supplies and Materials	11,000	10,828	21,828	21,555	273
Other Objects	-	10,559	10,559		10,559
Total Undistributed Expenditures - Child Study Teams	3,906,910	46,955	3,953,865	3,603,757	350,108
Undistributed Expenditures - Improvement of Inst. Serv.					
Salaries of Supervisors of Instruction	50,000	25,900	75,900	75,900	
Salaries of Other Professional Staff	20,000	(12,822)	7,178	1,320	5,858
Salaries of Secretarial and Clerical Assistants	50,468	3,087	53,555	53,555	
Salaries of Facilitators, Math Coaches, Literacy Coaches and Master Teachers.	486,133	3,000	489,133	489,133	
Purchased Prof. - Educational Services	6,000	(790)	5,210		5,210
Other Purchased Services	6,800	(3,050)	3,750	3,224	526
Supplies and Materials	2,000	(2,000)			
Other Objects	500		500		500
Total Undistributed Expenditures - Improvement of Inst. Serv.	621,901	13,325	635,226	623,132	12,094

CARTERET BOARD OF EDUCATION
Budgetary Comparison Schedule
(Budgetary Basis)
General Fund
Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Edu. Media Serv./Sch. Library					
Purchased Professional and Technical Services	$ 3,500	$ (1,156)	$ 2,344		$ 2,344
Supplies and Materials	1,100		1,100		1,100
Total Undist. Expend. - Edu. Media Serv./Sch. Library	4,600	(1,156)	3,444	-	3,444
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Other Professional Staff	5,000	(1,721)	3,279	$ 479	2,800
Purchased Professional - Educational Services	48,500	4,953	53,453	49,747	3,706
Other Purchased Prof. and Tech. Services	5,000	(5,000)			
Total Undist. Expend. - Instructional Staff Training Serv.	58,500	(1,768)	56,732	50,226	6,506
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	572,434	21,552	593,986	593,986	
Legal Services	67,000	136,466	203,466	127,385	76,081
Audit Fees	65,000	38,747	103,747	66,969	36,778
Architectural/Engineering Services	50,000	(38,627)	11,373	10,925	448
Other Purchased Professional Services	15,000	(7,500)	7,500	6,005	1,495
Communications/Telephone	48,000	47,389	95,389	83,157	12,232
Board of Education Other Purchased Services	9,250	5,074	14,324	6,213	8,111
Miscellaneous Purchased Services	24,325	(1,822)	22,503	15,191	7,312
General Supplies	6,500	595	7,095	3,996	3,099
Judgements Against the School District	20,000	(19,933)	67		67
Miscellaneous Expenditures	10,500	67,187	77,687	76,458	1,229
Board of Education Dues and Fees	30,000		30,000	27,739	2,261
Total Undist. Expend. - Supp. Serv. - General Admin.	918,009	249,128	1,167,137	1,018,024	149,113
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	2,328,215		2,328,215	2,328,215	
Salaries of Secretarial and Clerical Assistants	308,519	(1,500)	307,019	303,390	3,629
Other Purchased Services	6,735	100	6,835	2,698	4,137
Supplies and Materials	25,665	10,831	36,496	30,863	5,633
Other Objects	1,000	1,500	2,500	1,322	1,178
Total Undist. Expend. - Support Serv. - School Admin.	2,670,134	10,931	2,681,065	2,666,488	14,577
Undist. Expend. - Central Services					
Salaries	444,364	(7,350)	437,014	435,003	2,011
Purchased Professional Services	80,000	6,605	86,605	84,139	2,466
Purchased Technical Services	29,595	(22,958)	6,637	2,670	3,967
Miscellaneous Purchased Services		4,993	4,993	4,993	
Supplies and Materials	10,000	5,599	15,599	15,167	432
Miscellaneous Expenditures	10,000	20,651	30,651	28,386	2,265
Total Undist. Expend. - Central Services	573,959	7,540	581,499	570,358	11,141
Undist. Expend. - Technology Admin.					
Salaries	424,574		424,574	420,302	4,272
Other Purchased Services	4,500		4,500	-	4,500
Total Undist.Expend. - Technology Admin.	429,074	-	429,074	420,302	8,772

CARTERET BOARD OF EDUCATION
Budgetary Comparison Schedule
(Budgetary Basis)
General Fund
Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Required Maint. for Sch. Facil.					
Salaries	$ 890,290	$ (112,117)	$ 778,173	$ 649,226	$ 128,947
Cleaning, Repair and Maintenance Services	1,794,097	537,030	2,331,127	1,282,249	1,048,878
General Supplies	70,950	(33,500)	37,450	16,907	20,543
Other Objects	100,000	41,804	141,804	113,021	28,783
Total Undist. Expend. - Required Maint. for Sch. Facil.	2,855,337	433,217	3,288,554	2,061,403	1,227,151
Undist. Expend. - Custodial Services					
Salaries	1,678,673	(468,575)	1,210,098	1,136,050	74,048
Purchased Professional - Technical Services	17,000		17,000		17,000
Cleaning, Repair and Maintenance Services	50,000		50,000	38,940	11,060
Other Purchased Property Services	154,000	49,587	203,587	141,628	61,959
Insurance	474,004	117,221	591,225	591,225	
General Supplies	120,000	261,587	381,587	141,866	239,721
Natural Gas	185,000	75,000	260,000	242,513	17,487
Electricity	550,000	167,367	717,367	683,765	33,602
Total Undist. Expend. - Custodial Services	3,228,677	202,187	3,430,864	2,975,987	454,877
Undist. Expend. - Care and Upkeep of Grounds					
Salaries	76,462	(19,650)	56,812		56,812
Cleaning, Repair and Maintenance Services		19,650	19,650	19,650	
General Supplies	15,000		15,000	-	15,000
Other Objects	5,000		5,000	-	5,000
Total Undist. Expend. - Care and Upkeep of Grounds	96,462	-	96,462	19,650	76,812
Undist. Expend. - Security					
Salaries	450,000	7,705	457,705	457,084	621
Purchased Professional and Technical Services	47,750	(8,330)	39,420	14,030	25,390
General Supplies	13,000	121	13,121	13,120	1
Other Objects	-	6,879	6,879	5,400	1,479
Total Undist. Expend. - Security	510,750	6,375	517,125	489,634	27,491
Undist. Expend. - Student Transportation Serv.					
Salaries for Pupil Trans. (Between Home & School) - Regular	85,823	10,808	96,631	96,630	1
Management Fees - ESC & CTSA Transportation Programs	150,000	21,000	171,000	152,786	18,214
Contracted Services Aid In Lieu of Payment for Non-public School Students	145,000	4,078	149,078	140,446	8,632
Contracted Services (Between Home and School) - Vendors	1,624,788	(300,802)	1,323,986	1,160,654	163,332
Contracted Services (Other than Between Home and School) - Vendors	176,133	119,445	295,578	201,974	93,604
Contracted Services (Special Education Students) - Vendors	668,312	47,370	715,682	715,632	50
Contracted Services (Regular Students) - ESCs	-	253,057	253,057	246,636	6,421
Contracted Services (Special Education Students) - ESCs	3,575,000	(119,386)	3,455,614	3,051,168	404,446
Total Undist. Expend. - Student Transportation Serv.	6,425,056	35,570	6,460,626	5,765,926	694,700
Unallocated Benefits					
Social Security Contributions	625,000	109,245	734,245	732,573	1,672
Other Retirement Contributions - Regular	750,000		750,000	724,347	25,653
Workmen's Compensation	355,946		355,946	304,399	51,547
Health Benefits	12,739,883	(343,029)	12,396,854	12,065,848	331,006
Tuition Reimbursement	125,000		125,000	88,268	36,732
Other Employee Benefits	282,000	233,784	515,784	218,070	297,714
Total Unallocated Benefits	14,877,829	-	14,877,829	14,133,505	744,324
On-Behalf Contributions					
TPAF Pension Contribution (On-Behalf - Non-Budgeted)				11,499,274	(11,499,274)
TPAF Post-Retirement Medical (On-Behalf - Non-Budgeted)				3,360,097	(3,360,097)
TPAF Long-Term Disability Insurance (On-Behalf - Non-Budgeted)				5,145	(5,145)
Reimbursed TPAF Social Security Contributions (non-budgeted)				2,535,595	(2,535,595)
Total On-behalf Contributions	-	-	-	17,400,111	(17,400,111)
TOTAL UNDISTRIBUTED EXPENDITURES	47,444,411	1,392,301	48,836,712	61,409,020	(12,572,308)
Interest earned on current expense emergency reserve	1,500		1,500		1,500
TOTAL GENERAL CURRENT EXPENSE	87,821,354	2,943,127	90,764,481	96,946,671	(6,182,190)

CARTERET BOARD OF EDUCATION
Budgetary Comparison Schedule
(Budgetary Basis)
General Fund
Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CAPITAL OUTLAY					
Required Maintenance for School Facilities					
Regular Instruction, Elementary (Grades K–5), Instructional Equipment		$ 169,072	$ 169,072	$ 17,016	$ 152,056
Regular Instruction, Middle/Junior High (Grades 6–8), Instructional Equipment		8,572	8,572	8,572	
Regular Instruction, High School (Grades 9–12), Instructional Equipment		65,830	65,830	65,830	
Non-Instructional equipment		319,199	319,199	309,014	10,185
Total Required Maintenance for School Facilities	-	562,673	562,673	400,432	162,241
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	$ 450,000	615,340	1,065,340	609,957	455,383
Construction Services	4,000,000	578,856	4,578,856	1,308,570	3,270,286
Other Objects	348		348	348	
Interest Deposit to Capital Reserve	1,500		1,500		1,500
Total Facilities Acquisition and Construction Services	4,451,848	1,194,196	5,646,044	1,918,875	3,727,169
TOTAL CAPITAL OUTLAY	4,451,848	1,756,869	6,208,717	2,319,307	3,889,410
SPECIAL SCHOOLS					
Summer School - Instruction					
Salaries of Teachers	72,000		72,000		72,000
Other Salaries for Instruction	80,000		80,000		80,000
Total Summer School - Instruction	152,000	-	152,000	-	152,000
Total Summer School	152,000	-	152,000	-	152,000
Support Services Summer School Programs - Instruction					
Purchased Professional and Technical Services	25,000		25,000		25,000
Other Objects	1,520		1,520		1,520
Total Support Services Alternative Education Programs - Instruction	26,520		26,520	-	26,520
Instructional Alternative Education Programs - Instruction					
Salaries		124,986	124,986	124,481	505
Other Salaries for Instruction		46,000	46,000	45,005	995
Total Instructional Alternative Education Programs - Instruction	-	170,986	170,986	169,486	1,500
Support Services Alternative Education Programs - Instruction					
Purchased Professional and Technical Services		3,879	3,879		3,879
Other Objects		4,490	4,490	4,472	18
Total Support Services Alternative Education Programs - Instruction	-	8,369	8,369	4,472	3,897
Instructional Evening School for the Foreign Born – Local					
General Supplies		165	165	165	
Total Instructional Evening School for the Foreign Born – Local	-	165	165	165	-
TOTAL SPECIAL SCHOOLS	178,520	179,520	358,040	174,123	183,917
Total Contribution to Charter Schools	411,095	40,769	451,864	443,918	7,946
TOTAL EXPENDITURES	92,862,817	4,920,285	97,783,102	99,884,019	(2,100,917)
(Deficiency) Excess of Revenues (Under) Over Expenditures	(4,134,887)	(4,920,285)	(9,055,172)	8,523,568	17,578,740
Other Financing Sources/(Uses):					
Transfer In - Capital Projects Fund				100,790	100,790
Transfer Out - Debt Service	(1,500,000)		(1,500,000)	(1,500,000)	
Transfer Out - Special Revenue Fund				(149,687)	(149,687)
Transfer Out - Special Revenue Fund - Preschool	(626,640)		(626,640)	(626,640)	
Total Other Financing (Uses)	(2,126,640)	-	(2,126,640)	(2,175,537)	(48,897)
Change in fund balance	(6,261,527)	(4,920,285)	(11,181,812)	6,348,031	17,529,843
Fund Balance, July 1	23,111,494	-	23,111,494	23,111,494	-
Fund Balance, June 30	$ 16,849,967	$ (4,920,285)	$ 11,929,682	$ 29,459,525	$ 17,529,843

CARTERET BOARD OF EDUCATION
Budgetary Comparison Schedule
(Budgetary Basis)
General Fund
Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Recapitulation of (Deficiency) Excess of Revenues and (Under) Over Expenditures:					
Adjustment for Prior Year Encumbrances		$ (4,920,285)	$ (4,920,285)	$ (4,920,285)	
Budgeted Fund Balance	$ (311,527)		(311,527)	17,744,166	$ 18,055,693
Withdrawal Capital Reserve	(4,450,000)		(4,450,000)	(4,450,000)	
Withdrawal Debt Service	(1,500,000)		(1,500,000)	(1,500,000)	
Transfer from Capital Projects Fund to Capital Outlay				100,790	100,790
Transfer to Special Revenue Fund				(626,640)	(626,640)
Total	$ (6,261,527)	$ (4,920,285)	$ (11,181,812)	$ 6,348,031	$ 17,529,843
Recapitulation of Fund Balance:					
Assigned to:					
Designated for subsequent year's expenditures				$ 1,965,181	
Year end encumbrances				3,715,908	
Committed to:					
Year end encumbrances				3,887,909	
Restricted for:					
Unemployment reserve				367,555	
Emergency reserve				507,620	
Capital reserve				9,120,669	
Capital reserve- designated for subsequent year's expenditures				7,493,500	
Unassigned fund balance				2,401,183	
				29,459,525	
Reconciliation of Budgetary Fund Balance to GAAP Fund Balance:					
Last State Aid Payments Not Recognized on GAAP Basis				(5,960,441)	
Fund balance per Governmental Funds (GAAP)				$ 23,499,084	

