

**Comprehensive Annual
Financial Report**

of the

Township of Green Brook Board of Education

County of Somerset

Green Brook, New Jersey

For the Fiscal Year Ended June 30, 2020

Prepared by

**Township of Green Brook, Board of Education
Finance Department**

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INTRODUCTORY SECTION

December 31, 2020

Honorable President and
Members of the Board of Education
Green Brook Public Schools
County of Somerset, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Green Brook Public Schools (District) for the fiscal year ended June 30, 2020 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and required supplementary information, as well as the auditor's report thereon. The financial section also includes Management's Discussion and Analysis, which is an overview of the District's current financial status and future outlook. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the 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 State of New Jersey OMB Circular 15-08 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

(1) REPORTING ENTITY AND ITS SERVICES:

The Green Brook Public Schools is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by National Council on Governmental Accounting (NCGA) Statement No. 3. The Green Brook Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels preschool through 8. These include regular education, gifted and talented, instructional support, English language services, as well as special education programs. Preschool disabled programs also service students ages 3-5. Students in grades 9-12 are sent to Watchung Hills Regional High School District on a tuition basis. This high school district offers a comprehensive program including regular vocational programs as well as special education programs for learning disabled students. At the conclusion of the 2019-2020 school year, 382 students in grades 9-12 attended Watchung Hills Regional High School. The following details the changes in the PreK-8 student enrollment of the District over the last seven years:

Total School Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Annual Percent Change</u>
2019-2020	767	(2.04%)
2018-2019	783	(7.00%)
2017-2018	842	(5.82%)
2016-2017	897	(4.00%)
2015-2016	899	.22%
2014-2015	894	(.56%)
2013-2014	842	(5.82%)

Overall, the district experienced a decrease of 16 students for grades Pre-K to Grade 8

(2) ECONOMIC CONDITION AND OUTLOOK:

The Green Brook Township Board of Education recognizes the ever-changing environment of financing education in the State of New Jersey. The School Funding Reform Act of 2008 established the formula for determining the level of State Aid and local funding needed to educate all New Jersey public school children. This law also created a maximum tax levy increase, various budget restrictions, and set the maximum district fund balance at the higher of 2% of budget expenditures or \$250,000. The New Jersey Department of Education releases the Education Adequacy Report for adjustments to the costs, weights and aid amount in the State's school-funding formula on a yearly basis. Over the past several years, this formula has changed based on the state's budget, making it difficult to predict what state aid amount will be released to Green Brook Township School on a consistent basis. The Green Brook Township Board of Education, along with its excellent staff, believes it will continue to provide a comprehensive education for all of its children. Exceptional instructional programs continue to be offered and reviewed on a regular basis for improvements.

(3) MAJOR INITIATIVES:

The Green Brook Township School District continues to deliver high-quality programs and maintain a fiscally responsible budget. The major initiatives for the 2019-2020 school year included a continued focus on literacy across all content areas, especially focusing on supporting teacher's implementation of Reader's and Writer's Workshop, focusing on differentiating instruction for students through conferring and small group work. Through a wide array of related arts classes and enrichment opportunities, students have the ability to explore various areas of learning as well as hone their learning to their needs. The 2019-2020 school year also brought forth the creation of a Peer Leadership program which helped build independence, confidence, and caring among a group of students who worked diligently to enter the program and grow its potential.

All of the 2019-2020 initiatives will continue to be supported during the 2020-2021 school year. In addition, the district will also work to support the new Next Generation Science Standards through continued professional development and investment in the FOSS program for students in kindergarten through fifth grade. Another main area of focus for the 2020-2021 school year will be on the utilization of 1:1 technology to foster student learning, differentiation, and 21st century skills. Ongoing training and support will be provided to staff through in-service, PLC work, and turnkey opportunities to foster the skills necessary to leverage technology for instruction. Finally, the Green Brook Township Public Schools values the education of all students throughout the district. All of the district's goals combined with the ongoing support provided to parents, students, and teachers make the Green Brook Township Public Schools a learning environment where all students can succeed.

The Green Brook Township School District is extremely fortunate to have an active and supportive Parent-Teacher Organization (PTO). The PT has made generous donations to support all aspects of the school community. The Green Brook Education and Athletic Foundation (GBEAF) also raises funds to support the programs and facilities in the district. The GBEAR donated over \$50,000 in teacher grants in the 2019-2020 school year. The efforts of the PTO and GBEAF, combined with the support of the Board of Education, parents, and greater community, clearly demonstrates our community's commitment to provide a quality education for our students.

(4) INTERNAL ACCOUNTING CONTROLS:

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

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District's management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure,

including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

(5) BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance as of June 30, 2020.

(6) ACCOUNTING SYSTEM AND REPORTS:

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

(7) CASH MANAGEMENT:

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

(8) RISK MANAGEMENT:

The District is a member of the Northeast Bergen County School Board Insurance Group (the "Fund"). The Fund is a risk-sharing public entity pool established for the purpose of insuring against workers' compensation claims, general liability, property and vehicle insurance.

(9) OTHER INFORMATION:

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board's finance committee selected the accounting firm of Suplee, Clooney & Company. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act as amended and the related Uniform Guidance and State Treasury Circular Letter 15-08 OMB. The auditor's report on the basic financial statements is included in the financial section of this report.

The auditor's reports related specifically to the single audit are included in the single audit section of this report.

(10) ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Green Brook Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our administrative, financial, accounting, and secretarial staffs.

Respectfully submitted,



Dr. James Bigsby
Superintendent of Schools



Stephen Fried
Board Secretary/Business Administrator

**GREEN BROOK BOARD OF EDUCATION
GREEN BROOK, NEW JERSEY**

**ROSTER OF OFFICIALS
June 30, 2020**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Bruce Martins, President	2021
John Brault, Vice President	2020
Lauren Banker	2020
Darlene Connors	2020
Zhi Chen	2022
Michelle Cruz	2022
Andrea Ferrante	2020
Jean-Louis Kong	2021
Janine Potter	2022

Other Officials

Dr. James Bigsby, Superintendent

Stephen Fried, Board Secretary/Business Administrator

Raymond Murray, Treasurer

Tony Sciarrillo, Esq., Board Attorney

**GREEN BROOK BOARD OF EDUCATION
GREEN BROOK, NEW JERSEY**

CONSULTANTS AND ADVISORS

Audit Firm

Suplee, Clooney and Company
308 East Broad Street
Westfield, NJ 07081

Attorney

Sciarrillo, Cornell, Merlino, McKeever and Osbourne
238 St. Paul Street
Westfield, NJ 07090

Official Depository

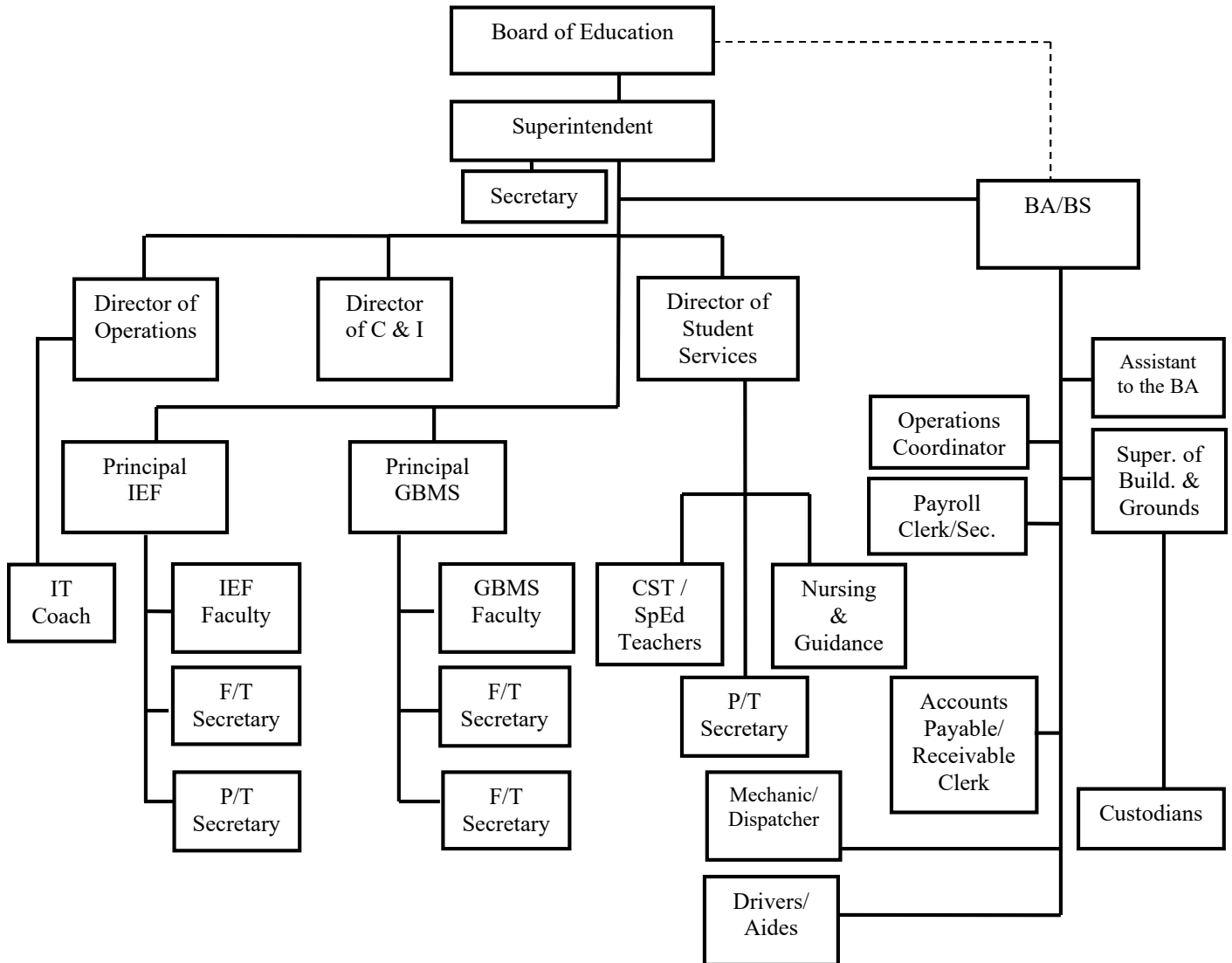
The Provident Bank
930 North Washington Avenue
Green Brook, NJ 08812

POLICY

GREEN BROOK TOWNSHIP BOARD OF EDUCATION

ADMINISTRATION
1110/Page 1 of 1
ORGANIZATIONAL CHART

1110 ORGANIZATIONAL CHART



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FINANCIAL SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Township of Green Brook School District
County of Somerset
Green Brook, New Jersey 08812

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Green Brook School District, in the County of Somerset, State of New Jersey (the "District") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey and State of New Jersey *OMB Circular 15-08* "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

SUPLEE, CLOONEY & COMPANY

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2020, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information in Exhibit C-1 through C-3, the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 and the schedules related to accounting and reporting for postretirement benefits other than pensions (OPEB) in Exhibit M-1 and M-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

SUPLEE, CLOONEY & COMPANY

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information schedules such as the introductory section, combining statements and individual fund financial statements, the statistical section and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the State of New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the State of New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information, such as the introductory and statistical sections, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 31, 2020 on our consideration of the Township of Green Brook School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

December 31, 2020

REQUIRED SUPPLEMENTARY INFORMATION – Part I

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

**GREEN BROOK BOARD OF EDUCATION
GREEN BROOK, NEW JERSEY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED**

The discussion and analysis of Green Brook Board of Education District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2019-2020) and the prior year (2018-2019) is required to be presented in the MD&A.