Carteret Board of Education
Special Revenue Fund
Required Supplementary Information

Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
Local Sources	5,000	$ (5,000)		$ 426,250	$ 426,250
State Sources	$ 3,553,004	1,469,492	$ 5,022,496	3,399,933	(1,622,563)
Federal Sources	2,294,977	1,386,810	3,681,787	3,474,150	(207,637)
Total Revenues	5,852,981	2,851,302	8,704,283	7,300,333	(1,403,950)
Expenditures:					
Instruction:					
Salaries of teachers	2,622,931	(220,562)	2,402,369	2,379,947	22,422
Other salaries for instruction	93,592		93,592	88,592	5,000
Purchased professional and technical services		70,045	70,045	62,802	7,243
Purchased professional–educational services	495,000		495,000	412,194	82,806
Other purchased professional services	299,395		299,395	299,395	
Other purchased services - tuition	974,392	(130,321)	844,071	844,071	
General supplies	308,279	118,844	427,123	381,489	45,634
Textbooks	6,128	(1,116)	5,012	4,165	847
Other objects	200,000	676,017	876,017	138,475	737,542
Total instruction	4,999,717	512,907	5,512,624	4,611,130	901,494
Support services:					
Salaries of supervisors of instruction	62,583	41,710	104,293	10,000	94,293
Salaries of program directors	10,000	60,000	70,000	69,984	16
Salaries of other professional staff	157,676	1,089	158,765	131,245	27,520
Salaries of master teachers	220,170	1,000	221,170	221,170	
Other salaries	3,000	87,559	90,559	90,559	
Salaries of Family/Parent Liaison and Community Parent Involvement Specialists	72,226	8,382	80,608	80,608	
Personal services - salaries	29,160	81,874	111,034	111,034	
Personnel services–employee benefits	651,130	504,582	1,155,712	1,140,696	15,016
Purchased professional and technical services		65,515	65,515	43,186	22,329
Purchased professional - educational services	131,002	588,948	719,950	650,301	69,649
Other purchased professional services	11,000	225,354	236,354		236,354
Other purchased services		12,639	12,639	12,490	149
Contracted Services (Other Than Between Home and School)		1,250	1,250	1,250	
Supplies and materials	126,956	(21,131)	105,825	47,092	58,733
Other objects		111,748	111,748	111,747	1
Student Activities		404,646	404,646	404,646	
Total support services	1,474,903	2,175,165	3,650,068	3,126,008	524,060
Facilities acquisition and construction services:					
Instructional equipment	5,001	163,230	168,231	168,231	
Total facilities acquisition and construction services	5,001	163,230	168,231	168,231	-
Total expenditures	6,479,621	2,851,302	9,330,923	7,905,369	1,425,554
Excess (deficiency) of revenues over (under) expenditures	(626,640)	-	(626,640)	(605,036)	21,604
Other financing sources (uses):					
General Fund Contribution to Preschool Education	626,640		626,640	626,640	
Transfer in from General Fund				149,687	
Cancellation of grants receivable				(149,687)	
Total other financing sources (uses)	626,640	-	626,640	626,640	-
Excess (deficiency) of revenues over (under) expenditures and other financing uses	-	-	-	21,604	21,604
Fund Balance, July 1	197,701		197,701	224,160	
Fund Balance, June 30	$ 197,701	$ -	$ 197,701	$ 245,764	$ 21,604
Recapitulation:					
Restricted:					
Student Activities and Scholarships				$ 245,764	
Reconciliation to Governmental Funds Statements (GAAP):					
Last two state aid payments not recognized on GAAP basis				(313,320)	
Fund Balance (Deficit) per Governmental Funds (GAAP) (B-1)				$ (67,556)	

Note to Required Supplementary Information

Carteret Board of Education
Note to Required Supplementary Information
Budget to GAAP Reconciliation
Year ended June 30, 2025

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

		General Fund	Special Revenue Fund
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	**[C-1, C-2]**	$ 108,407,587	$ 7,300,333
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Current Year			(425,883)
Prior Year, net of cancellations			1,245,461
Local contribution - Transfer to Grants and Entitlements			
Preschool Education Aid			(626,640)
The last State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33).		(5,960,441)	(313,320)
The prior year's last State aid payment are recognized for GAAP statements, not recognized for budgetary purposes.		4,975,417	296,120
Transfers from other funds are presented as inflows of resources but are not revenues for financial reporting purposes.			626,640
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	**[B-2]**	$ 107,422,563	$ 8,102,711
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	**[C-1, C-2]**	$ 99,884,019	$ 7,905,369
Differences - budget to GAAP:			
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 the supplies are received for financial reporting purposes.			
Current Year			(425,883)
Prior Year			1,245,461
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	**[B-2]**	$ 99,884,019	$ 8,724,947

Supplementary Information

Special Revenue Fund

CARTERET BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	TOTAL BROUGHT FORWARD (PAGE 2)	TITLE I PART A	TITLE II PART A	TITLE III	TOTALS
REVENUES:					
State Sources	$ 3,399,933				$ 3,399,933
Federal Sources	1,712,620	$ 1,426,109	$ 187,730	$ 147,691	3,474,150
Local Sources	426,250				426,250
Total Revenues	5,538,803	1,426,109	187,730	147,691	7,300,333
EXPENDITURES:					
Instruction:					
Salaries of Teachers	1,494,798	867,884		17,265	2,379,947
Other Salaries for Instruc.	88,592				88,592
Purch. Prof. & Tech. Services	32,866	16,400		13,536	62,802
Purch. Prof. - Educ. Services	412,194				412,194
Other Purchased Professional Services	299,395				299,395
Tuition to Other LEAs within the State- Special Ed.	83,000				83,000
Tuition to Cnty Spec. Serv. Dist. and Reg. Day School	199,290				199,290
Tuition to Private Schools for Disabled within State	561,781				561,781
General Supplies	351,731	4,618		25,140	381,489
Textbooks	4,165				4,165
Other Objects	138,475				138,475
Total Instruction	3,666,287	888,902	-	55,941	4,611,130
Support Services:					
Salaries of Fam/Parent Liaison & Comm. Parent Involv. Spec.	80,608				80,608
Salaries of Supervisors of Instruction	10,000				10,000
Salaries of Program Directors	69,984				69,984
Salaries of Other Prof. Staff	131,245				131,245
Other Salaries	90,559				90,559
Salaries of Master Teachers	221,170				221,170
Personal Services - Salaries	2,099	57,909	50,846	180	111,034
Personal Services - Empl. Benefits	687,374	453,322			1,140,696
Purch. Prof. & Tech Services	6,356	20,330		16,500	43,186
Purch. Prof. - Educ. Services	445,116		136,185	69,000	650,301
Other Purch. Prof. Services	7,420			5,070	12,490
Contracted Services - Trans. (Other Than Between Home and School)	1,250				1,250
Supplies and Materials	39,747	5,646	699	1,000	47,092
Student Activity Disbursement	404,646				404,646
Other Objects	111,747				111,747
Total Support Services	2,309,321	537,207	187,730	91,750	3,126,008
Facilities Acquis. & Const. Serv.:					
Instructional Equipment	168,231				168,231
Total Facil. Acquis. & Const. Serv.	168,231	-	-	-	168,231
Total Expenditures	6,143,839	1,426,109	187,730	147,691	7,905,369
Excess/(Deficiency) of Revenues Over/(under) Expenditures	(605,036)	-	-	-	(605,036)
Other Financing Sources/(Uses):					
Transfer from Operating Budget - PreK	626,640	-	-	-	626,640
Total Other Financing Sources/(Uses)	626,640	-	-	-	626,640
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	21,604	-	-	-	21,604
Net change in fund balance	21,604	-	-	-	21,604
Fund Balance, July 1	224,160	-	-	-	224,160
Fund Balance, June 30	$ 245,764	$ -	$ -	$ -	$ 245,764

CARTERET BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	TOTAL BROUGHT FORWARD (PAGE 3)	TITLE IV	I.D.E.A. PART B BASIC	I.D.E.A. PRESCHOOL	ARP ESSER III ARP ESSER III	ARP ESSER III HOMELESS II	HIGH IMPACT TUTORING	TOTAL CARRIED FORWARD
REVENUES:								
State Sources	$ 3,399,933							$ 3,399,933
Federal Sources	-	$ 128,188	$ 1,125,843	$ 34,295	$ 373,129	$ 151	$ 51,014	1,712,620
Local Sources	426,250		-					426,250
Total Revenues	3,826,183	128,188	1,125,843	34,295	373,129	151	51,014	5,538,803
EXPENDITURES:								
Instruction:								
Salaries of Teachers	1,428,649		1,106		14,029		51,014	1,494,798
Other Salaries for Instruc.	88,592							88,592
Purch. Prof. & Tech. Services	-	14,650	18,216					32,866
Purch. Prof. - Educ. Services	412,194							412,194
Other Purchased Professional Services	299,395							299,395
Tuition to Other LEAs within the State- Special Ed.	-		83,000					83,000
Tuition to Cnty Spec. Serv. Dist. and Reg. Day School	-		164,995	34,295				199,290
Tuition to Private Schools for Disabled within State	-		561,781					561,781
General Supplies	239,524	25,939			86,268			351,731
Textbooks	4,165							4,165
Other Objects	138,475							138,475
Total Instruction	2,610,994	40,589	829,098	34,295	100,297	-	51,014	3,666,287
Support Services:								
Salaries of Fam/Parent Liaison & Comm. Parent Involv. Spec	80,608							80,608
Salaries of Supervisors of Instruction	10,000							10,000
Salaries of Program Directors	69,984							69,984
Salaries of Other Prof. Staff	131,245							131,245
Other Salaries	90,559							90,559
Salaries of Master Teachers	221,170							221,170
Personal Services - Salaries	1,320	779						2,099
Personal Services - Empl. Benefits	687,374							687,374
Purch. Prof. & Tech Services	-	3,000			3,356			6,356
Purch. Prof. - Educ. Services	70,721	83,820	290,575					445,116
Other Purch. Prof. Services	1,250		6,170					7,420
Contracted Services - Trans. (Other Than Between Home and School)	- 1,250							1,250
Supplies and Materials	39,596					151		39,747
Student Activity Disbursement	404,646							404,646
Other Objects	10,502				101,245			111,747
Total Support Services	1,820,225	87,599	296,745	-	104,601	151	-	2,309,321
Facilities Acquis. & Const. Serv.:	-							
Instructional Equipment	-	-			168,231		-	168,231
Total Facil. Acquis. & Const. Serv.	-	-	-	-	168,231	-	-	168,231
Total Expenditures	4,431,219	128,188	1,125,843	34,295	373,129	$ 151	51,014	6,143,839
Excess/(Deficiency) of Revenues Over/(under Expenditures	(605,036)	-	-	-	-	-	-	(605,036)
Other Financing Sources/(Uses):								
Transfer from Operating Budget - PreK	626,640							626,640
Total Other Financing Sources/(Uses)	626,640	-	-	-	-	-	-	626,640
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	21,604	-	-	-	-	-	-	21,604
Net change in fund balance	21,604	-	-	-	-	-	-	21,604
Fund Balance, July 1	224,160	-	-	-	-	-	-	224,160
Fund Balance, June 30	$ 245,764	$ -	$ -	$ -	$ -	$ -	$ -	$ 245,764