Financial Highlights

Key financial highlights for fiscal year 2020 are as follows:

- In total, net position increased \$1,308,000.44, which represents a 319 percent increase from fiscal year 2019.
- General revenues accounted for \$24,295,500.25 in revenue, or 78.9 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$6,506,554.79 in revenue or 21.1 percent of total revenues.
- The School District had \$29,494,054.60 in expenses only \$6,506,554.79 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily tax levy and unrestricted state aid) of \$24,295,500.25 were adequate to provide for these programs.
- Total Governmental Activities Net Position increased by \$1,343,667.40. Cash and cash equivalents decreased by \$1,426,166.49, receivables increased by \$110,648.44, liabilities decreased by \$1,672,732.63 and capital assets decreased by \$727,591.00.
- Among governmental funds, the General Fund had \$29,063,327.64 in revenues and \$28,109,109.07 in expenditures.

**GREEN BROOK BOARD OF EDUCATION
GREEN BROOK, NEW JERSEY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED**

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and explanatory notes. The report is organized so that the reader can first understand Green Brook School District as a financial whole. The financial operations of each individual fund are also described in detail later in the report.

The *Statement of Net Position and Statement of Activities*: The purpose of the Statement of Net Position and Statement of Activities is to combine financial data of all individual fund operations to present information about the activities of the School District as a whole. Activities are broken down into two broad categories: Governmental Activities and Business-Type Activities. The most significant amount of activity for the Green Brook Board of Education occurs in the category of Governmental Activities.

Reporting the School District as a Whole

State of Net Position and the Statement of Activities

While the CAFR report contains detail of all individual funds used by the School District to provide programs and activities, the most significant statements are the Statement of Net Position and Activities. These statements include all assets, liabilities and activities using the accrual basis of accounting. The accrual basis of accounting reflects recognition of revenues and expenditures when earned rather than received.

The Statements of Assets and Activities report the School District's net position and changes in those assets. This change in net position is important because it tells the reader whether the financial position of the School District has improved or diminished. The causes of this change may be attributable to non-financial factors such as: The School District's property tax base, changes in current State law, facility conditions, mandated educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District's operating activities are divided into two distinct types:

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

**GREEN BROOK BOARD OF EDUCATION
GREEN BROOK, NEW JERSEY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED**

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the District's funds. The District uses many funds to account for a multitude of financial transactions. The District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows through those funds and the balances left at year-end. These funds are reported using an accounting method referred to as the modified accrual basis of accounting, which recognizes revenue and expenditures when they become both measurable and available. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine the availability of financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities. These statements closely resemble financial statements of a private sector business entity.

The School District as a Whole

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

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

**GREEN BROOK BOARD OF EDUCATION
GREEN BROOK, NEW JERSEY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED**

Table 1 provides a summary of the School District's net position for 2020 as compared to 2019.

**Table 1
Net Position**

	<u>2020</u>	<u>2019</u>
Assets:		
Current and Other Assets	\$4,974,564.90	\$3,661,702.64
Capital Assets	<u>19,318,902.00</u>	<u>20,053,959.00</u>
Total Assets	24,293,466.90	23,715,661.64
Deferred Outflows:		
Related to Pensions	1,283,679.00	1,978,484.00
Loss on Refunding of Long-term Debt	<u>893,116.23</u>	<u>982,427.86</u>
Total Deferred Outflows	2,176,795.23	2,960,911.86
Liabilities:		
Other Liabilities	5,567,086.65	7,178,598.98
Long-Term Liabilities	<u>10,401,769.38</u>	<u>10,452,932.73</u>
Total Liabilities	15,968,856.03	17,631,531.71
Deferred Inflows:		
Related to Pensions	2,413,056.00	2,236,478.00
Gain on Refunding of Long-Term Debt	<u>282,141.25</u>	<u>310,355.38</u>
Total Deferred Inflows	2,695,197.25	2,546,833.38
Net Position:		
Net Investment in Capital Assets(Deficit)	8,853,783.77	9,472,190.81
Restricted	3,784,982.50	3,015,690.67
Unrestricted (Deficit)	<u>(4,832,557.42)</u>	<u>(5,989,673.07)</u>
Total Net Position	<u><u>\$7,806,208.85</u></u>	<u><u>\$6,498,208.41</u></u>

The District's combined net position was \$7,806,208.85 on June 30, 2020. Table 2 shows changes in net position for fiscal years 2020 and 2019. The District's investment in capital assets is shown net of any related debt used to acquire those assets.

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Table 2 shows changes in net position for fiscal year 2020 as compared to 2019.

**Table 2
Changes in Net Position**

	<u>2020</u>	<u>2019</u>
Revenues		
Program Revenues:		
Charges for Services	\$644,018.39	\$682,165.20
Operating Grants and Contributions	5,862,158.08	6,523,267.45
Capital Grants and Contributions	378.32	0.00
General Revenues:		
Property Taxes	24,059,585.00	23,617,814.00
Grants and Entitlements	61,417.00	59,065.00
Other	174,498.25	(5,598.82)
Total Revenues	<u>30,802,055.04</u>	<u>30,876,712.83</u>
 Program Expenses		
Instruction	20,241,317.44	20,485,227.88
Support Services:		
Student and Instruction Related	3,367,028.30	3,355,440.90
Administrative and Business	2,094,954.46	2,718,681.36
Maintenance & Operations	1,577,525.89	1,653,604.62
Transportation	1,436,671.72	1,522,847.14
Business Type Activities	259,041.36	357,262.85
Other	517,515.43	471,394.68
Total Expenses	<u>29,494,054.60</u>	<u>30,564,459.43</u>
Increase/ (Decrease) in Net Position	<u>\$1,308,000.44</u>	<u>\$312,253.40</u>

Governmental Activities

Property taxes made up 78.7 percent of revenues for governmental activities for the Green Brook School District for fiscal year 2020. Property tax revenues increased by \$441,771.00,

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which is a 1.8 percent increase over the prior year. The District's total revenues were \$30,578,680.64 for the year ended June 30, 2020.

Instruction comprises 69.2 percent of district expenses. Support Services costs make up 29.0 percent of district expenses and other services make up 1.8 percent of district expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. *Table 3* shows the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

**Table 3
Cost of Services**

	<u>Total Cost of Services 2020</u>	<u>Total Cost of Services 2019</u>	<u>Net Cost of Services 2020</u>	<u>Net Cost of Services 2019</u>
Instruction	\$20,241,317.44	20,465,996.87	\$15,452,408.48	\$15,348,455.35
Support Services:				
Students and Instruction Related	3,367,028.30	3,355,440.90	2,557,231.42	2,552,790.74
General Administration, School & Central Administration	2,094,954.46	2,718,681.37	1,783,358.14	2,241,812.94
Maintenance of Facilities	1,577,525.89	1,653,604.62	1,499,444.77	1,542,521.52
Student Transportation	1,436,671.72	1,522,847.14	1,140,705.01	1,168,791.91
Other	517,515.43	490,625.68	517,515.43	490,625.68
Business-Type Activities	259,041.36	357,262.85	36,836.56	14,028.65
Total Net Cost of Services	<u>\$29,494,054.60</u>	<u>\$30,564,459.43</u>	<u>\$22,987,499.81</u>	<u>\$23,359,026.79</u>

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

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

General administration, school administration and central services include expenses associated with administrative and financial supervision of the district.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective condition and providing for the safety and security for all members of the school community while on school property.

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services.

Pupil transportation includes activities associated with the conveyance of both regular education and special education students to and from school, school activities and athletic events, as provided by state law.

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

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the school district.

The School District relies mainly upon tax revenues to function. The community, as a whole, is the primary support for the Green Brook School District

Business-Type Activities

Revenue for the District's business-type activities was comprised of the Food Service Program. Overall business type expenses exceeded revenues by \$35,666.96.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the

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modified accrual basis of accounting. Total revenues amounted to \$29,062,949.32 and expenditures and financing uses were \$28,109,109.07.

As demonstrated by the various statements and schedules included in the financial section of this report, the School District continues to meet its responsibility for sound financial management. The following schedules present a summary of general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2020 and the amount and percentage of increase and decrease in relation to prior year revenues.

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase(Decrease) from FY 2019</u>	<u>Percent Increase (Decrease)</u>
Local Sources	\$24,707,754.28	85.01%	\$482,457.89	1.70%
State Sources	4,089,684.53	14.07%	221,251.60	0.87%
Federal Sources	265,510.51	0.91%	28,315.44	1.91%
Total	\$29,062,949.32	100.00%	\$732,024.93	1.33%

Local revenues increased mainly due to a property tax increase needed to fund the additional expenditures associated with the instructional program and increased operating costs. Federal and State sources increased due to more grant funding.

The following schedule represents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2020, and the percentage of increases and decreases in relation to prior year amounts.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/(Decrease) from FY 2019</u>	<u>Percent Increase/ (Decrease)</u>
Current:				
Instruction	\$6,350,789.77	22.59%	(\$408,857.59)	-6.88%
Support Services	20,116,800.39	71.57%	486,212.10	2.36%
Capital Outlay	122,443.91	0.44%	55,034.91	\$0.31
Debt Service	1,519,075.00	5.40%	(200.00)	(0.00)
Total	\$28,109,109.07	100.00%	\$132,189.42	0.25%

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General Fund Budgeting Highlights

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

- Over the course of the year, the Board of Education, when appropriate, approved budget transfers to keep accounts in balance. Transfers to the budget were made to accurately reflect expenditures according to state guidelines and prevent over-expenditures in specific line-item accounts.

Capital Assets

At the end of the fiscal year 2020, the School District had \$19,318,902.00 invested in building, building improvements, furniture, equipment, and vehicles. Table 4 shows fiscal year 2020 balances compared to 2019.

**Table 4
Capital Assets (Net of Depreciation)**

	<u>2020</u>	<u>2019</u>
Governmental Activities Capital Assets, Net:		
Land	\$967,773.00	\$967,773.00
Building and Building Improvements	18,050,047.00	18,811,880.00
Machinery and Equipment	<u>230,667.00</u>	<u>196,425.00</u>
Total Governmental Activities Capital Assets, Net	<u>19,248,487.00</u>	<u>19,976,078.00</u>
Business Type Activities Capital Assets, Net:		
Machinery and Equipment	<u>70,415.00</u>	<u>77,881.00</u>
Total Business Type Activities Capital Assets, Net:	<u>70,415.00</u>	<u>77,881.00</u>
Total Capital Assets, Net	<u><u>\$19,318,902.00</u></u>	<u><u>\$20,053,959.00</u></u>

Overall capital assets decreased \$735,057.00 from fiscal year 2019 to fiscal year 2020. The decrease in capital assets is due primarily to depreciation.

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Debt Administration

At June 30, 2020, the School District had \$15,096,477.38 of outstanding long-term liabilities. Of this amount, \$181,860.77 is for compensated absences, \$4,694,708.00 is pension related, \$10,155,000.00 is for serial bonds for school construction, \$27,976.98 is for capital leases and 36,931.63 is for an early retirement incentive program loan. For more detailed information on the District's long-term liabilities, please refer to the Notes to the Basic Financial Statements. Table 5 shows bonded debt at fiscal year 2020 balances compared to 2019.

**Table 5
Bonded Debt**

<u>Series</u>	<u>FY 2020</u>	<u>FY 2019</u>
2011	\$ 1,095,000.00	\$ 2,140,000.00
2012	<u>9,060,000.00</u>	<u>9,060,000.00</u>
Total	<u>\$ 10,155,000.00</u>	<u>\$ 11,200,000.00</u>

For the Future

While many factors influence the District's future, the availability of State funding, special education needs, capital improvements, enrollment trends and the economy will have the most impact on educational and fiscal decisions in the future. Many factors were considered by the District's administration during the process of developing the fiscal year 2020 – 2021 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs. In addition, increased special education tuition and transportation costs continue to impact budget decisions.