CARTERET BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	TOTAL BROUGHT FORWARD (PAGE 4)	PRESCHOOL EDUCATION AID (Ex. E-2)	N.J. NONPUBLIC TECHNOLOGY INITIATIVE	N.J. NONPUBLIC NURSING SERVICES	N.J. NONPUBLIC TEXTBOOK AID	N.J. NONPUBLIC SECURITY AID	TOTAL CARRIED FORWARD
REVENUES:							
State Sources	$ 350,768	$ 3,008,154	$ 3,356	$ 11,460	$ 4,165	$ 22,030	$ 3,399,933
Federal Sources	-						-
Local Sources	426,250						426,250
	-						
Total Revenues	777,018	3,008,154	3,356	11,460	4,165	22,030	3,826,183
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-	1,428,649					1,428,649
Other Salaries for Instruc.	-	88,592					88,592
Purch. Prof. & Tech. Services	-						-
Purch. Prof. - Educ. Services	-	412,194					412,194
Other Purchased Professional Services	299,395						299,395
Tuition to Other LEAs within the State- Special Ed.	-						-
Tuition to Cnty Spec. Serv. Dist. and Reg. Day Schoc	-						-
Tuition to Private Schools for Disabled within State	-						-
General Supplies	15,987	198,151	3,356			22,030	239,524
Textbooks	-				4,165		4,165
Other Objects	1,055	137,420					138,475
Total Instruction	316,437	2,265,006	3,356	-	4,165	22,030	2,610,994
Support Services:							
Salaries of Fam/Parent Liaison & Comm. Parent Invc	-	80,608					80,608
Salaries of Supervisors of Instruction	-	10,000					10,000
Salaries of Program Directors	-	69,984					69,984
Salaries of Other Prof. Staff	-	131,245					131,245
Other Salaries	-	90,559					90,559
Salaries of Master Teachers	-	221,170					221,170
Personal Services - Salaries	1,320						1,320
Personal Services - Empl. Benefits	-	687,374					687,374
Purch. Prof. & Tech Services	-						-
Purch. Prof. - Educ. Services	30,511	28,750		11,460			70,721
Other Purch. Prof. Services	1,250						1,250
Contracted Services - Trans. (Other Than Between Home and School)	1,250						1,250
Supplies and Materials	-	39,596					39,596
Student Activity Disbursement	404,646						404,646
Other Objects	-	10,502					10,502
Total Support Services	438,977	1,369,788	-	11,460	-	-	1,820,225
Facilities Acquis. & Const. Serv.:							
Instructional Equipment	-						-
Total Facil. Acquis. & Const. Serv.	-	-	-	-	-	-	-
Total Expenditures	755,414	3,634,794	3,356	11,460	4,165	22,030	4,431,219
Excess/(Deficiency) of Revenues Over/(under Expenditures	21,604	(626,640)	-	-	-	-	(605,036)
Other Financing Sources/(Uses):							
Transfer from Operating Budget - PreK	-	626,640					626,640
Total Other Financing Sources/(Uses)	-	626,640	-	-	-	-	626,640
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	21,604	-	-	-	-	-	21,604
Net change in fund balance	21,604	-	-	-	-	-	21,604
Fund Balance, July 1	224,160	-	-	-	-	-	224,160
Fund Balance, June 30	$ 245,764	$ -	$ -	$ -	$ -	$ -	$ 245,764

CARTERET BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	TOTAL BROUGHT FORWARD (PAGE 5)	NJ NONPUBLIC SERVICES CHAPTER 192 COMP. EDUCATION	CHAPTER 192 ESL	CHAPTER 193 SUPPL. INSTR.	CHAPTER 193 EXAM. & CLASS.	CHAPTER 193 CORRECTIVE SPEECH	TOTAL CARRIED FORWARD
REVENUES:							
State Sources	$ 320,257	$ 11,271	$ 1,589	$ 7,434	$ 3,986	$ 6,231	$ 350,768
Federal Sources	-						-
Local Sources	426,250						426,250
Total Revenues	746,507	11,271	1,589	7,434	3,986	6,231	777,018
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-						-
Other Salaries for Instruc.	-						-
Purch. Prof. & Tech. Services	-						-
Purch. Prof. - Educ. Services	-						-
Other Purchased Professional Services	299,395						299,395
Tuition to Other LEAs within the State- Special Ed.	-						-
Tuition to Cnty Spec. Serv. Dist. and Reg. Day School	-						-
Tuition to Private Schools for Disabled within State	-						-
General Supplies	15,987						15,987
Textbooks	-						-
Other Objects	1,055						1,055
Total Instruction	316,437	-	-	-	-	-	316,437
Support Services:							
Salaries of Fam/Parent Liaison & Comm. Parent Involv. Spec.	-						-
Salaries of Supervisors of Instruction	-						-
Salaries of Program Directors	-						-
Salaries of Other Prof. Staff	-						-
Other Salaries	-						-
Salaries of Master Teachers	-						-
Personal Services - Salaries	1,320						1,320
Personal Services - Empl. Benefits	-						-
Purch. Prof. & Tech Services	-						-
Purch. Prof. - Educ. Services	-	11,271	1,589	7,434	3,986	6,231	30,511
Other Purch. Prof. Services	1,250						1,250
Contracted Services - Trans. (Other Than Between Home and School)	1,250						1,250
Supplies and Materials	-						-
Student Activity Disbursement	404,646						404,646
Other Objects	-						-
Total Support Services	408,466	11,271	1,589	7,434	3,986	6,231	438,977
Facilities Acquis. & Const. Serv.:							
Instructional Equipment	-						-
Total Facil. Acquis. & Const. Serv.	-	-	-	-	-	-	-
Total Expenditures	724,903	11,271	1,589	7,434	3,986	6,231	755,414
Excess/(Deficiency) of Revenues Over/(under Expenditures	21,604	-	-	-	-	-	21,604
Other Financing Sources/(Uses):							
Transfer from Operating Budget - PreK							
Total Other Financing Sources/(Uses)	-	-	-	-	-	-	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net change in fund balance	21,604	-	-	-	-	-	21,604
Fund Balance, July 1	224,160	-	-	-	-	-	224,160
Fund Balance, June 30	$ 245,764	$ -	$ -	$ -	$ -	$ -	$ 245,764

CARTERET BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	SCHOOL BASED YOUTH SERVICES	FOCUS	AFRICAN AMERICAN STUDIES	STUDENT ACTIVITIES/ SCHOLARSHIPS/ ATHLETICS	TOTAL CARRIED FORWARD
REVENUES:					
State Sources	$ 299,395	$ 11,120	$ 9,742		$ 320,257
Federal Sources					-
Local Sources				$ 426,250	426,250
Total Revenues	299,395	11,120	9,742	426,250	746,507
EXPENDITURES:					
Instruction:					
Salaries of Teachers					-
Other Salaries for Instruc.					-
Purch. Prof. & Tech. Services					-
Purch. Prof. - Educ. Services					-
Other Purchased Professional Services	299,395				299,395
Tuition to Other LEAs within the State- Special Ed.					-
Tuition to Cnty Spec. Serv. Dist. and Reg. Day School					-
Tuition to Private Schools for Disabled within State					-
General Supplies		11,120	4,867		15,987
Textbooks					-
Other Objects			1,055		1,055
Total Instruction	299,395	11,120	5,922	-	316,437
Support Services:					
Salaries of Fam/Parent Liaison & Comm. Parent Involv. Spec.					-
Salaries of Supervisors of Instruction					-
Salaries of Program Directors					-
Salaries of Other Prof. Staff					-
Other Salaries					-
Salaries of Master Teachers					-
Personal Services - Salaries			1,320		1,320
Personal Services - Empl. Benefits					-
Purch. Prof. & Tech Services					-
Purch. Prof. - Educ. Services					-
Other Purch. Prof. Services			1,250		1,250
Contracted Services - Trans. (Other Than Between Home and School)			1,250		1,250
Supplies and Materials					-
Student Activity Disbursement				404,646	404,646
Other Objects					-
Total Support Services	-	-	3,820	404,646	408,466
Facilities Acquis. & Const. Serv.:					
Instructional Equipment					-
Total Facil. Acquis. & Const. Serv.	-	-	-	-	-
Total Expenditures	299,395	11,120	9,742	404,646	724,903
Excess/(Deficiency) of Revenues Over/(under Expenditures	-	-	-	21,604	21,604
Other Financing Sources/(Uses):					
Transfer from Operating Budget - PreK	-	-	-	-	-
Total Other Financing Sources/(Uses)	-	-	-	-	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	$ -	$ -	$ -	$ -	$ -
Net change in fund balance	-	-	-	21,604	21,604
Fund Balance, July 1	-	-	-	224,160	224,160
Fund Balance, June 30	$ -	$ -	$ -	$ 245,764	$ 245,764

Exhibit E-2

CARTERET BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	FINAL BUDGET	PRESCHOOL ACTUAL	VARIANCE
EXPENDITURES:			
Instruction:			
Salaries of Teachers	$ 1,428,649	$ 1,428,649	
Other Salaries for Instruction	93,592	88,592	$ 5,000
Purchased Professional and Educational Services	495,000	412,194	82,806
General Supplies	215,000	198,151	16,849
Other Objects	874,951	137,420	737,531
Total Instruction	3,107,192	2,265,006	842,186
Support Services:			
Salaries of Supervisors of Instruction	10,000	10,000	
Salaries of Program Directors	70,000	69,984	16
Salaries of Other Professional Staff	158,765	131,245	27,520
Other Salaries	90,559	90,559	
Salaries of Family/Parent Liaison and Community Parent Involvment Specialist	80,608	80,608	
Salaries of Master Teachers	221,170	221,170	
Personal Services-Employee Benefits	687,374	687,374	
Other Purchased Professional-Educational Services	50,000	28,750	21,250
Other Purchased Professional Services	641,000		641,000
Supplies and Materials	93,542	39,596	53,946
Other Objects	10,502	10,502	
Total Support Services	2,113,520	1,369,788	743,732
Total Expenditures	$ 5,220,712	$ 3,634,794	$ 1,585,918

CALCULATION OF BUDGET AND CARRYOVER:

Total revised 2024-25 Preschool Education Aid Allocation	$ 3,133,200
Add: Actual Carryover (June 30, 2024)	1,460,872
Add: Budgeted General Fund Contribution to Preschool Education	626,640
Total Preschool Education Aid Available for 2024-25 Budget	5,220,712
Less: 2024-25 Budgeted Preschool Education Aid	(5,220,712)
Available and Unbudgeted PEA Funds at June 30, 2025	-
Add: June 30, 2025 Unexpended PEA	1,585,918
2024-25 Carryover - Preschool Aid Programs	$ 1,585,918
2024-25 PEA Carryover Budgeted for 2025-26 Preschool Programs	$ -

Capital Projects Fund

Carteret Board of Education
Capital Projects Fund

Summary Schedule of Project Expenditures

Year ended June 30, 2025

Issue/Project Title	Approval Date	Appropriations	Revised Appropriations	Expenditures to Date Prior Year	Expenditures to Date Current Year	Unexpended Balance
2020 Referendum Projects	9/24/2019	$ 36,999,995	$ 36,999,995	$ 29,711,858	$ 2,248,685	$ 5,039,452
Roof Replacements at Carteret High School	12/7/2023	229,486	229,486			229,486
Roof Replacements at Carteret Middle School	12/7/2023	1,168,842	1,168,842		895,057	273,785
Roof Replacements at Columbus School	12/7/2023	95,128	95,128		83,616	11,512
Roof Replacements at Private Nicholas Minue School	12/7/2023	281,326	281,326		280,856	470
		$ 38,774,777	$ 38,774,777	$ 29,711,858	$ 3,508,214	$ 5,554,705

Fund Balance, June 30, 2025 (Budgetary Basis)	$ 5,554,705
Less: Unearned Revenue - SDA Grants	287,553
Fund Balance, June 30, 2025 (GAAP Basis)	$ 5,267,152

Recapitulation of Fund Balance - June 30, 2025 (Budgetary Basis)

Restricted:	
Year-End Encumbrances	$ 1,181,633
Available for Capital Projects	4,373,072
Total Fund Balance - Restricted for Capital Projects	$ 5,554,705

Carteret Board of Education
Capital Projects Fund

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

(Budgetary Basis)

Year ended June 30, 2025

	Current Year
Revenues	
Interest Earned	$ 100,790
Total Revenues	100,790
Expenditures and Other Financing Uses	
Purchased Professional Services	56,510
Construction Services	3,451,704
Transfers to General Fund	100,790
Total Expenditures and Other Financing Uses	3,609,004
(Deficiency) of Revenues (Under) Expenditures and Other Financing Uses	(3,508,214)
Fund Balance, July 1	9,062,919
Fund Balance, June 30	$ 5,554,705
Reconciliation of budgetary basis to GAAP basis:	
Fund Balance, Budgetary Basis	$ 5,554,705
Less: Revenue not recognized on a GAAP basis	(287,553)
Fund Balance - June 30, 2025 GAAP Basis	$ 5,267,152

Carteret Board of Education
Capital Projects Fund

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

2020 Referendum Projects

From Inception and for the year ended June 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Bond Sale Proceeds	$ 36,999,995		$ 36,999,995	$ 36,999,995
Total Revenues	36,999,995		36,999,995	36,999,995
Expenditures and Other Financing Uses				
Purchased Professional Services	4,423,069	$ 56,510	4,479,579	2,927,450
Construction Services	25,288,789	2,192,175	27,480,964	34,072,545
Total Expenditures	29,711,858	2,248,685	31,960,543	36,999,995
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ 7,288,137	$ (2,248,685)	$ 5,039,452	$ -

Additional project information	
Project number	Various
Grant date	N/A
Referendum date	September 24, 2019
Bond authorization date	April 29, 2020
Bonds Authorized	$ 36,999,995
Bonds Issued	36,999,995
Original Authorized Cost	36,999,995
Additional Authorized Cost	
Revised Authorized Cost	36,999,995
Percentage Increase over Original Authorized Cost	0.00%
Percentage completion	86.38%
Original target completion date	September 2022
Revised target completion date	September 2025

Carteret Board of Education
Capital Projects Fund

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

Roof Replacements at Carteret High School

From Inception and for the year ended June 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 128,072		$ 128,072	$ 128,072
Transfers from Capital Reserve	101,414		101,414	101,414
Total Revenues	229,486	-	229,486	229,486
Expenditures and Other Financing Uses				
Purchased Professional Services				
Construction Services				229,486
Total Expenditures	-	-	-	229,486
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ 229,486	$ -	$ 229,486	$ -

Additional project information	
Project number	0750-030-23-G5VQ
Grant date	April 11, 2024
Bond authorization date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	$ 229,486
Additional Authorized Cost	
Revised Authorized Cost	229,486
Percentage Increase over Original Authorized Cost	0.00%
Percentage completion	0.00%
Original target completion date	June 30, 2025
Revised target completion date	June 30, 2026

Carteret Board of Education
Capital Projects Fund

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

Roof Replacements at Carteret Middle School

From Inception and for the year ended June 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 652,306		$ 652,306	$ 652,306
Transfers from Capital Reserve	516,536		516,536	516,536
Total Revenues	1,168,842	-	1,168,842	1,168,842
Expenditures and Other Financing Uses				
Purchased Professional Services			-	
Construction Services		$ 895,057	895,057	1,168,842
Total Expenditures	-	895,057	895,057	1,168,842
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ 1,168,842	$ (895,057)	$ 273,785	$ -

Additional project information	
Project number	0750-055-23-G5CY
Grant date	April 11, 2024
Bond authorization date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	$ 1,168,842
Additional Authorized Cost	
Revised Authorized Cost	1,168,842
Percentage Increase over Original Authorized Cost	0.00%
Percentage completion	76.58%
Original target completion date	June 30, 2025
Revised target completion date	June 30, 2026

Carteret Board of Education
Capital Projects Fund

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

Roof Replacements at Columbus School

From Inception and for the year ended June 30, 2025

	Prior Periods	Current Year	Totals	Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 53,089		$ 53,089	$ 53,089
Transfers from Capital Reserve	42,039		42,039	42,039
Total Revenues	95,128	-	95,128	95,128
Expenditures and Other Financing				
Construction Services		$ 83,616	$ 83,616	95,128
Total Expenditures	-	83,616	83,616	95,128
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ 95,128	$ (83,616)	$ 11,512	$ -

Additional project information	
Project number	0750-050-23-G5VR
Grant date	April 11, 2024
Bond authorization date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	$ 95,128
Additional Authorized Cost	
Revised Authorized Cost	95,128
Percentage Increase over Original Authorized Cost	0.00%
Percentage completion	87.90%
Original target completion date	June 30, 2025
Revised target completion date	June 30, 2026

Carteret Board of Education
Capital Projects Fund

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

Roof Replacements at Private Nicholas Minue School

From Inception and for the year ended June 30, 2025

	Prior Periods	Current Year	Totals	Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 157,002		$ 157,002	$ 157,002
Transfers from Capital Reserve	124,324		124,324	124,324
Total Revenues	281,326	-	281,326	281,326
Expenditures and Other Financing				
Construction Services		$ 280,856	280,856	281,326
Total Expenditures	-	280,856	280,856	281,326
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ 281,326	$ (280,856)	$ 470	$ -

Additional project information	
Project number	0750-057-23-G5VS
Grant date	April 11, 2024
Bond authorization date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	$ 281,326
Additional Authorized Cost	
Revised Authorized Cost	281,326
Percentage Increase over Original Authorized Cost	0.00%
Percentage completion	99.83%
Original target completion date	June 30, 2025
Revised target completion date	June 30, 2026

Long-Term Debt

Carteret Board of Education
Long-Term Debt

Schedule of Serial Bonds Payable

Year ended June 30, 2025

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance June 30, 2024	Retired	Balance June 30, 2025
School Bonds, Series 2020	June 2, 2020	$36,999,995	2/1/2026	$ 905,000	2.00%	$ 34,295,000	$ 900,000	$ 33,395,000
			2/1/2027	925,000	2.00%			
			2/1/2028	950,000	2.00%			
			2/1/2029	970,000	2.00%			
			2/1/2030	1,000,000	2.00%			
			2/1/2031	1,030,000	2.00%			
			2/1/2032	1,065,000	2.00%			
			2/1/2033	1,095,000	3.00%			
			2/1/2034	1,135,000	3.00%			
			2/1/2035	1,170,000	3.00%			
			2/1/2036	1,215,000	3.00%			
			2/1/2037	1,255,000	3.00%			
			2/1/2038	1,300,000	3.00%			
			2/1/2039	1,345,000	3.00%			
			2/1/2040	1,395,000	3.00%			
			2/1/2041	1,440,000	3.00%			
			2/1/2042	1,490,000	3.00%			
			2/1/2043	1,545,000	3.00%			
			2/1/2044	1,600,000	3.00%			
			2/1/2045	1,655,000	3.00%			
			2/1/2046	1,720,000	3.00%			
			2/1/2047	1,790,000	3.00%			
			2/1/2048	1,800,000	3.00%			
			2/1/2049	1,800,000	3.00%			
			2/1/2050	1,800,000	3.00%			
						$ 34,295,000	$ 900,000	$ 33,395,000

Carteret Board of Education
Long-Term Debt

Schedule of Obligations Under Certificates of Participation

Year ended June 30, 2025

Purpose	Amount of Original Issue	Interest Rate Payable On Remaining Balance	Balance June 30, 2024	Retired	Balance June 30, 2025
2015 Refunding (COP)	$ 7,455,000	2.50 - 3.00%	$ 3,300,000	$ 510,000	$ 2,790,000
			$ 3,300,000	$ 510,000	$ 2,790,000

Note: COP Indicates Certificate of Participation

Carteret Board of Education
Debt Service Fund

Budgetary Comparison Schedule

Year ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
Local Sources:					
Local Tax Levy	$ 424,988		$ 424,988	$ 424,988	
State Sources:					
Debt Service Aid Type II	530,212		530,212	530,212	
Total Revenues	955,200		955,200	955,200	
Expenditures:					
Regular Debt Service:					
Principal on COPS	510,000		510,000	510,000	
Interest on COPS	93,800		93,800	93,800	
Interest on Bonds	951,400		951,400	951,400	
Principal on Bonds	900,000		900,000	900,000	
Total Expenditures	2,455,200		2,455,200	2,455,200	
Excess of revenues over expenditures	(1,500,000)		(1,500,000)	(1,500,000)	
Other financing sources (uses):					
Transfers In	1,500,000		1,500,000	1,500,000	
Total other financing sources (uses)	1,500,000		1,500,000	1,500,000	
(Deficiency) excess of revenues (under) over expenditures and other financing sources (uses)	-		-	-	
Fund balance, July 1	-		-	-	
Fund balance, June 30	$ -		$ -	$ -	

Statistical Section
Unaudited

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.

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.*

Statistical Section

Carteret Board of Education
Net Position by Component

Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
					(Restated)					
Governmental activities:										
Net investment in capital assets	$ 12,139,789	$ 12,881,900	$ 13,253,738	$ 14,050,425	$ 13,501,178	$ 13,639,848	$ 14,840,382	$ 18,726,957	$ 21,522,610	$ 24,659,373
Restricted	650,501	1,400,500	519,188	509,470	2,629,450	3,773,513	6,509,743	10,195,036	16,922,974	17,962,808
Unrestricted (deficit)	(17,048,567)	(18,219,952)	(17,355,694)	(17,620,341)	(17,837,961)	(14,620,152)	(11,533,494)	(7,932,274)	(11,698,732)	(10,864,653)
Total governmental activities net position	$ (4,258,277)	$ (3,937,552)	$ (3,582,768)	$ (3,060,446)	$ (1,707,333)	$ 2,793,209	$ 9,816,631	$ 20,989,719	$ 26,746,852	$ 31,757,528
Business-type activities:										
Investment in capital assets	$ 399,111	$ 357,402	$ 315,692	$ 281,340	$ 239,878	$ 366,538	$ 337,928	$ 419,416	$ 526,836	$ 675,823
Unrestricted (deficit)	655,448	41,062	308,566	815,153	1,214,678	1,323,457	2,309,536	2,971,005	2,935,015	2,619,852
Total business-type activities net position	$ 1,054,559	$ 398,464	$ 624,258	$ 1,096,493	$ 1,454,556	$ 1,689,995	$ 2,647,464	$ 3,390,421	$ 3,461,851	$ 3,295,675
District-wide:										
Net investment in capital assets	$ 12,538,900	$ 13,239,302	$ 13,569,430	$ 14,331,765	$ 13,741,056	$ 14,006,386	$ 15,178,310	$ 19,146,373	$ 22,049,446	$ 25,335,196
Restricted	650,501	1,400,500	519,188	509,470	2,629,450	3,773,513	6,509,743	10,195,036	16,922,974	17,962,808
Unrestricted (deficit)	(16,393,119)	(18,178,890)	(17,047,128)	(16,805,188)	(16,623,283)	(13,296,695)	(9,223,958)	(4,961,269)	(8,763,717)	(8,244,801)
Total district net position	$ (3,203,718)	$ (3,539,088)	$ (2,958,510)	$ (1,963,953)	$ (252,777)	$ 4,483,204	$ 12,464,095	$ 24,380,140	$ 30,208,703	$ 35,053,203

Source: ACFR Schedule A-1 and District records.

Note 1. GASB No. 84 was implemented during the 2021 fiscal year, which required the restatement of beginning net position in the amount of $174,136.

Carteret Board of Education
Changes in Net Position

Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	Years ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
Instruction										
Regular	$ 29,859,830	$ 32,796,929	$ 35,287,441	$ 35,738,554	$ 35,770,081	$ 40,488,877	$ 36,938,917	$ 36,236,541	$ 39,498,780	$ 40,368,849
Special education	12,959,900	14,049,462	15,684,751	15,456,654	14,347,977	13,410,986	10,370,488	9,779,059	10,967,329	10,408,455
Other special education	2,332,775	2,889,622	3,287,124	3,255,382	3,504,382	3,802,158	3,731,982	3,408,296	3,858,748	4,433,493
School sponsored activities and athletics	579,426	598,697	662,544	677,616	652,932	382,317	745,657	761,002	837,816	874,788
Support Services:										
Tuition										
Student & instruction related services	7,754,543	8,805,795	8,173,073	7,989,432	8,521,121	9,915,466	15,010,565	17,726,904	17,941,096	20,019,413
School Administrative services	3,384,585	4,117,025	4,072,383	3,541,865	3,554,257	4,103,085	1,715,148	1,378,278	1,221,509	1,355,899
General administration services	1,113,582	1,236,146	1,350,446	1,474,490	1,563,327	1,416,925	3,651,110	3,964,396	4,052,851	4,107,749
Central services	1,338,402	1,419,864	1,357,978	1,365,407	1,359,248	1,536,247	1,392,128	1,358,478	1,542,534	1,467,988
Plant operations and maintenance	5,966,909	6,625,429	7,577,581	6,458,542	5,918,261	6,028,833	6,072,987	7,365,286	6,105,378	7,423,265
Pupil transportation	2,736,599	2,685,999	2,948,428	3,465,427	3,244,933	2,859,554	4,202,642	5,151,649	5,608,520	5,922,852
Charter schools									330,534	443,918
Special schools									271,771	259,381
Interest on long-term debt	490,930	391,191	512,680	228,302	262,048	1,163,737	1,131,591	1,091,608	1,105,124	988,865
Total governmental activities expenses	68,517,481	75,616,159	80,914,429	79,651,671	78,698,567	85,108,185	84,963,215	88,221,497	93,341,990	98,074,915
Business-type activities:										
Food service	1,729,508	2,543,630	2,354,336	2,169,812	1,813,753	1,237,519	2,276,634	2,364,481	3,333,131	3,467,604
Enrichment academy	157,520	634,647	178,231	218,137	175,680	53,472	179,959	223,902	259,496	301,398
Total business-type activities expense	1,887,028	3,178,277	2,532,567	2,387,949	1,989,433	1,290,991	2,456,593	2,588,383	3,592,627	3,769,002
Total district expenses	$ 70,404,509	$ 78,794,436	$ 83,446,996	$ 82,039,620	$ 80,688,000	$ 86,399,176	$ 87,419,808	$ 90,809,880	$ 96,934,617	$ 101,843,917
Program Revenues										
Governmental activities:										
Charges for services				$ 47,076		$ 102,444	$ 334,231	$ 448,714		
Grants and contributions	19,660,547	24,427,731	27,668,511	26,459,790	25,027,913	32,104,218	28,390,858	29,635,684	$ 23,882,624	$ 24,525,641
Total governmental activities program revenues	19,660,547	24,427,731	27,668,511	26,506,866	25,027,913	32,206,662	28,725,089	30,084,398	23,882,624	24,525,641
Business-type activities:										
Charges for services										
Food service	510,115	486,285	485,618	509,755	360,835	2,925	48,613	419,458	434,056	362,742
Enrichment academy	332,133	279,174	353,899	386,537	326,757	129,914	412,612	494,189	686,084	717,304
Operating grants and contributions	1,442,315	1,756,723	1,918,844	1,963,892	1,659,904	1,393,311	2,952,451	2,396,565	2,510,434	2,542,400
Total business type activities program revenues	2,284,563	2,522,182	2,758,361	2,860,184	2,347,496	1,526,150	3,413,676	3,310,212	3,630,574	3,622,446
Total district program revenues	$ 21,945,110	$ 26,949,913	$ 30,426,872	$ 29,367,050	$ 27,375,409	$ 33,732,812	$ 32,138,765	$ 33,394,610	$ 27,513,198	$ 28,148,087
Net (Expense)/Revenue										
Governmental activities	$ (48,856,934)	$ (51,188,428)	$ (53,245,918)	$ (53,144,805)	$ (53,670,654)	$ (52,901,523)	$ (56,238,126)	$ (58,137,099)	$ (69,459,366)	$ (73,549,274)
Business-type activities	397,535	(656,095)	225,794	472,235	358,063	235,159	957,083	721,829	37,947	(146,556)
Total district-wide net expense	$ (48,459,399)	$ (51,844,523)	$ (53,020,124)	$ (52,672,570)	$ (53,312,591)	$ (52,666,364)	$ (55,281,043)	$ (57,415,270)	$ (69,421,419)	$ (73,695,830)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	$ 24,940,515	$ 25,230,391	$ 26,527,244	$ 27,057,788	$ 27,098,944	$ 27,711,201	$ 27,988,313	$ 27,988,315	$ 27,988,310	$ 28,268,198
Taxes levied for debt service	1,392,490	1,414,624	1,388,324	1,388,109	597,036	1,551,076	1,863,047	1,668,099	1,941,140	424,988
Unrestricted grants and contributions	24,092,213	24,239,661	24,898,203	24,452,817	26,476,209	27,841,567	32,961,771	38,403,982	44,164,046	51,731,356
Restricted grants and contributions	450,133	541,716	568,477	590,947	173,622	97,880	294,507	407,543	240,271	304,497
Investment income	14,665	25,080								
Miscellaneous income	64,746	57,681	218,454	177,466	200,914	200,341	153,910	842,248	882,732	1,675,268
Total governmental activities	50,954,762	51,509,153	53,600,702	53,667,127	54,546,725	57,402,065	63,261,548	69,310,187	75,216,499	82,404,307
Business-type activities:										
Investment earnings						280	386	21,128	33,484	43,947
Total business-type activities	-	-	-	-	-	280	386	21,128	33,484	43,947
Total district-wide	$ 50,954,762	$ 51,509,153	$ 53,600,702	$ 53,667,127	$ 54,546,725	$ 57,402,345	$ 63,261,934	$ 69,331,315	$ 75,249,983	$ 82,448,254
Change in Net Position										
Governmental activities	$ 2,097,828	$ 320,725	$ 354,784	$ 522,322	$ 876,071	$ 4,500,542	$ 7,023,422	$ 11,173,088	$ 5,757,133	$ 8,855,033
Business-type activities	397,535	(656,095)	225,794	472,235	358,063	235,439	957,469	742,957	71,431	(102,609)
Total district	$ 2,495,363	$ (335,370)	$ 580,578	$ 994,557	$ 1,234,134	$ 4,735,981	$ 7,980,891	$ 11,916,045	$ 5,828,564	$ 8,752,424