Contacting the School District's Financial Management Office

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information, please contact Stephen Fried, Business Administrator/Board Secretary, Green Brook Board of Education, Green Brook, NJ 08812.

BASIC FINANCIAL STATEMENTS

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2020

DISTRICT-WIDE FINANCIAL STATEMENTS

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS:			
Cash and cash equivalents	\$1,650,109.26	\$39,075.24	\$1,689,184.50
Receivables, net	627,941.85	1,868.66	629,810.51
Inventory		9,045.57	9,045.57
Restricted assets:			
Restricted cash and cash equivalents	2,646,524.32		2,646,524.32
Capital assets:			
Non Depreciable	967,773.00		967,773.00
Depreciable - Net	18,280,714.00	70,415.00	18,351,129.00
Total Assets	24,173,062.43	120,404.47	24,293,466.90
DEFERRED OUTFLOWS OF RESOURCES:			
Related to pension	1,283,679.00		1,283,679.00
Loss on refunding of long-term debt	893,116.23		893,116.23
Total deferred outflows of resources	2,176,795.23		2,176,795.23
LIABILITIES:			
Accounts payable	732,307.03	1,446.43	733,753.46
Unearned revenue	48,539.08	21,451.73	69,990.81
Accrued interest payable	68,634.38		68,634.38
Noncurrent liabilities:			
Net pension liability	4,694,708.00		4,694,708.00
Due within one year	1,108,521.35		1,108,521.35
Due beyond one year	9,293,248.03		9,293,248.03
Total liabilities	15,945,957.87	22,898.16	15,968,856.03
DEFERRED INFLOWS OF RESOURCES:			
Related to pension	2,413,056.00		2,413,056.00
Gain on refunding of long-term debt	282,141.25		282,141.25
Total deferred inflows of resources	2,695,197.25		2,695,197.25
NET POSITION:			
Net Investment in capital assets	8,783,368.77	70,415.00	8,853,783.77
Restricted for:			
Capital projects	2,366,232.50		2,366,232.50
Other purposes	1,418,750.00		1,418,750.00
Unrestricted (deficit)	(4,859,648.73)	27,091.31	(4,832,557.42)
Total net position	\$7,708,702.54	\$97,506.31	\$7,806,208.85

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
JUNE 30, 2020

Functions/Programs	Expenses	Indirect Expenses Allocation	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		
						Governmental Activities	Business-type Activities	Total
Governmental Activities:								
Instruction:								
Regular	\$ 11,721,535.43	\$ 3,460,872.84	\$ 465,084.83	\$ 2,031,927.04		\$ (12,685,396.40)		\$ (12,685,396.40)
Special	3,244,211.71	1,259,528.30		2,197,360.78		(2,306,379.23)		(2,306,379.23)
Other Instruction	303,275.59	251,893.57		94,536.31		(460,632.85)		(460,632.85)
Support services:								
Student & instruction related services	1,958,120.73	1,408,907.57		809,796.88		(2,557,231.42)		(2,557,231.42)
General administrative services	383,787.29	175,679.00		104,293.98		(455,172.31)		(455,172.31)
School administrative services	450,991.75	343,153.26		148,153.90		(645,991.11)		(645,991.11)
Central services	324,263.20	183,898.85		42,071.86		(466,090.19)		(466,090.19)
Administration information technology	150,909.48	82,271.63		17,076.58		(216,104.53)		(216,104.53)
Plant operations and maintenance	1,190,994.37	386,531.52		77,702.80	378.32	(1,499,444.77)		(1,499,444.77)
Pupil transportation	1,410,920.59	25,751.13		295,966.71		(1,140,705.01)		(1,140,705.01)
Unallocated benefits	6,796,844.67	(6,796,844.67)						
Unallocated depreciation and amortization	781,643.00	(781,643.00)						
Interest on Long-Term Debt	517,515.43				378.32	(517,515.43)		(517,515.43)
Total governmental activities	<u>29,235,013.24</u>		<u>465,084.83</u>	<u>5,818,886.84</u>		<u>(22,950,663.25)</u>		<u>(22,950,663.25)</u>
Business-type activities								
Food Service	259,041.36		178,933.56	43,271.24			(36,836.56)	(36,836.56)
Total business-type activities	<u>259,041.36</u>		<u>178,933.56</u>	<u>43,271.24</u>			<u>(36,836.56)</u>	<u>(36,836.56)</u>
Total primary government	\$ 29,494,054.60		\$ 644,018.39	\$ 5,862,158.08	\$ 378.32	\$ (22,950,663.25)	\$ (36,836.56)	\$ (22,987,499.81)
General Revenues:								
Taxes:								
Property taxes, levied for general purposes, net						\$ 22,540,510.00		\$ 22,540,510.00
Taxes levied for debt service						1,519,075.00		1,519,075.00
Federal and state aid not restricted						61,417.00		61,417.00
Miscellaneous income						173,328.65	1,169.60	174,498.25
Total general revenues and special items						<u>24,294,330.65</u>	<u>1,169.60</u>	<u>24,295,500.25</u>
Change in net position						1,343,667.40	(35,666.96)	1,308,000.44
Net Position- beginning (As Restated)						6,365,035.14	133,173.27	6,498,208.41
Net Position ending						<u>7,708,702.54</u>	<u>97,506.31</u>	<u>7,806,208.85</u>

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

MAJOR FUND FINANCIAL STATEMENTS

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	<u>GENERAL</u>	<u>SPECIAL</u>	<u>CAPITAL</u>	<u>TOTAL</u>
	<u>FUND</u>	<u>REVENUE</u>	<u>PROJECTS</u>	<u>GOVERNMENTAL</u>
		<u>FUND</u>	<u>FUND</u>	<u>FUNDS</u>
ASSETS:				
Cash and cash equivalents	\$ 1,596,865.27	\$	\$ 53,243.99	\$ 1,650,109.26
Accounts receivable:				
Intergovernmental-Federal		98,311.51		98,311.51
Intergovernmental-State	449,395.94			449,395.94
Intergovernmental-Other	59,573.40			59,573.40
Accounts Receivable-Other	10,661.00			10,661.00
Interfunds	50,519.24			50,519.24
Restricted cash and cash equivalents	<u>2,646,524.32</u>			<u>2,646,524.32</u>
 Total assets	 <u>\$ 4,813,539.17</u>	 <u>\$ 98,311.51</u>	 <u>\$ 53,243.99</u>	 <u>\$ 4,965,094.67</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts payable	432,919.03	29,289.00		462,208.03
Interfund payable		25,733.43	14,785.81	40,519.24
Unearned revenue	<u>5,250.00</u>	<u>43,289.08</u>		<u>48,539.08</u>
 Total liabilities	 <u>438,169.03</u>	 <u>98,311.51</u>	 <u>14,785.81</u>	 <u>551,266.35</u>
Fund balances:				
Restricted for:				
Capital reserve account	2,327,774.32			2,327,774.32
Maintenance reserve account	318,750.00			318,750.00
Tuition reserve account	400,000.00			400,000.00
Excess surplus	350,000.00			350,000.00
Excess surplus - Designated for subsequent years expenditures	350,000.00			350,000.00
Capital projects			38,458.18	38,458.18
Assigned:				
Year-end encumbrances	70,470.21			70,470.21
Unassigned	<u>558,375.61</u>			<u>558,375.61</u>
 Total fund balances	 <u>4,375,370.14</u>		 <u>38,458.18</u>	 <u>4,413,828.32</u>
 Total liabilities and fund balances	 <u>\$ 4,813,539.17</u>	 <u>\$ 98,311.51</u>	 <u>\$ 53,243.99</u>	 <u>\$ 4,965,094.67</u>

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

Total Fund Balances (Brought Forward)	\$	4,413,828.32
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.		
Cost of assets	\$ 37,879,120.00	
Accumulated depreciation	<u>(18,630,633.00)</u>	19,248,487.00
Cost associated with the issuance of Bonds are expensed in the Governmental Funds in the year the bonds are issued, but are capitalized on the Statement of Net position:		
Deferred inflow on refunding	(282,141.25)	
Deferred outflow on refunding	<u>893,116.23</u>	610,974.98
Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Serial bonds payable	(10,155,000.00)	
Net pension liability	(4,694,708.00)	
Capital leases payable	(27,976.98)	
Deferred ERIP pension obligation	(36,931.63)	
Compensated absences payable	<u>(181,860.77)</u>	(15,096,477.38)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.		
Pensions:		
Deferred Outflows:		
Pension related		1,283,679.00
Deferred Inflows:		
Pension related		(2,413,056.00)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.		
Accounts payable - pension related		(270,099.00)
Accrued interest payable		<u>(68,634.38)</u>
Net Position of Governmental Activities	\$	<u>7,708,702.54</u>

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>DEBT SERVICE FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES:					
Local sources:					
Local tax levy	\$ 22,540,510.00	\$	\$	\$ 1,519,075.00	\$ 24,059,585.00
Interest earned on capital reserve funds	18,690.59				18,690.59
Tuition	461,884.58				461,884.58
Transportation	3,200.25				3,200.25
Miscellaneous	154,638.06	9,755.80			164,393.86
Total - local sources	23,178,923.48	9,755.80		1,519,075.00	24,707,754.28
State sources	4,089,684.53	0.00	378.32	0.00	4,090,062.85
Federal sources	0.00	265,510.51			265,510.51
Total revenues	27,268,608.01	275,266.31	378.32	1,519,075.00	29,063,327.64
EXPENDITURES:					
Current expense:					
Regular instruction	4,352,513.55	70,394.29			4,422,907.84
Special instruction	1,456,718.93	164,869.22			1,621,588.15
Other Instruction	306,293.78	0.00			306,293.78
Support services:					0.00
Tuition	8,939,407.75				8,939,407.75
Student & instruction related services	1,924,870.52	40,002.80			1,964,873.32
General administrative services	386,805.48				386,805.48
School administrative services	454,009.94				454,009.94
Central services	331,015.55				331,015.55
Administrative information technology	153,927.67				153,927.67
Plant operations and maintenance	1,140,888.47				1,140,888.47
Student transportation	1,413,938.82				1,413,938.82
Unallocated benefits	5,296,459.39				5,296,459.39
Debt Service:					
Principal				1,045,000.00	1,045,000.00
Interest				474,075.00	474,075.00
Capital outlay	122,443.91	0.00	0.00		122,443.91
Transfer to Charter School	35,474.00				35,474.00
Total expenditures	26,314,767.76	275,266.31	0.00	1,519,075.00	28,109,109.07
Excess (deficiency) of revenues over (under) expenditures	953,840.25		378.32	0.00	954,218.57
Other financing sources (uses):					0.00
Capital leases (non-budgeted)	42,965.65				42,965.65
Total other financing sources	42,965.65				42,965.65
Net change in fund balances	996,805.90		378.32	0.00	997,184.22
Fund balances, July 1,	\$ 3,378,564.24	\$ -0-	\$ 38,079.86	\$ 0.00	\$ 3,416,644.10
Fund balances, June 30,	\$ 4,375,370.14	\$ -0-	\$ 38,458.18	\$ -0-	\$ 4,413,828.32

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Total net change in fund balances - governmental funds (from B-2) \$ 997,184.22

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

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

Depreciation expense	\$ (781,643.00)	
Capital outlays	122,443.91	
Less: Capital lease payments included, net of adjustment to inventory report	(11,692.91)	
Less: Capital outlays not capitalized	<u>(56,699.00)</u>	(727,591.00)

Proceeds from debt issues are a financing source in governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.