Source: ACFR Schedule A-2 and District records.

Carteret Board of Education
Fund Balances - Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	June 30,									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
					(Restated)					
General Fund:										
Restricted	$ 650,000	$ 1,400,000	$ 607,411	$ 607,411	$ 2,925,577	$ 3,791,157	$ 6,020,112	$ 9,988,899	$ 15,914,501	$ 17,489,344
Committed	463,977				441,527	193,500	1,375,453	557,313	564,062	3,887,909
Assigned	1,900,107	2,196,387	2,216,988	2,712,981	1,208,023	4,066,068	4,253,596	8,278,282	4,667,750	5,681,089
Unassigned (deficit)	(3,243,219)	(3,179,233)	(2,239,026)	(2,799,053)	(2,560,367)	(1,553,749)	(687,902)	(2,377,318)	(3,010,236)	(3,559,258)
Total general fund	$ (229,135)	$ 417,154	$ 585,373	$ 521,339	$ 2,014,760	$ 6,496,976	$ 10,961,259	$ 16,447,176	$ 18,136,077	$ 23,499,084
All Other Governmental Funds:										
Restricted	$ 501	$ 500	$ 19,188	$ 9,470	$ 34,755,918	$ 26,742,745	$ 11,727,084	$ 7,957,546	$ 8,296,610	$ 5,512,916
Unassigned (deficit)	(73,591)	(60,609)			172,436				(296,120)	
Total all other governmental funds	$ (73,090)	$ (60,109)	$ 19,188	$ 9,470	$ 34,928,354	$ 26,742,745	$ 11,727,084	$ 7,957,546	$ 8,000,490	$ 5,512,916

Source: ACFR Schedule B-1 and District records.

Note 1: GASB No. 84 was implemented during the 2021 fiscal year, which required the restatement of the beginning fund balances in the general and special revenue funds.

Note 2: The deficits in the general fund and special revenue fund are the result of the last two state aid payments being deferred until the subsequent fiscal year. See notes to the basic financial statements for additional information.

Carteret Board of Education
Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	June 30,									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Revenues										
Tax levy	$ 26,333,005	$ 26,645,015	$ 27,915,568	$ 28,445,897	$ 27,695,980	$ 29,262,277	$ 29,851,360	$ 29,656,414	$ 29,929,450	$ 28,693,186
Tuition charges				47,076						
Interest on investments	13,701	25,080					16,806	252,343	419,111	460,315
Miscellaneous	85,827	86,355	218,779	191,806	200,914	330,033	470,742	1,034,946	934,412	1,634,919
State sources	35,017,174	36,486,597	38,818,535	42,713,030	45,035,183	48,846,049	58,803,281	64,248,706	70,254,041	81,818,871
Federal sources	2,333,822	2,391,881	2,101,371	2,332,287	2,567,952	3,216,644	5,017,363	9,720,644	5,647,747	4,670,605
Other restricted miscellaneous							593	3,673	4,552	6,284
Total revenue	63,783,529	65,634,928	69,054,253	73,730,096	75,500,029	81,655,003	94,160,145	104,916,726	107,189,313	117,284,180
Expenditures										
Instruction:										
Regular Instruction	25,630,959	26,738,831	28,419,185	32,037,837	33,358,631	35,856,442	38,508,930	39,804,558	43,113,865	45,109,716
Special education instruction	11,913,810	12,382,075	13,754,179	14,414,657	13,742,262	12,285,140	10,780,374	10,634,616	11,906,252	11,643,370
Other special instruction	1,981,530	2,317,837	2,644,168	2,872,467	3,240,391	3,331,882	3,913,245	3,775,891	4,268,314	4,994,303
School sponsored activities, athletics	509,622	497,152	540,071	609,245	607,770	350,572	778,884	836,680	921,872	982,160
Support Services:										
Student & inst. related services	6,834,983	7,382,189	6,706,856	7,176,377	7,973,655	8,892,246	14,610,750	17,356,092	18,619,599	20,973,698
General administrative services	1,046,138	1,087,078	1,215,174	1,381,284	1,518,344	1,315,559	1,754,263	1,476,344	1,328,806	1,492,733
School administrative services	2,899,248	3,309,470	3,230,729	3,124,989	3,295,398	3,595,882	3,841,070	4,452,098	4,548,166	4,750,024
Central services	1,241,408	1,190,380	1,143,774	1,218,814	1,276,094	1,364,329	1,459,476	1,508,796	1,606,054	1,674,213
Plant operations and maintenance	4,946,201	5,137,887	6,099,968	5,292,532	5,093,049	5,100,573	6,224,619	6,364,406	7,405,856	7,193,727
Pupil transportation	2,728,951	2,667,902	2,943,307	3,458,607	3,245,780	2,852,645	4,164,199	5,092,723	5,523,521	5,836,902
Special Schools							120,403	262,522	298,692	306,664
Charter Schools							216,701	348,267	330,534	443,918
Capital outlay	160,101	205,332	59,482	155,227	2,399,324	8,926,998	15,821,101	8,788,141	2,904,764	6,715,752
Debt service:										
Principal	2,653,860	1,720,000	1,760,000	1,830,000	650,000	675,000	1,384,995	1,395,000	1,400,000	1,410,000
Interest and other charges	327,668	339,525	289,844	231,812	164,063	811,128	1,132,513	1,104,213	1,075,075	1,045,200
Total expenditures	62,874,479	64,975,658	68,806,737	73,803,848	76,564,761	85,358,396	104,711,523	103,200,347	105,251,370	114,572,380
Excess (Deficiency) of revenues over (under) expenditures	909,050	659,270	247,516	(73,752)	(1,064,732)	(3,703,393)	(10,551,378)	1,716,379	1,937,943	2,711,800
Other Financing sources (uses)										
Cancellation of Grant Receivable									(206,100)	(149,687)
Serial Bonds Issued					36,999,995					
Capital leases (non-budgeted)					5,046	87,045				
Transfers in	964				(5,046)	(87,045)	28,169	90,223	1,728,787	2,377,117
Transfers out							(28,169)	(90,223)	(1,728,787)	(2,377,117)
Total other financing sources (uses)	964	-	-	-	36,999,995	-	-	-	(206,100)	(149,687)
Net change in fund balances	$ 910,014	$ 659,270	$ 247,516	$ (73,752)	$ 35,935,263	$ (3,703,393)	$ (10,551,378)	$ 1,716,379	$ 1,731,843	$ 2,562,113
Debt service as a percentage of noncapital expenditures	4.75%	3.18%	2.98%	2.80%	1.10%	1.94%	2.83%	2.65%	2.42%	2.28%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Carteret Board of Education
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	June 30,									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Interest Earned	$ 359,525	$ 277,529	$ 162,120	$ 16,806	$ 52,618	$ 79,093	$ 85,703	$ 67,298	$ 25,080	$ 13,701
Tuition							47,076			
Miscellaneous	1,214,953	459,069	589,905	108,935	60,678	116,775	91,763	131,968	57,681	64,746
Total	$ 1,574,478	$ 736,598	$ 752,025	$ 125,741	$ 113,296	$ 195,868	$ 224,542	$ 199,266	$ 82,761	$ 78,447

Source: District's Revenue Report

CARTERET BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate [a]
2016	$ 40,092,400	$ 1,066,429,882	$ 209,102,500	$ 489,878,983	$ 92,762,400	$ 1,898,266,165	$ 2,494,459	$ 1,900,760,624	$ 2,151,155,075	$ 1.394
2017 (b)	54,547,300	1,245,829,200	279,228,900	741,107,283	129,192,300	2,449,904,983	2,818,532	2,452,723,515	2,171,901,581	1.113
2018	50,741,800	1,243,002,320	274,207,900	729,064,683	125,749,800	2,422,766,503	2,965,620	2,425,732,123	2,289,561,570	1.162
2019	51,245,300	1,247,946,920	286,254,000	730,098,283	125,820,400	2,441,364,903		2,441,364,903	2,566,484,822	1.150
2020	54,464,200	1,249,377,800	284,947,300	732,548,583	125,476,700	2,446,814,583		2,446,814,583	2,749,814,139	1.145
2021	96,505,500	1,251,734,250	282,177,300	740,013,583	125,652,100	2,496,082,733		2,496,082,733	2,880,018,631	1.203
2022	100,477,300	1,253,453,300	276,160,900	739,326,583	120,514,100	2,489,932,183		2,489,932,183	3,122,966,078	1.195
2023	101,289,700	1,262,428,200	289,242,700	817,788,783	120,700,900	2,591,450,283		2,591,450,283	3,728,768,752	1.150
2024	66,984,700	1,268,897,200	274,496,200	863,645,783	127,293,300	2,601,317,183		2,601,317,183	3,850,780,696	1.127
2025	260,824,000	2,687,684,100	354,076,800	2,186,767,883	237,609,100	5,726,961,883		5,726,961,883	5,102,006,320	0.519

Source: County Abstract of Ratables

a Tax rates are per $100

b The Borough undertook a reassessment of real property which was effective in calendar year 2017.

* Information not available

CARTERET BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per $100 of assessed value)

Assessment Year		Total Direct School Tax Rate	Overlapping Rates					Total Direct and Overlapping Tax Rate
			Carteret Municipality	Municipal Open Space	Municipal Library	County	County Open Space	
2016		$ 1.394	$ 1.258	$ 0.030	$ 0.037	$ 0.413	$ 0.035	$ 3.167
2017	(A)	1.113	1.101	0.030	0.029	0.330	0.027	2.630
2018		1.162	1.134	0.030	0.031	0.342	0.028	2.727
2019		1.150	1.175	0.030	0.034	0.372	0.032	2.793
2020		1.145	1.225	0.030	0.036	0.406	0.034	2.876
2021		1.203	1.261	0.030	0.037	0.422	0.035	2.988
2022		1.195	1.269	0.030	0.042	0.446	0.038	3.020
2023		1.150	1.343	0.030	0.046	0.494	0.043	3.106
2024		1.127	1.431	0.030	0.049	0.505	0.046	3.188
2025	(B)	0.519	0.684	0.030	0.026	0.282	0.027	1.568

Source: The Borough Tax Duplicate

(A) The Borough undertook a reassessment of real property which was effective in calendar year 2017.

(B) The Borough undertook a revaluation effective in calendar year 2025.