Capital lease proceeds	(42,965.65)	
Deferred outflow of resources for refunding bond premium amortization	(89,311.63)	
Deferred inflow of resources for refunding bond gain amortization	<u>28,214.13</u>	(104,063.15)

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

Payment of capital lease principal	68,829.34	
Payment of ERIP loan	30,181.94	
Payment of bond principal	<u>1,045,000.00</u>	1,144,011.28

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

Decrease in accrued interest payable		19,158.33
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District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

District pension contributions	253,438.00	
Less: Pension expense	<u>(233,588.00)</u>	19,850.00

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

(Increase)/Decrease in compensated absences payable		<u>(4,882.28)</u>
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Change in net position of governmental activities		<u>\$ 1,343,667.40</u>
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The accompanying Notes to the Financial Statements are an integral part of this statement.

OTHER FUNDS

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	<u>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS FOOD SERVICE</u>
ASSETS:	
Current assets:	
Cash and cash equivalents	\$ 39,075.24
Accounts receivable:	
Federal	17.40
State	735.95
Other	1,115.31
Inventories	<u>9,045.57</u>
Total current assets	<u>49,989.47</u>
Noncurrent assets:	
Furniture, machinery and equipment	267,440.00
Less accumulated depreciation	<u>(197,025.00)</u>
Total noncurrent assets	<u>70,415.00</u>
Total assets	<u>120,404.47</u>
 LIABILITIES:	
Current liabilities:	
Accounts payable	1,446.43
Unearned revenue	<u>21,451.73</u>
Total current liabilities	<u>22,898.16</u>
Total liabilities	<u>22,898.16</u>
 NET POSITION:	
Net Investment in capital assets	70,415.00
Unrestricted	<u>27,091.31</u>
Total net position	<u>\$ 97,506.31</u>

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS FOOD SERVICE</u>
OPERATING REVENUES:	
Charges for services:	
Daily sales	\$ 108,703.10
Daily sales - non-reimbursable programs	68,199.00
Miscellaneous	2,031.46
	178,933.56
OPERATING EXPENSES:	
Cost of sales-reimbursable	56,518.00
Cost of sales-non reimbursable	20,353.38
Salaries	96,215.33
Employee benefits	27,550.62
Other purchased property services - repairs	5,647.71
Other purchased services	18,252.33
Supplies and materials	26,988.24
Miscellaneous	49.75
Depreciation	7,466.00
	259,041.36
Total operating expenses	259,041.36
Operating (loss)	(80,107.80)
NON-OPERATING REVENUES:	
State Sources	
State school lunch program	2,825.01
Federal Sources	
National school lunch program	28,234.28
National food distribution commodities	12,211.95
Interest and investment revenue	1,169.60
	44,440.84
Total non-operating revenues	44,440.84
Change in net position	(35,666.96)
Total net position - beginning	133,173.27
Total net position - ending	\$ 97,506.31

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS FOOD SERVICE</u>
Cash flows from operating activities:	
Receipts from customers	\$ 184,305.78
Payments to employees and employee benefits	(123,765.95)
Payments to suppliers	<u>(115,383.05)</u>
Net cash provided by (used for) operating activities)	<u>(54,843.22)</u>
Cash flows from noncapital financing activities:	
State Sources	2,343.37
Federal Sources	<u>31,588.43</u>
Net cash provided by noncapital financing activities:	<u>33,931.80</u>
Cash flows from investing activities:	
Interest on investments	<u>1,169.60</u>
Net cash provided by (used for) investing activities	<u>1,169.60</u>
Net decrease in cash and cash equivalents	(19,741.82)
Cash and cash equivalents, July 1,	<u>58,817.06</u>
Cash and cash equivalents, June 30,	<u>\$ 39,075.24</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities	
Operating income (loss)	\$ (80,107.80)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation and net amortization	7,466.00
National food distribution commodities	12,211.95
Change in assets and liabilities:	
Increase (decrease) in accounts payable	(125.92)
(Increase) decrease in accounts receivable	(143.85)
Increase (decrease) in unearned revenue	10,182.87
(Increase) decrease in inventories	<u>(4,326.47)</u>
	<u>25,264.58</u>
Net cash provided by (used for) operating activities	<u>\$ (54,843.22)</u>

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>UNEMPLOYMENT COMPENSATION TRUST</u>	<u>AGENCY FUNDS</u>
ASSETS:		
Cash and cash equivalents	\$ <u>23,829.94</u>	\$ <u>37,257.80</u>
Total assets	<u>23,829.94</u>	<u>37,257.80</u>
LIABILITIES:		
Payroll deductions and withholdings		4,376.33
Accounts Payable		2,576.85
Due to student groups		20,304.62
Interfunds	<u> </u>	<u>10,000.00</u>
Total liabilities	<u> </u>	\$ <u><u>37,257.80</u></u>
NET POSITION:		
Held in trust for unemployment claims	\$ <u><u>23,829.94</u></u>	

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>UNEMPLOYMENT COMPENSATION TRUST</u>
ADDITIONS:	
Contributions:	
Payroll Withholdings	\$ <u>21,023.13</u>
Total contributions	<u>21,023.13</u>
Investment earnings:	
Interest earned	<u>255.22</u>
Net investment earnings	<u>255.22</u>
Total additions	<u>21,278.35</u>
DEDUCTIONS:	
Unemployment claims	<u>16,908.67</u>
Total deductions	<u>16,908.67</u>
Change in net position	4,369.68
Net position beginning of year	<u>19,460.26</u>
Net position end of year	<u>\$ <u>23,829.94</u></u>

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

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The Township of Green Brook School District is a Type II District located in Somerset County, New Jersey. The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The District is governed by a nine-member board elected to three-year terms 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.

The primary criterion for including activities within the District's reporting entity are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39) as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and that meet all of the following criteria should be discreetly presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include one elementary school and one middle school. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

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

District-Wide Statements: The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Net Position presents the financial condition of the governmental and business-type activity of the District at fiscal year end. The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as generally revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

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

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Types

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

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

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

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

Debt Service Fund - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Fund

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

Fiduciary Fund Types -

Agency Funds - The agency funds are used to account for assets held by the district on behalf of others and are custodial in nature. The agency funds included in this category are as follows:

Unemployment Compensation Insurance Trust Fund - A trust fund used to account for assets to finance the costs of unemployment benefits. Since the Board has adopted the direct reimbursement method, the District is under obligation to appropriate sufficient funds out of its general fund and hold them in trust for this purpose.

Payroll and Student Activities Funds (Agency) - These are agency funds used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

Basis of Accounting - Measurement Focus

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

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting - Measurement Focus (Continued)

The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All governmental and business type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Account Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the School Board election to the date of the November general election thereby eliminating the vote on the annual base budget unless required by the mandated State budget CAP. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(f)1. Expenditures may not legally exceed budgeted appropriations at the line item level. All budget amendments and transfer must be approved by School Board resolution. Budget amendments during the year ended June 30, 2020 totaled net \$131,516.00, representing prior unbudgeted state aids and other allowable approved modifications. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control (Continued)

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

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

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

Encumbrance Accounting

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as 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.

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

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

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfunds

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available expendable resources.

Inventories and Prepaid Expenses

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Distribution Commodities, at stated value which approximates market.

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

Capital Assets

The District has an established formal system of accounting for its capital assets. Capital Assets used for governmental purposes, which include land, buildings and improvements, and furniture and equipment, are only reported in the district-wide financial statements. The District generally defines capital assets as assets with an initial cost of \$2,000.00 or more and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their acquisition values on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. In fiscal year 2016, the District implemented GASB 72. The objective of this is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurement. These improvements are based in part on the concepts and definitions established in Concepts Statement No. 6, Measurement of Elements of Financial Statements, and other relevant literature. Capital assets are depreciated in the district-wide statements using the straight-line method over the following estimated useful lives:

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

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

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

District employees are granted varying amounts of sick days in accordance with the District's employment contract and personnel policy. Per the most recent GBEA contract, upon retirement, employees with at least 75 accumulated sick days are eligible to be compensated for up to 175 days at a rate of \$30 per day for support staff and \$50 per day for instructional staff. Terms vary for administration in accordance with their individual contracts.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick days that are expected to become eligible for payment upon retirement. The District estimates its accrued compensated absences liability based on the accumulated sick days at the balance sheet date by those employees who are currently eligible to receive retirement payments.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Fund Equity

Fund balance restrictions are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designations of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unassigned fund balances represent the amount available for future budgetary operations.

Unassigned net position represents the remains of the District's equity in the cumulative earnings of the food service fund.

Unearned Revenue

Unearned revenue in the special revenue and capital projects funds represents funds which have been received but not yet earned. A corresponding accounts receivable has also been established for any open encumbrances at year end which is allowable under generally accepted accounting principles.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Liabilities and Long-Term Obligations

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

Net Position

GASB 63 provides guidance for reporting net position in the statement of financial position and related disclosures. Net Position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

Fund Balance Reserves

Under GASB 54, in the fund financial statements, governmental funds report the following classifications of fund balance:

Non-Spendable – includes amounts that cannot be spend because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. The District reports the Capital Reserve, Emergency Reserve, Maintenance Reserve, Tuition Reserve, and Excess Surplus as Restricted Fund Balance.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Reserves (Continued)

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education

Assigned – includes amount that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator. The District reports Year End Encumbrances and amounts Designated for Subsequent Year's Expenditures as Assigned Fund Balance.

Unassigned – is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

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

Revenues Exchange and Non-Exchange Transactions

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

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues Exchange and Non-Exchange Transactions (Continued)

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from property taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year end: property taxes available as an advance, interest, and tuition.

Proprietary Funds Revenues and Expenses

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

Allocation of Indirect Expenses

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

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Extraordinary and Special Items

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

Management Estimates

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

Accounting and Financial Reporting for Pensions

In the District-Wide 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 District's proportionate share of the New Jersey Public Employees Retirement System ("PERS") and the Teachers' Pension and Annuity Fund ("TPAF") and the additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they were reported by PERS and TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the Governmental Fund Financial Statements, the year-end Net pension liability is not required to be reflected. Pension related revenues and expenditures are reflected based on amounts that are normally expected to be liquidated with available financial resources for required pension contributions. Expenditures for PERS are recognized based upon billings made by the State of New Jersey due April 1st of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The Governmental Fund Financial Statements reflects both a revenue and expenses for this pension contribution.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has two items that qualify for reporting in this category, deferred amounts from refunding debt and deferred amounts related to pensions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category, deferred amounts from refunding debt and deferred amounts related to pensions.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Board considers petty cash, change funds, cash in banks, certificates of deposits, deposits in the New Jersey Cash Management Fund, deposits in the governmental money market fund, deposits in the New Jersey Asset and Rebate Management Program and short term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a Banking Institution that is a member of the Federal Reserve System, and has capital funds of not less than \$25,000,000.00. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Deposits (Continued)

The Township of Green Brook School District had the following cash and cash equivalents at June 30, 2020:

Fund Type:	Bank	Reconciling Items		Reconciled
	Balance	Additions	Reductions	Balance
Governmental	\$5,655,274.62	\$468.78	\$1,359,109.82	\$4,296,633.58
Proprietary	43,184.29		4,109.05	39,075.24
Fiduciary	198,555.38	5,396.67	142,864.31	61,087.74
	<u>\$5,897,014.29</u>	<u>\$5,865.45</u>	<u>\$1,506,083.18</u>	<u>\$4,396,796.56</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2020, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank, \$250,000.00 was covered by Federal Depository Insurance and \$5,647,014.29 was covered under the provisions of NJGUDPA.

Investments

The purchase of investments by the Board is strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. These funds are also required to be rated by a nationally recognized statistical rating organization.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

3. 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 obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. 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); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

At June 30, 2020, the District had no outstanding investments.

Based upon the limitation set forth by New Jersey Statutes 18A:20-37 and its existing investment practices, the District is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risks for its deposits and investments.

NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	Transfers/ <u>Deletions</u>	Ending <u>Balance</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$967,773.00	_____	_____	\$967,773.00
Total Capital Assets not being depreciated	967,773.00	_____	_____	967,773.00
Buildings and Building Improvements	32,465,127.00			32,465,127.00
Machinery and Equipment	4,392,168.00	\$54,052.00	_____	4,446,220.00
Totals at historical cost	36,857,295.00	54,052.00	_____	36,911,347.00
Gross Assets (Memo only)	37,825,068.00	54,052.00	_____	37,879,120.00
Less: Accumulated Depreciation				
Buildings and Building Improvements	(13,653,247.00)	(761,833.00)	_____	(14,415,080.00)
Machinery and Equipment	(4,195,743.00)	(19,810.00)	_____	(4,215,553.00)
Total Depreciation	(17,848,990.00)	(781,643.00)	_____	(18,630,633.00)
Total capital assets being depreciated, net of depreciation	19,008,305.00	(727,591.00)	_____	18,280,714.00
Total Governmental Fund Activities	<u>\$19,976,078.00</u>	<u>(\$727,591.00)</u>	<u>_____</u>	<u>\$19,248,487.00</u>

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 3: CAPITAL ASSETS (CONTINUED)

	Beginning <u>Balance</u>	<u>Additions</u>	Transfers/ <u>Deletions</u>	Ending <u>Balance</u>
Business Type Activities:				
Machinery and Equipment	<u>\$267,440.00</u>	<u> </u>	<u> </u>	<u>\$267,440.00</u>
Totals at historical cost	<u>267,440.00</u>	<u> </u>	<u> </u>	<u>267,440.00</u>
Less: Accumulated Depreciation				
Machinery and Equipment	<u>(189,559.00)</u>	<u>(\$7,466.00)</u>	<u> </u>	<u>(197,025.00)</u>
Total Depreciation	<u>(189,559.00)</u>	<u>(7,466.00)</u>	<u> </u>	<u>(197,025.00)</u>
Total Business Type Activities	<u><u>\$77,881.00</u></u>	<u><u>(\$7,466.00)</u></u>	<u><u> </u></u>	<u><u>\$70,415.00</u></u>

Depreciation expense was charged to functional expense areas of the District as follows:

Instruction:	
Regular	\$307,666.00
Special education instruction	107,611.00
Other Instruction	62,094.00
Support services:	
Student and instruction related services	130,826.00
General administrative services	25,669.00
School administrative services	30,129.00
Central services	21,967.00
Administrative technology	10,215.00
Plant operations and maintenance	83,192.00
Pupil transportation	<u>2,274.00</u>
	<u><u>\$781,643.00</u></u>

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 4: LONG-TERM LIABILITIES

Bonds are issued by the District pursuant to the provisions of Title 18A, Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness.

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Basically, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

At June 30, 2020, the District had no bonds or notes authorized but not issued.

The following is a summary of changes in liabilities that effect other long-term obligations for the year ended June 30, 2020:

	Balance, <u>June 30, 2019</u>	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2020</u>	Due Within <u>One Year</u>
Bonds Payable	\$11,200,000.00		(\$1,045,000.00)	\$10,155,000.00	\$1,095,000.00
Compensated Absence	176,978.49	\$4,882.28		181,860.77	
ERIP Loan	67,113.57		(30,181.94)	36,931.63	32,378.55
Net Pension Liability	5,602,602.00		(907,894.00)	4,694,708.00	
Capital Leases Payable	<u>53,840.67</u>	<u>42,965.65</u>	<u>(68,829.34)</u>	<u>27,976.98</u>	<u>13,521.35</u>
Total	<u>\$17,100,534.73</u>	<u>\$47,847.93</u>	<u>(\$2,051,905.28)</u>	<u>\$15,096,477.38</u>	<u>\$1,140,899.90</u>

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 4: LONG-TERM LIABILITIES (CONTINUED)

Under New Jersey Statutes, the District may incur debt in an amount not to exceed 3% of the averaged equalized valuation basis of real property. For the fiscal year ended June 30, 2020, the District borrowing capacity under N.J.S.A. 18A:24-19 would be as follows:

<u>Year</u>	<u>Equalized Valuation of Real Property</u>
2019	\$1,411,095,014
2018	1,414,807,702
2017	1,399,566,308
	<u>\$4,225,469,024</u>
Average equalized valuation	<u>\$1,408,489,675</u>
School borrowing margin (3% of \$1,408,489,675)	\$42,254,690
Net school debt as of June 30, 2020	<u>10,155,000</u>
School borrowing power available	<u>\$32,099,690</u>

Debt Service Requirements

The annual requirements to amortize all bonded debt outstanding as of June 30, 2020, including interest payments, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$1,095,000.00	\$432,275.00	\$1,527,275.00
2022	1,130,000.00	388,475.00	1,518,475.00
2023	1,175,000.00	343,275.00	1,518,275.00
2024	1,230,000.00	295,400.00	1,525,400.00
2025	1,290,000.00	233,900.00	1,523,900.00
2026-2028	<u>4,235,000.00</u>	<u>343,400.00</u>	<u>4,578,400.00</u>
Totals	<u>\$10,155,000.00</u>	<u>\$2,036,725.00</u>	<u>\$12,191,725.00</u>

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 4: LONG-TERM LIABILITIES (CONTINUED)

<u>Issue</u>	<u>Amount Outstanding June 30, 2020</u>
\$8,200,000.00 in 2011 Refunding Bonds due in remaining annual installments of between \$1,045,000.00 and \$1,095,000.00 ending January, 2021 with interest at 4.000%	\$1,095,000.00
\$9,175,000.00 in 2012 Refunding Bonds due in remaining annual installments of between \$1,130,000.00 and \$1,470,000.00 ending May, 2028 with interest ranging from 3.500% to 5.000%	<u>9,060,000.00</u>
	<u>\$10,155,000.00</u>

Capital Leases Payable

The District has entered into various capital leases. The following is a schedule of the future minimum lease payments under capital leases, and the present value of the net minimum lease payments at June 30, 2020:

Fiscal Year Ended	<u>Amount</u>
<u>June 30,</u>	
2021	\$ 15,472.76
2022	<u>15,472.76</u>
Total Minimum Lease Payments	30,945.52
Less: Amount Representing Interest	<u>(2,968.54)</u>
 Present Value of Lease Payments	 <u>\$ 27,976.98</u>

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 5: PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 5: PENSION PLANS (CONTINUED)

Significant Legislation

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

Pension Plan Design Changes

Effective June 28, 2011, P.L. 2011, c. 78, new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

Funding Changes

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30-year period and paid in level dollars. Beginning with the July 1, 2020 actuarial valuation (July 1, 2019 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

COLA Suspension

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

Vesting and Benefit Provisions The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 years of service.

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

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 5: PENSION PLANS (CONTINUED)

Contribution Requirements The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation.

Effective June 28, 2011, P.L. 2011, c. 78 provides for increases in the employee contribution rates: from 5.5% to 6.5% plus an additional 1% phased-in over 7 years beginning in the first year, meaning after 12 months, after the law's effective date for TPAF and PERS.

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of TPAF (*i.e.* the State of New Jersey makes the employer contribution on behalf of public-school districts).

During the fiscal years ended June 30, 2020, 2019, and 2018, the State of New Jersey contributed \$1,399,264.00, \$1,265,904.00 and \$1,016,451.00, respectively, excluding post-retirement medical and long-term disability insurance, to the TPAF pension system on behalf of the District.

In accordance with N.J.S.A. 18A:66-66 during the years ended June 30, 2020, 2019 and 2018, the State of New Jersey reimbursed the District \$495,944.53, \$508,805.93 and 492,105.62 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68

Public Employees Retirement System (PERS)

At June 30, 2020, the District reported a liability of \$4,694,708.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. 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 members, actuarially determined. At June 30, 2019, the District's proportion was 0.0260549587 percent, which was a decrease of 0.0023998113 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$234,831.00 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2019 measurement date.

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 84,264	\$ 20,739
Changes of assumptions	468,784	1,629,518
Net difference between projected and actual earnings on pension plan investments		74,108
Changes in proportion and differences between District contributions and proportionate share of contributions	460,532	688,691
District contributions subsequent to the measurement date	<u>270,099</u>	
	<u>\$ 1,283,679</u>	<u>\$ 2,413,056</u>

The \$270,099.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2020, the plan measurement date is June 30, 2019) will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68

Public Employees Retirement System (PERS) (Continued)

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 <u>June 30</u>	<u>Amount</u>
2021	(\$181,194)
2022	(485,392)
2023	(438,312)
2024	(230,015)
2025	<u>(64,563)</u>
	<u>(\$1,399,476)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which rolled forward to June 30, 2019. These actuarial valuations used the following assumptions:

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Inflation	2.75%	2.25%
Salary Increases		
Through 2026	2.00-6.00%	1.65-4.15%
Thereafter	3.00-7.00%	2.65-5.15%
	Based on	Based on
	Years of Service	Age
Investment Rate of Return	7.00%	7.00%

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions (Continued)

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-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at both June 30, 2019 and June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions (Continued)

Long-Term Rate of Return (Continued)

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Market Equity	12.50%	9.00%
Emerging Market Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

Discount Rate

The discount rate used to measure the total pension liability was 6.28% and 5.66% as of June 30, 2019 and June 30, 2018 respectively. These single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.00% for both June 30 2019 and June 30, 2018 and a municipal bond rate of 3.50% and 3.87% for June 30, 2019 and June 30, 2018 respectively based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% 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 projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions (Continued)

Sensitivity of the Collective 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, 2019, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease <u>5.28%</u>	At Current Discount Rate <u>6.28%</u>	1% Increase <u>7.28%</u>
District's proportionate share of the net pension liability	\$6,450,499	\$4,694,708	\$4,022,354

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF)

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

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2020 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	\$38,691,479
	\$38,691,479

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 which was rolled forward to June 30, 2019. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2019, the proportion of the TPAF net pension liability associated with the District was .0630452727% which was a decrease of .0030977993 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized on-behalf pension expense and revenue of \$2,282,127.00 in the government-wide financial statements for contributions provided by the State. This pension expense and revenue was based on the pension plans June 30, 2019 measurement date.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Inflation rate:		2.25%
Price	2.75%	
Wage	3.25%	
Salary Increases:		
Through 2026	1.55%-4.45%	1.55%-4.55%
	Based on Years of Service	Based on Years of Service
Thereafter	2.75%-5.65%	2.00%-5.45%
	Based on Years of Service	Based on Years of Service
Investment Rate of Return	7.00%	7.00%

Mortality Rate

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-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% and 7.00% at June 30, 2019 and June 30, 2018 respectively) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries.

The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Market Equity	12.50%	9.00%
Emerging Market Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 5.60% and 4.86% as of June 30, 2019 and 2018, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and 7.00, and a municipal bond rate of 3.50% and 3.87% as of June 30, 2019 and 2018, respectively, based on 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. 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 the contribution rate in the most recent fiscal year. The State contributed 50% of the actuarially determined contributions. 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 through 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

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

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 Teachers Public and Annuity Fund (TPAF). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS – GASB 75

Plan Description and Benefits Provided

The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan, with 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 Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A. 52:14-17.32f. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. According to N.J.S.A. 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Employees Covered by Benefit Terms

The State Health Benefit Local Education Retired Employees Plan Membership covered by the benefit terms consisted of the following:

Active Plan Members	216,892
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	148,051
Inactive Plan Members or Beneficiaries Not Yet Receiving Benefits	<u>- 0 -</u>
Total Plan Members	<u>364,943</u>

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Total Nonemployer OPEB Liability

The portion of the Total Non-Employer OPEB Liability that was associated with the District at June 30, 2020 was as follows:

Total OPEB Liability:	
District's Proportionate Share	\$-0-
State's Proportionate Share associated with the District	<u>24,702,764</u>
	<u><u>\$24,702,764</u></u>

The Total Non-Employer OPEB Liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2018 which was rolled forward to June 30, 2019.