CARTERET BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

	2025				2016		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value		Taxable Assessed Value	Rank	% Total of District Net Assessed Value
KTR Carteret LLC C/O Prologis, L.P.	$ 239,022,983		20.62%	GATX C/O Kinder Morgan Tax Department	$ 109,810,000		29.53%
GATX C/O Kinder Morgan Tax Department	196,773,500		16.98%	KTR Carteret LLC C/O Prologis, L.P.	62,458,083		16.80%
Federal Blvd LLC	121,980,600		10.52%	Federal Blvd LLC	37,818,600		10.17%
A J Richard & Sons Inc	101,688,700		8.77%	Bristol Tic LLC C/O Jersey C. Manag.	29,963,300		8.06%
Keystone C/O Prologis Tax Coord	97,782,500		8.44%	Cyprus Amax C/O Freeport/L.W.24-128	26,989,500		7.26%
CPT NJ 200 Middlese LLC	90,690,000		7.82%	Keystone C/O Prologis Tax Coord	24,879,900		6.69%
Port Carteret Fee Echnage/Prologis	87,596,000		7.56%	A J Richard & Sons Inc	21,547,500		5.79%
BRS Bristol Holdings LLC	82,153,000		7.09%	Centerpoint Roosevelt LLC	19,960,500		5.37%
AMB US Logistics Fund LP/Prologis	76,008,000		6.56%	200 Middlesex LLC C/O Sutherland	19,776,200		5.32%
New Carsun Hills C/O Summit	65,420,000		5.64%	T-C 200 Milk Street LLC	18,651,300		5.02%
Total	$ 1,159,115,283		20.24%	Total	$ 371,854,883		19.56%

Source: Municipal Tax Assessor

CARTERET BOARD OF EDUCATION
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	
2016	$ 26,333,005	$ 26,333,005	100.00%	
2017	26,645,015	26,645,015	100.00%	
2018	27,915,568	27,915,568	100.00%	
2019	28,445,897	28,445,897	100.00%	
2020	27,695,980	27,695,980	100.00%	
2021	29,262,277	28,316,318	96.77%	$ 945,959
2022	29,851,360	29,851,360	100.00%	
2023	29,656,414	29,656,414	100.00%	
2024	29,929,450	29,929,450	100.00%	
2025	28,693,186	28,693,186	100.00%	

EXHIBIT J-10

CARTERET BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Governmental Activities: General Obligation Bonds	Governmental Activities: Certificates of Participation	Total District	Population	Per Capita
2016	$ 945,000	$ 10,465,000	$ 11,410,000	23,621	$ 483
2017	770,000	8,920,000	9,690,000	23,604	411
2018	590,000	7,340,000	7,930,000	23,514	337
2019	400,000	5,700,000	6,100,000	23,393	261
2020	37,204,995	5,245,000	42,449,995	23,383	1,815
2021	36,999,995	4,775,000	41,774,995	25,152	1,661
2022	36,095,000	4,295,000	40,390,000	25,176	1,604
2023	35,195,000	3,800,000	38,995,000	25,281	1,542
2024	34,295,000	3,300,000	37,595,000	26,003	1,446
2025	33,395,000	2,790,000	36,185,000	26,003 (A)	1,392

Source: District records
N/A : Not Applicable

(A) -Estimated

CARTERET BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
2016	$ 945,000		$ 945,000	0.05%	$ 40
2017	770,000		770,000	0.03%	33
2018	590,000		590,000	0.02%	25
2019	400,000	$ 9,470	390,530	0.02%	17
2020	37,204,995	9,470	37,195,525	1.52%	1,591
2021	36,999,995	291,930	36,708,065	1.47%	1,459
2022	36,095,000	291,930	35,803,070	1.44%	1,422
2023	35,195,000		35,195,000	1.36%	1,392
2024	34,295,000		34,295,000	1.32%	1,319
2025	33,395,000		33,395,000	0.58%	1,284

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

CARTERET BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
FOR YEAR ENDED DECEMBER 31, 2024
(Unaudited)

	Gross Debt	Deductions	Net Debt
MUNICIPAL DEBT: (1)			
Borough of Carteret	$ 79,339,728	$ 17,276,402	$ 62,063,326
Carteret Board of Education	34,295,000	34,295,000	-
	$ 113,634,728	$ 51,571,402	62,063,326
OVERLAPPING DEBT APPORTIONED TO THE MUNICIPALITY			
Middlesex County			
County of Middlesex (A)			15,835,701
Middlesex County Utilities Authority (B)			2,014,458
			17,850,159
Total Direct and Overlapping Bonded Debt			$ 79,913,485

SOURCE:
(1) Borough of Carteret Annual Debt Statement and School District Financial Records

(A) The debt information for this entity was obtained from the Middlesex County Treasurer's office and was apportioned to the Borough of Carteret by dividing the municipality's 2024 equalized value by the total 2024 equalized value for Middlesex County.

(B) Overlapping debt was computed based upon municipal flow to the Authority.

Source: Borough of Carteret Chief Financial Officer and Middlesex County Treasurer's Office.

EXHIBIT J-13

CARTERET BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2024

Equalized Valuation Basis		
2024		$ 4,409,759,591
2023		3,795,328,475
2022		3,547,417,272
	[A]	$ 11,752,505,338
Average Equalized Valuation of Taxable Property	**[A/3]**	$ 3,917,501,779
Debt Limit (4.0% of average	**[B]**	$ 156,700,071
Total Net Debt Applicable to Limit	**[C]**	33,395,000
Legal debt margin	**[B-C]**	$ 123,305,071

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	$ 83,178,360	$ 90,269,173	$ 91,740,739	$ 96,729,684	$ 100,118,630	$ 106,886,705	$ 114,618,113	$ 125,776,750	$ 139,189,845	$ 156,700,071
Total Net Debt Applicable to Limit	-	-	-		36,999,995	36,999,995	35,803,070	35,195,000	34,295,000	33,395,000
Legal Debt Margin	$ 83,178,360	$ 90,269,173	$ 91,740,739	$ 96,729,684	$ 63,118,635	$ 69,886,710	$ 78,815,043	$ 90,581,750	$ 104,894,845	$ 123,305,071
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	36.96%	34.62%	31.24%	27.98%	24.64%	21.31%

Source: Annual Debt Statements

CARTERET BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Year	Population	County Per Capita Personal Income	Unemployment Rate
2016	23,621	$ 56,207	5.40%
2017	23,604	57,889	5.30%
2018	23,514	60,547	4.70%
2019	23,393	62,665	4.20%
2020	23,383	66,640	11.60%
2021	25,152	70,221	7.60%
2022	25,176	70,951	4.60%
2023	25,281	75,352	5.90%
2024	26,003	75,352 (A)	4.50%
2025	26,003 (A)	75,352 (A)	4.50% (A)

(A) - Estimated

Source: New Jersey State Department of Education

EXHIBIT J-15

CARTERET BOARD OF EDUCATION
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

	2025		2016	
Employer	Employees	Percentage of Municipal Employment	Employees	Percentage of Municipal Employment
	-		-	

Source: Information was not available

CARTERET BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Instruction										
Regular	241.00	250.00	264.00	254.00	255.00	255.00	260.00	260.00	285.00	286
Special education	83.00	81.00	62.00	60.00	60.00	60.00	63.00	64.00	66.00	66
Other special education	27.00	28.00	35.00	35.00	34.00	34.00	35.00	35.00	28.00	28
Adult/continuing education programs										
Support Services:										
Student & instruction related services	26.00	21.00	24.00	24.00	26.00	21.00	21.00	21.00	20.00	20
General administration	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4
School administrative services	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	25.00	25
Other administrative services									3.00	3
Central services	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5
Administrative Information Technology	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.50	5.00	5
Plant operations and maintenance	27.00	27.00	24.00	25.00	24.00	24.00	21.00	21.00	28.00	29
Total	438.00	441.00	443.00	432.00	433.00	428.00	434.00	435.50	469.00	471.00

Source: District Personnel Records

EXHIBIT J-17

CARTERET BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Enrollment [a]	Operating Expenditures [b]	Cost Per Pupil [c]	Percentage Change	Teaching Staff	Pupil/Teacher Ratio Elementary	Pupil/Teacher Ratio Middle School	Pupil/Teacher Ratio Senior High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2016	3,808	$ 59,732,850	$ 15,686	2.11%	312	11:1	13:1	11:1	3,715	3,542	-0.24%	95.34%
2017	3,832	62,710,801	16,365	4.33%	306	12:1	13:1	12:1	3,713	3,555	-0.05%	95.74%
2018	3,840	66,697,411	17,369	6.14%	318	13:1	13:1	13:1	3,701	3,700	-0.32%	99.97%
2019	3,890	71,586,809	18,403	5.95%	314	13:1	13:1	13:1	3,955	3,763	6.86%	95.15%
2020	3,933	73,351,374	18,650	1.34%	315	13:1	13:1	13:1	3,905	3,741	-1.26%	95.80%
2021	3,804	74,945,270	19,702	5.64%	315	13:1	13:1	13:1	3,804	3,611	-2.59%	94.93%
2022	3,882	86,372,914	22,250	19.30%	323	11:1	13:1	12:1	3,826	3,562	-2.02%	93.10%
2023	3,892	91,912,993	23,616	6.14%	324	11:1	13:1	13:1	3,809	3,552	0.13%	93.25%
2024	3,975	99,871,531	25,125	6.39%	351	10.1	13.1	13.1	4,042	3,770	5.65%	93.27%
2025	3,925	105,401,428	26,854	6.88%	352	12:1	13:1	13:1	3,923	3,717	2.99%	94.75%

Sources: District records

Note:
a Enrollment based on annual October district count.
b Operating expenditures equal total expenditures less debt service and capital outlay.
c Cost per pupil represents operating expenditures divided by enrollment.

CARTERET BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

District Building	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Elementary										
Columbus School										
Square Feet	51,539	51,539	51,539	51,539	51,539	51,539	51,539	51,539	51,539	51,539
Capacity (students)	526	526	526	526	526	526	526	526	526	526
Enrollment	680	707	728	771	742	683	697	584	646	637
Minue School										
Square Feet	69,705	69,705	69,705	69,705	69,705	69,705	69,705	69,705	69,705	69,705
Capacity (students)	457	457	457	457	457	457	457	457	457	457
Enrollment	648	665	680	660	654	597	638	521	532	527
Nathan Hale School (Reopened Sept. 2001)										
Square Feet	57,858	57,858	57,858	57,858	57,858	57,858	57,858	57,858	57,858	57,858
Capacity (students)	525	525	525	525	525	525	525	525	525	525
Enrollment	504	518	498	492	490	459	469	455	447	432
Middle School										
Square Feet	78,595	78,595	78,595	78,595	78,595	78,595	78,595	78,595	78,595	78,595
Capacity (students)	544	544	544	544	544	544	544	544	544	544
Enrollment	878	832	861	844	895	915	933	573	585	571
Junior High School (Opened Sept. 2022)										
Square Feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	60,861	60,861	60,861
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	639	639	639
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	633	583	570
High School										
Square Feet	157,745	157,745	157,745	157,745	157,745	157,745	157,745	157,745	157,745	157,745
Capacity (students)	765	765	765	765	765	765	765	765	765	765
Enrollment	1,012	1,020	997	1,053	1,032	985	1,045	1,132	1,182	1,188
Other										
Square Feet - Stadium	10,104	10,104	10,104	10,104	10,104	10,104	10,104	10,104	10,104	10,104
Square Feet - Administration Building	17,248	17,248	17,248	17,248	17,248	17,248	17,248	17,248	17,248	17,248

Number of Schools at June 30, 2025
- Elementary = 3
- Middle School = 2
- Senior High School = 1
- Other = 0

Source: District Facilities Office

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

CARTERET BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
***School Facilities**										
Columbus School	$ 109,640	$ 131,420	$ 100,585	$ 148,985	$ 138,844	$ 128,878	$ 326,592	$ 264,577	$ 462,919	$ 376,265
Nicholas Minue School	193,243	231,632	177,284	262,590	244,718	227,151	224,869	228,477	399,757	324,926
Nathan Hale School	200,854	240,755	184,266	272,933	254,355	236,097	293,809	261,002	456,664	371,181
Middle School	120,657	144,626	110,692	163,956	152,796	141,828	258,492	227,636	398,285	323,730
Junior High School								172,992	302,677	246,019
High School	339,147	406,520	311,137	460,853	429,484	398,655	701,815	294,825	515,843	419,282
Total School Facilities	963,541	1,154,953	883,964	1,309,317	1,220,197	1,132,609	1,805,577	1,449,509	2,536,146	2,061,403
Other Facilities	119,315	143,017	109,461	162,131	151,097	140,251	198,697	-	-	-
Grand Total	$ 1,082,856	$ 1,297,970	$ 993,425	$ 1,471,448	$ 1,371,294	$ 1,272,860	$ 2,004,274	$ 1,449,509	$ 2,536,146	$ 2,061,403

Source: District Records

CARTERET BOARD OF EDUCATION
SCHEDULE OF INSURANCE
JUNE 30, 2025
(Unaudited)

	Coverage	Deductible
Property/EDP/Equipment		
Blanket Building and Contents (Per Fund)	$ 143,683,383	$ 5,000
Electronic Date Processing Equipment	included in above	
Equipment Breakdown/Boiler & Machinery	100,000,000	25,000
Crime		
Public Employee Dishonesty with Faithful Performance	250,000	1,000
General Liability		
Each Occurrence	11,000,000	N/A
Medical Expense (Per person)	11,000,000	N/A
Personal Injury and Advertising Injury	11,000,000	N/A
Employee Benefits Liability	11,000,000	N/A
Automobile Liability		
Combined Single Limit	1,000,000	N/A
Bodily Personal Injury Protection	N/A	N/A
Workers Compensation & Employers Liability		
E.L. Each Accident	3,000,000	N/A
E.L. Disease - Each Employee	3,000,000	N/A
E.L. Disease - Aggregate Limit	3,000,000	N/A
Surety Bonds		
Board Secretary	340,000	N/A
School Board Legal Leaders Errors and Omissions		
Legal Liability	11,000,000	10,000
Cyber Liability	2,000,000	varies

Source: District's 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 Trustees
Carteret Board of Education
Carteret, 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 and each major fund of the Carteret Board of Education, in the County of Middlesex, New Jersey (the "District") as of and for the year ended June 30, 2025, 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 15, 2025.