The total Non-Employer OPEB Liability was determined separately based on actual data of the District.

For the year ended June 30, 2020, the District recognized on-behalf post-employment expense and revenue of \$1,151,591.00 in the government-wide financial statements for contributions provided by the State. This expense and revenue were based on the plans June 30, 2019 measurement date.

At June 30, 2019, the District's proportion was 0.0591979583 percent, which was a decrease of .0004830043 from its proportion measured as of June 30, 2018.

The State, a Non-Employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS, TPAF/ABP and PFRS participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Consequently, the District did not recognize any portion of the collective Non-Employer OPEB liability on the Statement of Net Position.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs

The total Non-Employer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Inflation – 2.5%			
Salary Increases			
Through 2026	1.55-3.05%*	2.00-6.00%*	3.25-15.25%*
Thereafter	1.55-3.05%*	3.00-7.00%*	Applied to All Future Years

*Based on Years of Service

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. 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-2019. 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-2019.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 - June 30, 2018, July 1, 2014 - June 30, 2018, and July 1, 2013 - June 30, 2018 for TPAF, PERS and PFRS, respectively.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2020 is reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount Rate

The discount rate for June 30, 2019 and June 30, 2018 was 3.50% and 3.87% respectively. 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.

Changes in the Total Nonemployer OPEB Liability

Shown below are details regarding the Total Non-Employer OPEB Liability for the Measurement Period from June 30, 2018 to June 30, 2019:

Balance at 6/30/18		\$27,519,389
Changes for the year:		
Service cost	\$1,307,560	
Interest	1,101,500	
Differences between expected and actual experience	(4,858,182)	
Changes in assumptions or other inputs	368,320	
Membership contributions	22,478	
Benefit payments - Net	(758,301)	
Net changes		(2,816,625)
Balance at 6/30/19		\$24,702,764

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2019, calculated using the 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 or 1-percentage point higher than the current rate:

	June 30, 2019		
	1.00% <u>Decrease (2.50%)</u>	At Discount Rate (3.50)	1.00% <u>Increase (4.50%)</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$29,183,726	\$24,702,764	\$21,143,333

Sensitivity of the Total Non-Employer OPEB Liability to Changes in Healthcare Trends

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2019, calculated using the healthcare 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 rate:

	June 30, 2019		
	1.00% <u>Decrease</u>	Healthcare Cost Trend Rate	1.00% <u>Increase</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$20,353,976	\$24,702,764	\$30,459,666

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

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

At June 30, 2019, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB associated with the District from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$	\$ 6,206,885.00
Changes of assumptions		5,020,892.00
Changes in proportion	<u>2,236,553.00</u>	<u>262,585.00</u>
	\$ <u><u>2,236,553.00</u></u>	\$ <u><u>11,490,362.00</u></u>

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

<u>Year Ended June 30.</u>	<u>Amount</u>
2020	(\$1,112,698)
2021	(1,112,698)
2022	(1,112,698)
2023	(1,112,698)
2024	(1,112,698)
Total Thereafter	<u>(3,690,319)</u>
	<u><u>(\$9,253,809)</u></u>

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero. There is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources in the financial statements.

State Health Benefit Local Education Retired Employee Plan Information

The New Jersey Division of Pension and Benefits issues publicly available reports on the OPEB plan. Those reports may be obtained by writing to the Division of Pension and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295 or on their website at:

<http://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>

NOTE 8: LITIGATION

The Board attorney's letter advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the Board of Education and which might materially affect the Board's financial position.

NOTE 9: CONTINGENCIES

The Board receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2019-2020 fiscal year were subject to the U.S. OMB Uniform Guidance and New Jersey OMB Circular 15-08 which mandates that grant revenues and expenditures be audited in conjunction with the Board's annual audit. Findings and questioned costs, if any, relative to federal awards and state financial assistance programs will be discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. Further, the School Child Nutrition Program is a recipient of federal reimbursements and is subject to certain related federal regulations. These federal reimbursements are subject to subsequent audit and interpretation by the New Jersey Department of Education. The Board management does not believe such an audit would result in material amounts of disallowed costs.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 10: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The District maintains commercial coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Property and Liability Insurance - The District maintains insurance coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded the insurance coverage in any of the past three fiscal years.

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

<u>Year Ended</u> <u>June 30,</u>	<u>Interest and Employer</u> <u>Contributions</u>	<u>Board & Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2020	\$255.22	\$21,023.13	\$16,908.67	\$23,829.94
2019	296.69	10,046.55	33,293.86	19,460.26
2018	104.50	16,000.08	67,042.36	42,410.88

NOTE 11: FUND BALANCE APPROPRIATED - GAAP BASIS

General Fund - Of the \$4,375,370.14 in General Fund Balance at June 30, 2020, \$70,470.21 has been assigned for encumbrances; \$2,327,774.32 has been restricted in the Capital Reserve Account; \$350,000.00 has been restricted as excess surplus; \$350,000.00, has been restricted as excess surplus - subsequent years' expenditures; \$400,000.00 has been restricted for Tuition Reserve; \$318,750.00 has been restricted for Maintenance Reserve; and \$558,375.61 is unassigned.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 12: CALCULATION OF EXCESS SURPLUS - BUDGETARY BASIS

In accordance with N.J.S.A.18A:7F-7, as amended by P.L. 2004, c73 (S1701), the Restricted Fund Balance Excess Surplus is a required calculation pursuant to the New Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restricted General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance resulting from the year ended June 30, 2020 is \$350,000.00.

NOTE 13: CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. 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-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve during the year ended June 30, 2020, is as follows:

Balance, July 1, 2019		\$ 1,677,610.81
Deposits:		
Interest Earnings	\$ 18,690.59	
Board Resolution	631,472.92	
		650,163.51
Balance, June 30, 2020		\$ 2,327,774.32

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 14: TUITION RESERVE ACCOUNT

A tuition reserve was established by the District in accordance with N.J.A.C. 6A:23-3.1(f). This reserve is for formal sending/receiving relationships between two district board of educations established under subchapter 3 of the business service code pursuant to N.J.S.A. 18A:38-19. The maximum amount that may be restricted at year end is 10% of the estimated contract year.

The activity of the capital reserve during the fiscal year ended June 30, 2020, is as follows:

Balance, July 1, 2019	\$400,000.00
Deposits:	
Board Resolution	200,000.00
Withdrawals:	
Budget	<u>(200,000.00)</u>
Balance, June 30, 2020	<u><u>\$400,000.00</u></u>

NOTE 15: MAINTENANCE RESERVE ACCOUNT

A maintenance reserve was established through a board resolution by the District for the accumulation of funds for the required maintenance of a facility in accordance with N.J.S.A. 18A:7G-9 as amended by P.L. 2004, c. 73 (S1701). N.J.S.A. 18A:7G-31(c), 18A:7G-13 and N.J.A.C. 6A:23A-14.2 permits districts, by board resolution, to transfer undesignated general fund balance to the maintenance reserve account if approved in the district's original budget certified for taxes or if the district received voter approval by a separate proposal at budget time or by special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. N.J.S.A. 18A:7F-41(a), 18A:7F-41(b) and N.J.A.C. 6A:23A-14.3 permit a district board of education to transfer by board resolution (prior to June 30) any unanticipated revenue or unexpended line-item appropriation amounts to the maintenance reserve for withdrawal in subsequent school years.

The activity of the maintenance reserve during the fiscal year ended June 30, 2020, is as follows:

Balance, July 1, 2019	\$250,000.00
Deposits:	
Board Resolution	100,000.00
Withdrawals:	
Board Resolution dated 12/16/19	<u>(31,250.00)</u>
Balance, June 30, 2020	<u><u>\$318,750.00</u></u>

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 16: INVENTORY

Inventory in the Food Service Fund at June 30, 2020 consisted of the following:

Food	\$7,573.55
Supplies	<u>1,472.02</u>
Total Inventory	<u><u>\$9,045.57</u></u>

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

NOTE 17: DEFERRED COMPENSATION

The District offers its employees a choice of the deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. Since the District does not have any property or rights to the plan assets and no fiduciary relationship exists between the District and the deferred compensation plan, the plan assets are not included in the District's financial statements as of June 30, 2020.

NOTE 18: COMPENSATED ABSENCES

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

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

The liability for vested compensated absences of the governmental fund types are recorded in the district - wide statement of net position. As of June 30, 2020, a liability existed for compensated absences for governmental fund-types in the district-wide Statement of Net Position of \$181,860.77.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 18: COMPENSATED ABSENCES (CONTINUED)

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2020, no liability existed for compensated absences in the proprietary funds.

For additional descriptive information see Note 1, Summary of Significant Accounting Policies.

NOTE 19: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2020:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$50,519.24	
Special Revenue Fund		\$25,733.43
Capital Projects Fund		14,785.81
Fiduciary Funds		10,000.00
	<u>\$50,519.24</u>	<u>\$50,519.24</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received. All balances are to be liquidated within one year.

NOTE 20: SUBSEQUENT EVENTS

The District has evaluated material subsequent events occurring after the financial statement date through December 31, 2020 which is the date the financial statements were available to be issued. The impact of the COVID-19 Corona Virus on the District's operations in the 2020-21 school year cannot reasonably be estimated at this time but may negatively affect revenues.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2020

NOTE 21: PRIOR-YEAR RESTATEMENT OF NET POSITION

The District has restated their net position as of June 30, 2019 to accurately reflect deferred outflows of resources for a loss on refunding debt and non-current liabilities as reflected below:

	<u>Governmental Activities</u>
Net Position as of 06/30/19	\$5,382,607.28
Adjustments:	
Non-current liabilities	1,161,051.12
Deferred outflows of resources-loss on refunding debt	<u>(178,623.26)</u>
Net Position as of 06/30/19 (As restated)	<u><u>\$6,365,035.14</u></u>

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 22,540,510.00	\$	\$ 22,540,510.00	\$ 22,540,510.00	\$
Tuition from Individuals	194,898.00	29,372.00	224,270.00	128,846.68	(95,423.32)
Tuition from Other LEAs Within State	243,975.00	89,063.00	333,038.00	333,037.90	(0.10)
Transportation Fees From Individuals				3,200.25	3,200.25
Unrestricted Miscellaneous Revenues	115,000.00		115,000.00	154,638.06	39,638.06
Interest Earned on Maintenance Reserve	100.00		100.00		(100.00)
Interest Earned on Capital Reserve Funds	400.00		400.00	18,690.59	18,290.59
Total Local Sources	23,094,883.00	118,435.00	23,213,318.00	23,178,923.48	(34,394.52)
State Sources:					
Categorical Transportation Aid	289,595.00		289,595.00	289,595.00	
Extraordinary Aid	250,000.00		250,000.00	447,439.00	197,439.00
Categorical Special Education Aid	884,647.00		884,647.00	884,647.00	
Categorical Security Aid	48,339.00		48,339.00	48,339.00	
Other State Aids		13,081.00	13,081.00	13,081.00	
On-behalf TPAF Contributions-non-budgeted				1,374,625.00	1,374,625.00
On-behalf TPAF N.C.G.I.-non-budgeted				24,639.00	24,639.00
Reimbursed TPAF Social Security Contribution-non-budgeted				495,944.53	495,944.53
Post Retirement Medical-non budgeted				519,101.00	519,101.00
Long Term Disability Insurance				1,212.00	1,212.00
Total State Sources	1,472,581.00	13,081.00	1,485,662.00	4,098,622.53	2,612,960.53
Total Revenues	24,567,464.00	131,516.00	24,698,980.00	27,277,546.01	2,578,566.01
EXPENDITURES:					
CURRENT EXPENSE:					
Instruction - Regular Programs:					
Preschool		260,936.00	260,936.00	248,522.00	12,414.00
Kindergarten	316,570.00	0.00	316,570.00	229,424.75	87,145.25
Grades 1-5	1,808,525.00	77,400.00	1,885,925.00	1,872,971.64	12,953.36
Grades 6-8	1,762,920.00	(125,251.00)	1,637,669.00	1,612,278.61	25,390.39
Regular programs - home instruction:					
Salaries of teachers	15,000.00		15,000.00	2,769.00	12,231.00

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS AND AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Regular programs (continued)					
Other purchased services (400 - 500 series)	\$ 105,939.00	\$ 13,888.68	\$ 119,827.68	\$ 111,320.51	8,507.17
General supplies	313,098.86	34,322.86	347,421.72	268,829.63	78,592.09
Textbooks	6,373.00	25.00	6,398.00	6,397.41	0.59
Total regular programs	<u>4,328,425.86</u>	<u>261,321.54</u>	<u>4,589,747.40</u>	<u>4,352,513.55</u>	<u>237,233.85</u>
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	181,965.00		181,965.00	181,965.00	29,812.00
Other salaries for instruction	29,812.00		29,812.00		
General Supplies	4,001.00		4,001.00	3,645.30	355.70
Total Learning and/or Language Disabilities	<u>215,778.00</u>		<u>215,778.00</u>	<u>185,610.30</u>	<u>30,167.70</u>
Behavioral Disabilities:					
Salaries of Teachers	58,155.00		58,155.00	58,155.00	
Other Salaries for Instruction	58,414.00		58,414.00	57,477.56	936.44
General Supplies	649.00		649.00	180.04	468.96
Total Behavioral Disabilities	<u>117,218.00</u>		<u>117,218.00</u>	<u>115,812.60</u>	<u>1,405.40</u>
Resource Room / Resource Center:					
Salaries of Teachers	1,099,890.00	46,880.00	1,146,770.00	1,146,769.40	0.60
General Supplies	5,090.00	(737.00)	4,353.00	3,892.47	460.53
Total Resource Room / Resource Center	<u>1,104,980.00</u>	<u>46,143.00</u>	<u>1,151,123.00</u>	<u>1,150,661.87</u>	<u>461.13</u>

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Preschool Disabilities - Full - Time:					
Salaries of Teachers	\$ 129,420.00	\$ (129,420.00)	\$	\$	
Other Salaries for Instruction	113,804.00	(113,804.00)		4,634.16	99.84
Supplies and Materials	3,114.00	1,620.00	4,734.00	4,634.16	99.84
Total Preschool Disabilities - Full - Time	246,338.00	(241,604.00)	4,734.00		
Total Special Education	1,684,314.00	(195,461.00)	1,488,853.00	1,456,718.93	32,134.07
Basic Skills / Remedial:					
Salaries of Teachers	126,504.21		126,504.21	110,623.00	15,881.21
General Supplies	1,027.00	337.00	1,364.00	1,316.53	47.47
Total Basic Skills / Remedial	127,531.21	337.00	127,868.21	111,939.53	15,928.68
Bilingual Education Instruction:					
Salaries of Teachers	39,484.00	1.00	39,485.00	39,484.20	0.80
General Supplies	400.00		400.00	400.00	
Total Bilingual Education Instruction	39,884.00	1.00	39,885.00	39,484.20	400.80
School Sponsored Co-Curricular Activities:					
Salaries	60,742.00	(4,445.00)	56,297.00	36,083.64	20,213.36
Supplies and Materials	3,700.00		3,700.00	2,889.03	810.97
Other Objects		5,000.00	5,000.00	75.37	4,924.63
Total School Sponsored Co-Curricular Activities	64,442.00	555.00	64,997.00	39,048.04	25,948.96
School Sponsored Athletics:					
Salaries	46,564.00	120.00	46,684.00	46,684.00	
Purchased Services (300-500 Series)	3,050.00		3,050.00	2,255.52	794.48
Supplies and Materials	6,840.00	26.00	6,866.00	4,587.02	2,278.98
Other Objects	11,700.00	(1.00)	11,699.00	5,915.00	5,784.00
Total School Sponsored Athletics	68,154.00	145.00	68,299.00	59,441.54	8,857.46
Summer School Instruction:					
Salaries	65,384.00		65,384.00	31,443.75	33,940.25
Other Salaries of Instruction	43,632.00		43,632.00	23,917.50	19,714.50
Other Purchased Services (400-500 series)	5,760.00		5,760.00	5,760.00	5,760.00
General Supplies	1,100.00		1,100.00	1,019.22	80.78
Total Summer School Instruction	115,876.00		115,876.00	56,380.47	59,495.53
Total Summer School	115,876.00		115,876.00	56,380.47	59,495.53
Total Other Instructional Programs	415,887.21	1,038.00	416,925.21	306,293.78	110,631.43
Total - Instruction	6,428,627.07	66,898.54	6,495,525.61	6,115,526.26	379,999.35

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE/ FAVORABLE/ (UNFAVORABLE)
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEA's within the State - Regular	\$ 7,204,435.00	\$ 123,792.00	\$ 7,328,227.00	\$ 7,304,551.00	\$ 23,676.00
Tuition to Other LEA's within the State - Special	827,253.00	357,184.00	1,184,437.00	1,126,765.67	57,671.33
Tuition to County Vocational School District - Regular	8,450.00	1,825.00	10,275.00	8,215.00	2,060.00
Tuition to County Vocational School District - Sp Ed	7,950.00	4,050.00	12,000.00	9,975.00	2,025.00
Tuition to Private Schools for the Handicapped w/in State	980,997.00	(453,792.00)	527,205.00	488,901.08	38,303.92
Tuition - Other	133,976.00	(120,943.00)	13,033.00	1,000.00	12,033.00
Total Undistributed Expenditures - Instruction	9,163,061.00	(87,884.00)	9,075,177.00	8,939,407.75	135,769.25
Attendance and Social Work Services:					
Salaries	23,209.00	1.00	23,210.00	23,209.20	0.80
Total Attendance and Social Work Services	23,209.00	1.00	23,210.00	23,209.20	0.80
Health Services:					
Salaries	171,740.00		171,740.00	135,592.42	36,147.58
Purchased Professional and Technical Services	3,960.00	2,147.00	6,107.00	6,106.68	0.32
Supplies and Materials	15,843.00	2,246.00	18,089.00	12,040.99	6,048.01
Total Health Services	191,543.00	4,393.00	195,936.00	153,740.09	42,195.91
Other Support Services - Speech, OT, PT & Related Services:					
Salaries	259,024.00		259,024.00	220,997.05	38,026.95
Purchased Professional - Educational Services	81,248.00	27,817.00	109,065.00	66,710.41	42,354.59
Supplies and Materials	2,659.00	215.00	2,874.00	2,657.20	216.80
Total Other Support Services - Speech, OT, PT & Related Services	342,931.00	28,032.00	370,963.00	290,364.66	80,598.34
Other Support Services - Students - Extra Services					
Salaries	405,266.00	114,512.00	519,778.00	519,777.07	0.93
Purchased Professional - Educational Services	209,460.00	(5,874.00)	203,586.00	180,751.18	22,834.82
Total Other Support Services - Students - Extra Services	614,726.00	108,638.00	723,364.00	700,528.25	22,835.75

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Guidance:					
Salaries of Other Professional Staff	\$ 147,810.00	\$	147,810.00	\$ 144,417.17	\$ 3,392.83
Other Purchased Services		537.96	537.96	536.74	1.22
Supplies and Materials	507.00		507.00	491.61	15.39
Total Guidance	148,317.00	537.96	148,854.96	145,445.52	3,409.44
Child Study Teams:					
Salaries of Other Professional Staff	397,787.00	2,385.00	400,172.00	400,005.08	166.92
Salaries of Secretarial and Clerical Assistants	67,196.00		67,196.00	67,195.92	0.08
Purchased Professional Educational Services	74,483.00	8,585.00	83,068.00	54,472.67	28,595.33
Other Purchased Services (400-500 series)	14,074.00	(4,248.84)	9,825.16	3,380.72	6,444.44
Supplies and Materials	13,608.94	206.00	13,814.94	11,883.64	1,931.30
Other Objects	1,365.00		1,365.00	1,195.00	170.00
Total Child Study Teams	568,513.94	6,927.16	575,441.10	538,133.03	37,308.07
Improvement of Instruction Services					
Other Support Services - Instructional Staff:					
Salaries of Secretarial and Clerical Asssts.		12,075.00	12,075.00	12,075.00	
Other Salaries	5,150.00	(5,150.00)			
Purchased Prof. and Tech. Services	6,809.00		6,809.00	6,808.99	0.01
Total Improvement of Instruction Services /					
Other Support Services - Instructional Staff	11,959.00	6,925.00	18,884.00	18,883.99	0.01
Educational Media Services / School Library:					
Other Purchased Services (400-500 Series)	6,745.00	4,460.28	4,460.28	4,155.90	304.38
Supplies and materials		(1,111.00)	5,634.00	3,877.69	1,756.31
Total Educational Media Services / School Library	6,745.00	3,349.28	10,094.28	8,033.59	2,060.69

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE/ FAVORABLE/ (UNFAVORABLE)
Instructional Staff Training Services:					
Salaries of Other Professional Staff	\$ 42,840.00	\$ 7,000.00	\$ 42,840.00	\$ 42,840.00	\$ 6,140.00
Salaries of Secretarial and Clerical Assistants	7,000.00	(7,000.00)	7,000.00	860.00	0.00
Other Salaries	21,360.00	(6,860.00)	14,500.00	1,100.00	13,400.00
Purchased Professional - Educational Services	6,000.00		6,000.00	1,533.19	4,466.81
Other Purchased Services (400- 500)	12,150.00	(10,000.00)	2,150.00	199.00	1,951.00
Supplies and materials					
Total Instructional Staff Training Services	89,350.00	(16,860.00)	72,490.00	46,532.19	25,957.81
Support Services General Administration:					
Salaries	216,643.00	1,302.00	217,945.00	197,507.92	20,437.08
Legal Services	35,000.00	45,000.00	80,000.00	79,142.25	857.75
Expenditure and Internal Control Audit Fees	20,400.00		20,400.00	20,000.00	400.00
Other Purchased Professional Services	6,620.00	36,995.00	43,615.00	30,599.52	13,015.48
Communications / Telephone	1,850.00	1,744.53	3,594.53	2,691.30	903.23
Board Travel Expense	1,300.00	300.00	1,600.00	1,500.00	100.00
Miscellaneous Expenditures	26,849.00	(26,849.00)			0.00
BOE In- House Training/ Meeting Supplies	500.00		500.00	9.99	490.01
Judgements against the District	65,000.00	(14,425.00)	50,575.00	41,615.00	8,960.00
Miscellaneous Expenditures	3,575.00	10,000.00	13,575.00	3,546.00	10,029.00
BOE Membership Dues and Fees	10,400.00		10,400.00	10,193.50	206.50
Total Support Services General Administration	388,137.00	54,067.53	442,204.53	386,805.48	55,399.05
Support Services School Administration:					
Salaries of Principals / Asst. Principals	232,100.00	1,122.00	233,222.00	233,222.00	
Salaries of Secretarial and Clerical Assistants	159,311.00	28,459.00	187,770.00	186,967.22	802.78
Other Purchased Services(400-500 series)	10,200.00	3,567.41	13,767.41	11,922.42	1,844.99
Supplies and Materials	11,500.00	7,389.00	18,889.00	16,274.99	2,614.01
Other Objects	4,300.00	5,000.00	9,300.00	5,623.31	3,676.69
Total Support Services School Administration	417,411.00	45,537.41	462,948.41	454,009.94	8,938.47