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.

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.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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

Woodcliff Lake, New Jersey
December 15, 2025

Gary Higgins

Gary Higgins, CPA
Licensed Public School Accountant No. CS00814

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

Independent Auditors' Report

Honorable President and Members
of the Board of Trustees
Carteret Board of Education
Carteret, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Carteret Board of Education'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, 2025. 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, 2025.

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.

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.

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.

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, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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.

Purpose of This Report

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

Woodcliff Lake, New Jersey
December 15, 2025

Gary Higgins

Gary Higgins, CPA
Licensed Public School Accountant No. CS00814

CARTERET BOARD OF EDUCATION

Schedule of Expenditures of Federal Awards

Year ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2024	Cash Received	Total Budgetary Expenditures	Adjustments	Provided to Subrecipients	Balance at June 30, 2025 (Accounts Receivable)	Balance at June 30, 2025 Unearned Revenue	Balance at June 30, 2025 Due to Grantor
General Fund:														
U.S. Department of Health and Human Services - Passed Through State Department of Human Services														
Medicaid Cluster:														
Medical Assistance Program (SEMI)	93.778	2505NJ5MAP	100-054-7540-211	$ 141,498	7/1/24	6/30/25		$ 92,378	$ (92,378)					
U.S. Department of Homeland Security - Passed Through State Department of Law and Public Safety:														
Public Assistance Grants - New Jersey Remnants of Hurricane Ida	97.036	Not available	Not available	38,951	7/1/24	6/30/25		1,948	(1,948)					
Total General Fund								94,326	(94,326)					
Special Revenue Fund:														
U.S. Department of Education - Passed Through State Department of Education														
Title I, Part A, Grants to Local Educational Agencies	84.010A	S010A240030	NCLB-2940-08	1,576,323	7/1/24	9/30/25		681,181	(1,426,109)			$ (744,928)		
Title I, Part A, Grants to Local Educational Agencies	84.010A	S010A230030	NCLB-2940-08	1,362,948	7/1/23	9/30/24	$ (544,696)	655,218		$ (110,522)				
Title I, Part A, SIA	84.010A	S010A230030	NCLB-2940-08	58,437	7/1/23	9/30/24	(27,142)	12,026		15,116				
Subtotal of Title I Part A							(571,838)	1,348,425	(1,426,109)	(95,406)		(744,928)		
Special Education Cluster:														
IDEA Special Education Grants to States	84.027A	H027A240100	FT294008	1,148,355	7/1/24	9/30/25		816,868	(1,124,737)			(307,869)		
IDEA Special Education Grants to States - Discretionary Administration	84.027A	H027A240100	FT294009	1,106	7/1/24	9/30/25		1,106	(1,106)					
IDEA Special Education Grants to States	84.027A	H027A230100	FT294008	1,149,811	7/1/23	9/30/24	(393,537)	365,188		28,349				
IDEA Special Education Grants to States - Preschool	84.173	H173A240114	PS294007	34,295	7/1/24	9/30/25		34,295	(34,295)					
IDEA Special Education Grants to States - Preschool	84.173	H173A230114	PS294007	35,783	7/1/23	9/30/24	(35,783)	35,783						
Subtotal of Special Education Cluster:							(429,320)	1,253,240	(1,160,138)	28,349		(307,869)		
Title II, Part A, Improving Teacher Quality State Grants	84.367A	S367A240029	NCLB-2940-07	258,123	7/1/24	9/30/25		152,230	(187,730)			(35,500)		
Title II, Part A, Improving Teacher Quality State Grants	84.367A	S367A230029	NCLB-2940-07	212,328	7/1/23	9/30/24	(54,659)	49,456		5,203				
Subtotal of Title II Part A							(54,659)	201,686	(187,730)	5,203		(35,500)		
Title III	84.365	S365A240030	NCLB-2940-07	129,547	7/1/24	9/30/25		69,385	(127,351)			(57,966)		
Title III	84.365	S365A230030	NCLB-2940-07	140,128	7/1/23	9/30/24	(70,410)	66,948		3,462				
Title III Immigrant	84.365	S365A240030	NCLB-2940-07	26,632	7/1/24	9/30/25		16,590	(20,340)			(3,750)		
Subtotal of Title III							(70,410)	152,923	(147,691)	3,462		(61,716)		
Title IV, Part A	84.424A	S425A240031	NCLB-2940-08	149,942	7/1/24	9/30/25		108,884	(128,188)			(19,304)		
Title IV, Part A	84.424A	S424A230031	NCLB-2940-08	105,423	7/1/23	9/30/24	(13,448)	13,448						
Subtotal of Title IV							(13,448)	122,332	(128,188)			(19,304)		
Elementary and Secondary School Emergency Relief (ESSER):														
COVID-19 - CARES ESSER II	84.425D	S425D210027	N/A	3,222,920	3/13/20	9/30/23	110,026			(110,026)				
COVID-19 - CR Learning Acceleration (ESSER II)	84.425D	S425D210027	N/A	206,830	3/13/20	9/30/23	(84,463)			84,463				
COVID-19 - CR Mental Health (ESSER II)	84.425D	S425D210027	N/A	45,000	3/13/20	9/30/23	(30,346)			30,346				
COVID-19 - American Rescue Plan - ESSER III	84.425U	S425U210027	N/A	7,243,305	3/13/20	9/30/24	(2,014,508)	2,087,826	(373,129)	299,811				
COVID-19 - Accelerated Learning Coach and Educator Support ESSER III	84.425U	S425U210027	N/A	425,636	3/13/20	9/30/24	(61,840)	72,876		(11,036)				
COVID-19 - Evidence Based Summer Learning and Enrichment ESSER III	84.425U	S425U210027	N/A	40,000	3/13/20	9/30/24	(11,422)	19,477		(8,055)				
COVID-19 - Evidence Based Comprehensive Beyond School Day ESSER I	84.425U	S425U210027	N/A	40,000	3/13/20	9/30/24	(16,103)	30,975		(14,872)				
COVID-19 - ARP Homeless II ESSER III	84.425U	S425U210027	N/A	38,575	3/13/20	9/30/24	(10,553)	8,945	(151)	1,759				
Subtotal ESSER							(2,119,209)	2,220,099	(373,280)	272,390				
U.S. Department of the Treasury - Passed Through State Department of Education														
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ACSERS)	21.027	N/A	N/A	17,900	7/1/23	9/30/24	(5,696)	5,696						
COVID-19 COVID ARP Learning Acceleration - NJ High Impact Tutoring Con	21.027	N/A	N/A	305,767	7/1/23	9/30/24	(112,281)	153,045	(51,014)	10,250				
Subtotal of Coronavirus Relief Fund							(117,977)	158,741	(51,014)	10,250				
Total Special Revenue Fund							(3,376,861)	5,457,446	(3,474,150)	224,248		(1,169,317)		
Enterprise Fund:														
U.S. Department of Agriculture–Passed-Through NJ Department of Agriculture														
Child Nutrition Cluster:														
Food Donation Program (NC)	10.555	251NJ304N1099	N/A	186,513	7/1/24	6/30/25		186,513	(184,636)				$ 1,877	
Food Donation Program (NC)	10.555	241NJ304N1099	N/A	204,312	7/1/23	6/30/24	15,422		(15,422)					
National School Lunch Program	10.555	251NJ304N1099	N/A	1,621,904	7/1/24	6/30/25		1,511,350	(1,621,904)			(110,554)		
National School Lunch Program	10.555	241NJ304N1099	N/A	1,468,115	7/1/23	6/30/24	(100,918)	100,918						
National School Lunch Program	10.555	231NJ304N1099	N/A	1,492,310	7/1/22	6/30/23	(298,794)	298,719		75				
National Snack Program	10.555	251NJ304N1099	N/A	34,268	7/1/24	6/30/25		32,255	(34,268)			(2,013)		
National Snack Program	10.555	241NJ304N1099	N/A	36,312	7/1/23	6/30/24	(1,843)	1,843						
National Snack Program	10.555	231NJ304N1099	N/A	30,729	7/1/22	6/30/23	(4,545)	4,545						
Healthy Hunger-Free Kids Act	10.555	251NJ304N1099	N/A	39,064	7/1/24	6/30/25		36,408	(39,064)			(2,656)		
Healthy Hunger-Free Kids Act	10.555	241NJ304N1099	N/A	34,370	7/1/23	6/30/24	(2,341)	2,341						
Healthy Hunger-Free Kids Act	10.555	231NJ304N1099	N/A	32,549	7/1/22	6/30/23	(6,398)	6,398						
School Breakfast Program	10.553	251NJ304N1099	N/A	468,247	7/1/24	6/30/25		441,737	(468,247)			(26,510)		
School Breakfast Program	10.553	241NJ304N1099	N/A	520,808	7/1/23	6/30/24	(35,490)	35,490						
School Breakfast Program	10.553	231NJ304N1099	N/A	388,739	7/1/22	6/30/23	(81,556)	81,503		53				
Fresh Fruits and Vegetable Program	10.582	251NJ304L1603	N/A	25,310	7/1/24	6/30/25		19,653	(25,310)			(5,657)		
Fresh Fruits and Vegetable Program	10.582	241NJ304L1603	N/A	22,819	7/1/23	6/30/24	(4,956)	4,956						
Subtotal Child Nutrition Cluster:							(521,419)	2,764,629	(2,388,851)	128		(147,390)	1,877	
Summer Electronic Benefit Transfer Program for Children	10.646	N/A	N/A	3,057	7/1/24	6/30/25		1,556	(3,057)			(1,501)		
Total Enterprise Fund							(521,419)	2,766,185	(2,391,908)	128		(148,891)	1,877	
Total Federal Awards							$ (3,898,280)	$ 8,317,957	$ (5,960,384)	$ 224,376		$ (1,318,208)	$ 1,877	

NC-non cash expenditures.

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

CARTERET BOARD OF EDUCATION

Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2025

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2024 Unearned Revenue (Accounts Receivable)	Balance at June 30, 2024 Due to Grantor	Transfers	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2025 Intergovernmental (Accounts Receivable)	Balance at June 30, 2025 Unearned Revenue/ Interfund Payable	Balance at June 30, 2025 Due to Grantor	MEMO Budgetary Receivable	MEMO Cumulative Total Expenditures
General Fund:																
State Department of Education:																
Equalization Aid	24-495-034-5120-078	$ 44,973,782	7/1/2023	6/30/2024	$ (4,491,325)			$ 4,491,325								
Equalization Aid	25-495-034-5120-078	52,642,607	7/1/2024	6/30/2025				47,389,718	$ (52,642,607)						$ (5,252,889)	$ (52,642,607)
Transportation Aid	24-495-034-5120-014	511,027	7/1/2023	6/30/2024	(51,034)			51,034								
Transportation Aid	25-495-034-5120-014	567,504	7/1/2024	6/30/2025				510,876	(567,504)						(56,628)	(567,504)
Special Education Categorical Aid	24-495-034-5120-089	2,809,761	7/1/2023	6/30/2024	(280,598)			280,598								
Special Education Categorical Aid	25-495-034-5120-089	4,488,916	7/1/2024	6/30/2025				4,040,994	(4,488,916)						(447,922)	(4,488,916)
Security Aid	24-495-034-5120-084	1,526,650	7/1/2023	6/30/2024	(152,460)			152,460								
Security Aid	25-495-034-5120-084	2,034,423	7/1/2024	6/30/2025				1,831,420	(2,034,423)						(203,003)	(2,034,423)
Extraordinary Aid	24-495-034-5120-044	975,530	7/1/2023	6/30/2024	(975,530)			1,125,836								
Extraordinary Aid	25-495-034-5120-044	1,289,937	7/1/2024	6/30/2025					(1,289,937)			$ (1,289,937)			(1,289,937)	(1,289,937)
Additional Nonpublic School Transportation Costs	24-495-034-5120-014	43,225	7/1/2023	6/30/2024	(43,225)			3,305,312								
Additional Nonpublic School Transportation Costs	25-495-034-5120-014	49,035	7/1/2024	6/30/2025					(49,035)			(49,035)			(49,035)	(49,035)
On-Behalf TPAF Medical Contributions (NC)	25-495-034-5094-001	3,360,097	7/1/2024	6/30/2025				3,360,097	(3,360,097)							(3,360,097)
On-Behalf TPAF Long-Term Disability Insurance (NC)	25-495-034-5094-004	5,145	7/1/2024	6/30/2025				5,145	(5,145)							(5,145)
On-Behalf TPAF Pension and Annuity Fund (NC)	25-495-034-5094-002	11,499,274	7/1/2024	6/30/2025				11,499,274	(11,499,274)							(11,499,274)
Reimbursed TPAF Social Security Contributions	24-495-034-5094-003	2,422,933	7/1/2023	6/30/2024	(120,003)			120,003								
Reimbursed TPAF Social Security Contributions	25-495-034-5094-003	2,535,595	7/1/2024	6/30/2025				2,410,026	(2,535,595)			(125,569)			(125,569)	(2,535,595)
Total General Fund					(6,114,175)			80,574,118	(78,472,533)			(1,464,541)			(7,424,983)	(78,472,533)
Special Revenue Fund:																
State Department of Human Services:																
School Based Youth Services	23-100-054-7570-389	153,051	7/1/2022	6/30/2023	4,000								$ 4,000			(149,051)
School Based Youth Services	25-100-054-7570-389	299,395	7/1/2024	6/30/2025				299,395	(299,395)							(299,395)
State Department of Health:																
Empower Grant	N/A	19,420	7/1/2022	6/30/2023	2,085								2,085			(17,335)
State Department of Education:																
Climate Change Education Grants to Schools	N/A	6,660	7/1/2022	6/30/2023	(5,913)							(5,913)			(5,913)	(6,660)
Preschool Education Aid	24-495-034-5120-86	2,961,200	7/1/2023	6/30/2024	1,164,752			296,120	(1,460,872)							(2,961,200)
Preschool Education Aid	25-495-034-5120-86	3,133,200	7/1/2024	6/30/2025			$ 626,640	2,819,880	(2,173,922)				1,585,918		(313,320)	(2,173,922)
N.J. Nonpublic Aid:																
Textbook Aid	25-100-034-5120-064	5,012	7/1/2024	6/30/2025				5,012	(4,165)					$ 847		(4,165)
Nursing	23-100-034-5120-070	15,600	7/1/2024	6/30/2025				15,600	(11,460)					4,140		(11,460)
Technology	25-100-034-5120-373	4,802	7/1/2024	6/30/2025				4,802	(3,356)					1,446		(3,356)
Security	25-100-034-5120-509	24,600	7/1/2024	6/30/2025				24,600	(22,030)					2,570		(22,030)
Auxiliary Services:																
Compensatory Education	25-100-034-5120-067	25,142	7/1/2024	6/30/2025				25,142	(11,271)					13,871		(11,271)
English as a Second Language	25-100-034-5120-067	1,589	7/1/2024	6/30/2025				1,589	(1,589)							(1,589)
Total Nonpublic Auxiliary Service Aid (Chap 192) Cluster:								26,731	(12,860)					13,871		(12,860)
Handicapped Services:																
Supplementary Instruction	24-100-034-5120-066		7/1/2023	6/30/2024		$ 62					$ 62					
Supplementary Instruction	25-100-034-5120-066	11,564	7/1/2024	6/30/2025				11,564	(7,434)					4,130		(7,434)
Examination and Classification	24-100-034-5120-066		7/1/2023	6/30/2024		380					380					
Examination and Classification	25-100-034-5120-066	13,269	7/1/2024	6/30/2025				13,269	(3,986)					9,283		(3,986)
Corrective Speech	25-100-034-5120-066	6,231	7/1/2024	6/30/2025				6,231	(6,231)							(6,231)
Total Nonpublic Handicapped Service Aid (Chap 193) Cluster:						442		31,064	(17,651)		442			13,413		(17,651)
Funding for Optimal Comprehensive Universal Screeners (FOCUS	25-100-034-5063-371	11,120	7/1/2024	6/30/2025					(11,120)			(11,120)			(11,120)	(11,120)
Establishing Advanced Placement African American Studies Grant	24-100-034-5063-368	10,100	4/1/2024	12/31/2024				6,395	(9,742)			(3,347)			(3,347)	(9,742)
Total Special Revenue Fund					1,164,924	442	626,640	3,529,599	(4,026,573)		442	(20,380)	1,592,003	36,287	(333,700)	(5,699,947)
Capital Projects Fund:																
State Schools Development Authority:																
ROD Grant-Roof Replacement at Carteret High School	N/A	128,072	7/1/2023	Current												
ROD Grant-Roof Replacement at Carteret Middle School	N/A	652,306	7/1/2023	Current					(499,512)			(499,512)			(499,512)	(499,512)
ROD Grant-Roof Replacement at Columbus School	N/A	53,089	7/1/2023	Current					(46,664)			(46,664)			(46,664)	(46,664)
ROD Grant-Roof Replacement at Nicholas Minue Elementary Sch	N/A	157,002	7/1/2023	Current					(156,740)			(156,740)			(156,740)	(156,740)
Total Capital Projects Fund					-	-	-	-	(702,916)		-	(702,916)	-	-	(702,916)	(702,916)
Debt Service Fund:																
Debt Service Aid	25-495-034-5120-075	530,212	7/1/2024	6/30/2025				530,212	(530,212)							(530,212)
Total Debt Service Fund								530,212	(530,212)							(530,212)
Enterprise Fund:																
State Department of Agriculture:																
School Lunch Program (State Share)	25-100-010-3350-023	46,830	7/1/2024	6/30/2025				43,673	(46,830)			(3,157)				(46,830)
School Lunch Program (State Share)	24-100-010-3350-023	50,322	7/1/2023	6/30/2024	(3,429)			3,429								(50,322)
School Lunch Program (State Share)	23-100-010-3350-023	43,115	7/1/2022	6/30/2023	(8,487)					$ 8,487						(43,115)
School Breakfast Program (State Share)	25-100-010-3350-023	5,573	7/1/2024	6/30/2025				5,301	(5,573)			(272)				(5,573)
School Breakfast Program (State Share)	24-100-010-3350-023	7,972	7/1/2023	6/30/2024	(560)			560								(7,972)
School Breakfast Program (State Share)	23-100-010-3350-023	3,951	7/1/2022	6/30/2023	(917)					917						(3,951)
Breakfast After the Bell Program	25-100-010-3350-495	18,220	7/1/2024	6/30/2025				17,163	(18,220)			(1,057)				(18,220)
Breakfast After the Bell Program	24-100-010-3350-495	21,527	7/1/2023	6/30/2024	(1,446)			1,446								(21,527)
Breakfast After the Bell Program	23-100-010-3350-495	11,653	7/1/2022	6/30/2023	(2,280)					2,280						(11,653)
Working Class Families State Supplement - Breakfast	25-100-010-3350-495	14,132	7/1/2024	6/30/2025				13,252	(14,132)			(880)				(14,132)
Working Class Families State Supplement - Breakfast	24-100-010-3350-495	11,153	7/1/2023	6/30/2024	(804)			804								(11,153)
Working Class Families State Supplement - Lunch	25-100-010-3350-495	62,680	7/1/2024	6/30/2025				58,474	(62,680)			(4,206)				(62,680)
Working Class Families State Supplement - Lunch	24-100-010-3350-495	33,079	7/1/2023	6/30/2024	(2,679)			2,679								(33,079)
Summer Electronic Benefit Transfer Program for Children	N/A	3,057	7/1/2024	6/30/2025				1,556	(3,057)			(1,501)				(3,057)
Total Enterprise Fund					(20,602)			148,337	(150,492)	11,684		(11,073)			-	(333,264)
Total State Financial Assistance					(4,969,853)	442		84,782,266	(83,882,726)	11,684	442	(2,198,910)	1,592,003	36,287	(8,461,599)	(85,738,872)
State Financial Assistance Not Subject to Single Audit Determination:																
General Fund:																
On-Behalf TPAF Medical Contributions (NC)	25-495-034-5094-001	3,360,097	7/1/2024	6/30/2025				(3,360,097)	3,360,097							3,360,097
On-Behalf TPAF Long-Term Disability Insurance (NC)	25-495-034-5094-004	5,145	7/1/2024	6/30/2025				(5,145)	5,145							5,145
On-Behalf TPAF Pension and Annuity Fund (NC)	25-495-034-5094-002	11,499,274	7/1/2024	6/30/2025				(11,499,274)	11,499,274							11,499,274
Total State Financial Assistance Subject to Single Audit Determination					$ (4,969,853)	$ 442	$ 626,640	$ 69,917,750	$ (69,018,210)	$ 11,684	$ 442	$ (2,198,910)	$ 1,592,003	$ 36,287	$ (8,461,599)	$ (70,874,356)

NC-non cash expenditures.

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

CARTERET BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Carteret Board of Education. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedules of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 2 to the Board'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 in, or used in the preparation of basic financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on a modified accrual basis with the exception of the revenue recognition of the delayed state aid payments in the current budget 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 certain 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, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of $985,024 for the general fund and an increase of $802,378 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	Federal	State	Total
General Fund	$ 92,378	$ 77,487,509	$ 77,579,887
Special Revenue Fund	4,578,227	3,411,554	7,989,781
Capital Projects Fund		702,916	702,916
Debt Service Fund		530,212	530,212
Food Service Fund	2,391,908	150,492	2,542,400
Total Financial Assistance	$ 7,062,513	$ 82,282,683	$ 89,345,196

CARTERET BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of $2,535,595 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2025. The amount reported as TPAF Pension System Contributions in the amount of $11,499,274, TPAF Post-Retirement Medical Benefits Contributions in the amount of $3,360,097 and TPAF Long-Term Disability Insurance in the amount of $5,145 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2025.

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

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

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

NOTE 8 NJ SCHOOLS DEVELOPMENT AUTHORITY (SDA) GRANTS

As of June 30, 2025, the District has active grant awards from the Schools Development Authority (SDA) totaling $990,469. Of this amount, $702,916 has been expended and submitted for reimbursement but had not yet been received as of year-end.

In the Capital Projects Fund, the District recognizes grant revenue on a GAAP basis as qualifying expenditures are incurred and submitted for reimbursement. Under the budgetary basis of accounting, however, the District recognizes the full grant award at the time of award. Accordingly, a variance of $287,553 exists between the GAAP and budgetary basis financial statements.

NOTE 9 EXPLANATION OF ADJUSTMENTS COLUMN

The adjustment column includes amounts necessary to reconcile program revenues and expenditures to the amounts reported in the District's financial statements.

In the Special Revenue Fund, adjustments primarily reflect the cancellation of prior-year encumbrances, which resulted in corresponding cancellations of related grant receivables.

CARTERET BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 9 EXPLANATION OF ADJUSTMENTS COLUMN (CONTINUED)

For the Enterprise Fund, adjustments represent the cancellation of grant receivables associated with reimbursement requests that were denied by the State due to late submission of drawdowns. As a result, the related accounts receivables were removed from the Schedule of Expenditures of Federal Awards and the Schedule of State Financial Assistance.

Carteret Board of Education

Schedule of Findings and Questioned Costs

June 30, 2025

Part I – Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued:	Unmodified		
Internal control over financial reporting:			
Are any material weaknesses identified?	____ Yes	X	No
Are any significant deficiencies identified?	____ Yes	X	None Reported
Is any noncompliance material to financial statements noted?	____ Yes	X	No

Federal Awards

Internal control over major federal programs:			
Are any material weaknesses identified?	____ Yes	X	No
Are any significant deficiencies 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

Carteret Board of Education

Schedule of Findings and Questioned Costs

June 30, 2025

Part I – Summary of Auditors Results (continued)

Federal Awards Section (continued)

Identification of major federal programs:

Assistance Listing Number	FAIN	Name of Federal Program or Cluster
84.010A	S010A200030	Title I Part A - Grants to Local Education Agencies

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

Auditee qualified as low-risk auditee? X Yes ____ No

Carteret Board of Education

Schedule of Findings and Questioned Costs

June 30, 2025

Part I – Summary of Auditor's Results (continued)

State Financial Assistance

Internal control over major state programs:

Are any material weaknesses identified?	_____	Yes	X	No
Are any significant deficiencies identified?	_____	Yes	X	None reported

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

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 15-08?	_____	Yes	X	No

Identification of major state programs:

GMIS/Program Number	**Name of State Program or Cluster**
	State Aid Cluster:
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Educational Categorical Aid
495-034-5120-084	Security Aid
Not Available	New Jersey Schools Development Authority – ROD Grants

Dollar threshold used to distinguish between Type A and Type B programs: $2,070,546

Auditee qualified as low-risk auditee?	X	Yes	_____	No

Carteret Board of Education

Schedule of Findings and Questioned Costs

June 30, 2025

Part II – Schedule of Financial Statement Findings

This section identifies significant deficiencies, material weaknesses, and instances of noncompliance related to the general-purpose financial statements that are required to be reported in accordance with chapter 5.18 of *Government Auditing Standards.*

Significant Deficiency(ies)/Material Weaknesses

None Noted.

Noncompliance

None Noted.

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

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by 2 CFR 200 Section 516(a) and New Jersey Treasury Circular OMB 15-08, respectively.

FEDERAL AWARD PROGRAMS

No compliance or internal control findings noted that are required to be reported in accordance with 2 CFR 200 Section 516(a).

STATE FINANCIAL ASSISTANCE PROGRAMS

No compliance or internal control findings noted that are required to be reported in accordance with New Jersey Treasury Circular OMB 15-08.

Carteret Board of Education

Schedule of Findings and Questioned Costs

June 30, 2025

Summary Schedule of Prior Year Audit Findings

STATUS OF PRIOR YEAR FINDINGS

FEDERAL AWARD PROGRAMS

Finding 2024-001 (Other Matter):
The District's net cash resources in the Food Service Fund exceeded three months average expenditures.

Federal Program Information:
Child Nutrition Cluster

Condition:
Net cash resources in the Food Service Fund exceeded three months average expenditures.

Current Year Status:
This finding was corrected for the year ended June 30, 2025.

Corrective Action Taken:
Management has taken necessary corrective action, including the purchase of a food service vehicle, upgrade of equipment and the purchase of new equipment.

STATE FINANCIAL ASSISTANCE

No matters were reported in prior year.