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE/ FAVORABLE/ (UNFAVORABLE)
Central Service:					
Salaries	\$ 319,823.00	\$ 500.00	\$ 319,823.00	\$ 314,628.33	\$ 5,194.67
Purchased Professional Services			500.00	270.00	230.00
Misc. Purch Services (400-500)	9,400.00	7,101.46	16,501.46	8,661.77	7,839.69
Supplies and Materials	2,550.00	7,110.98	9,660.98	6,265.45	3,395.53
Miscellaneous Expenditures	1,800.00		1,800.00	1,190.00	610.00
Total Central Service	333,573.00	14,712.44	348,285.44	331,015.55	17,269.89
Administrative Information Technology:					
Salaries	127,704.00	1.00	127,705.00	127,704.72	0.28
Purchased Technical Services	29,600.00	(2,000.00)	27,600.00	26,057.95	1,542.05
Other Purchased Services	1,000.00	(800.00)	200.00	165.00	35.00
Total Administrative Information Technology	158,304.00	(2,799.00)	155,505.00	153,927.67	1,577.33
Required Maintenance for School Facilities:					
Salaries	71,968.00	5.00	71,973.00	71,972.64	0.36
Cleaning, Repair and Maintenance Services	43,500.00	33,127.00	76,627.00	66,522.78	10,104.22
General Supplies	38,500.00	(900.00)	37,600.00	27,450.33	10,149.67
Other Objects		900.00	900.00	900.00	
Total Required Maintenance for School Facilities	153,968.00	33,132.00	187,100.00	166,845.75	20,254.25

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL</u> <u>BUDGET</u>	<u>BUDGET</u> <u>TRANSFERS AND</u> <u>AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE/</u> <u>(UNFAVORABLE)</u>
Custodial Services:					
Salaries	\$ 519,483.00	\$ 141.71	\$ 519,624.71	\$ 509,116.54	10,508.17
Purchased Professional and Technical Services	2,200.00	(100.00)	2,100.00	1,400.00	700.00
Cleaning, Repair and Maintenance Services	25,600.00		25,600.00	21,663.36	3,936.64
Other Purchased Property Services	26,900.00		26,900.00	20,247.31	6,652.69
Insurance	142,809.00	13,431.00	156,240.00	156,157.14	82.86
General Supplies	32,500.00		32,500.00	24,436.09	8,063.91
Energy (Natural Gas)	73,000.00		73,000.00	65,033.73	7,966.27
Energy (Heat and Electricity)	253,000.00	(45,555.00)	207,445.00	172,138.75	35,306.25
Other Objects	1,205.00		1,205.00	877.00	328.00
Total Custodial Services	1,076,697.00	(32,082.29)	1,044,614.71	971,069.92	73,544.79
Care and Upkeep of Grounds:					
General Supplies	5,000.00		5,000.00	2,972.80	2,027.20
Total Care and Upkeep of Grounds	5,000.00		5,000.00	2,972.80	2,027.20

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE/ FAVORABLE/ (UNFAVORABLE)
Student Transportation Services:					
Salaries for Pupil Transportation (Between Home and School) - Regular	\$ 47,277.00	\$ 501.00	\$ 47,778.00	\$ 47,777.04	\$ 0.96
Management Fee- ESC & CTSA Trans. Program	15,000.00	3,382.00	18,382.00	18,381.44	0.56
Contracted Services - Aid in Lieu Payments-NonPub Sch	57,000.00	5,523.00	62,523.00	41,748.96	20,774.04
Contracted Services (Aetween Home & School) - Vendors	1,008,547.00	(75,780.00)	932,767.00	827,780.16	104,986.84
Contracted Services (Other than Between Home and School) - Vendors	28,000.00		28,000.00	14,825.44	13,174.56
Contract Services (Sp. Ed. Stds.) - Vendors	17,700.00	(14,624.00)	3,076.00	0.00	3,076.00
Contracted Services (Spec. Ed. Students) - Joint Agreements	29,000.00	(3,516.00)	25,484.00	7,134.00	18,350.00
Contracted Services -(Spec.Ed. Students) - ESCs & CTSA	373,629.00	81,916.00	455,545.00	454,960.40	584.60
Miscellaneous Purchased Services - Transportation	5,380.00	214.00	5,594.00	1,131.38	4,462.62
Other Objects	200.00		200.00	200.00	
Total Student Transportation Services	1,581,733.00	(2,384.00)	1,579,349.00	1,413,938.82	165,410.18
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	195,000.00		195,000.00	179,019.37	15,980.63
T.P.A.F. Contributions - ERIP	39,000.00		39,000.00	36,819.54	2,180.46
Other Retirement Contributions - PERS	291,239.84		291,239.84	256,580.25	34,659.59
Other Retirement Contributions - Regular	5,500.00		5,500.00	5,157.73	342.27
Unemployment Compensation	15,000.00	(15,000.00)			
Workmen's Compensation	129,475.00		129,475.00	126,972.00	2,503.00
Health Benefits	2,562,878.17	(100,481.17)	2,462,397.00	2,231,235.17	231,161.83
Tuition Reimbursements	45,770.00	(2,025.00)	43,745.00	30,846.00	12,899.00
Other Employee Benefits	7,300.00	4,800.00	12,100.00	5,952.80	6,147.20
Unused sick payment	10,000.00		10,000.00	8,355.00	1,645.00
Total Unallocated Benefits - Employee Benefits	3,301,163.01	(112,706.17)	3,188,456.84	2,880,937.86	307,518.98

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
On-Behalf TPAF Contributions (Non-Budgeted):					
On-behalf TPAF Contributions-non-budgeted				1,374,625.00	(1,374,625.00)
On-behalf TPAF N.C.G.I.-non-budgeted				24,639.00	(24,639.00)
Post Retirement Medical-non budgeted				519,101.00	(519,101.00)
Reimbursed TPAF Social Security Contribution-non-budgeted				495,944.53	(495,944.53)
Long Term Disability Insurance				1,212.00	(1,212.00)
Total TPAF Pension/Social Security				2,415,521.53	(2,415,521.53)
Total Undistributed Expenditures	18,576,340.95	51,537.32	18,627,878.27	20,041,323.59	(1,413,445.32)
General Current Expense:					
Interest Earned on Maintenance Reserve	100.00	(100.00)			
Total General Current Expense	100.00	(100.00)			
TOTAL EXPENDITURES - CURRENT EXPENSE	25,005,068.02	118,335.86	25,123,403.88	26,156,849.85	(1,033,445.97)
CAPITAL OUTLAY:					
Equipment:					
Undistributed Expenditures - General Admin.		23,033.14	23,033.14	22,779.26	253.88
Total Equipment		23,033.14	23,033.14	22,779.26	253.88
Facilities Acquisition and Construction Services:					
Assessment for Debt Service on SDA Funding	56,699.00		56,699.00	56,699.00	
Total Facilities Acquisition and Construction Services	56,699.00		56,699.00	56,699.00	
Interest Deposit to Capital Reserve	400.00	(400.00)			
Assets acquired under capital leases (non-budgeted)					
Undistributed expenditures:					
Equipment				42,965.65	(42,965.65)
Total assets acquired under capital leases (non-budgeted)				42,965.65	(42,965.65)
TOTAL CAPITAL OUTLAY	57,099.00	22,633.14	79,732.14	122,443.91	(42,711.77)
Transfer of funds to charter schools	20,548.00	21,797.00	42,345.00	35,474.00	6,871.00
TOTAL EXPENDITURES	25,082,715.02	162,766.00	25,245,481.02	26,314,767.76	(1,069,286.74)

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Excess (deficiency) of revenues over (under) expenditures	\$ (515,251.02)	\$ (31,250.00)	\$ (546,501.02)	\$ 962,778.25	\$ 1,509,279.27
Other financing sources (uses)					
Proceeds from Capital Lease (non-budgeted)				42,965.65	42,965.65
Total other financing sources				42,965.65	42,965.65
Excess of revenues and other financing sources over expenditures and other expenditures and other financing sources	(515,251.02)	(31,250.00)	(546,501.02)	1,005,743.90	1,552,244.92
Fund balances, July 1	3,485,815.24		3,485,815.24	3,485,815.24	
Fund balances, June 30	\$ 2,970,564.22	\$ (31,250.00)	\$ 2,939,314.22	\$ 4,491,559.14	\$ 1,552,244.92
Recapitulation:					
Assigned - year-end encumbrances				\$ 70,470.21	
Restricted - excess surplus - current year				350,000.00	
Restricted - excess surplus - designated for subsequent year's expenditures				350,000.00	
Restricted - capital reserve				2,327,774.32	
Restricted - maintenance reserve				318,750.00	
Restricted - tuition reserve				400,000.00	
Unassigned fund balance				674,564.61	
				\$ 4,491,559.14	
Reconciliation to governmental funds statements (GAAP):					
Prior Year aid payment not recognized on GAAP basis				(116,189.00)	
Fund balance per governmental funds (GAAP)				\$ 4,375,370.14	

EXHIBIT "C-2"

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS/ AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES:					
Other Sources	\$ 206,308.00	\$ 49,794.88	\$ 49,794.88	\$ 9,755.80	\$ (40,039.08)
Federal Sources		64,603.00	270,911.00	268,760.51	(2,150.49)
Total Revenues	\$ 206,308.00	\$ 114,397.88	\$ 320,705.88	\$ 278,516.31	\$ (42,189.57)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 43,157.00	\$ 4,027.84	\$ 47,184.84	\$ 44,958.00	\$ 2,226.84
Tuition	139,741.00	20,798.00	160,539.00	159,236.22	1,302.78
General Supplies	0.00	46,204.74	46,204.74	8,412.33	37,792.41
Other Objects	0.00	427.45	427.45	0.00	427.45
Total Instruction	182,898.00	71,458.03	254,356.03	212,606.55	41,749.48
Support Services:					
Purchased Services Employee Benefits	0.00	12,476.85	12,476.85	12,284.47	192.38
Other purchased services	1,044.00	22,582.00	23,626.00	23,378.29	247.71
Total Support Services	23,410.00	42,939.85	66,349.85	65,909.76	440.09
Total expenditures	\$ 206,308.00	\$ 114,397.88	\$ 320,705.88	\$ 278,516.31	\$ 42,189.57

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
BUDGET TO GAAP RECONCILIATION
NOTE TO RSI (REQUIRED SUPPLEMENTARY INFORMATION)
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Note A - Explanation of difference between budgetary inflows and outflows and GAAP revenues and expenditures

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 27,277,546.01	\$ 278,516.31
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously it was recognized for budgetary purposes.	107,251.00	
The last state aid payment is 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)	(116,189.00)	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Adjust for encumbrances:		
Less current year encumbrances		(3,250.00)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 27,268,608.01</u>	<u>\$ 275,266.31</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 26,314,767.76	\$ 278,516.31
Difference - budget to GAAP:		
Adjust for encumbrances:		
Less current year encumbrances		(3,250.00)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	<u>\$ 26,314,767.76</u>	<u>\$ 275,266.31</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST SEVEN YEARS

Measurement Date Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Share of the Net Pension Liability (Asset)	District's Covered-Employee Payroll	District's Proportion Share of the Net Pension Liability (Asset) as a percentage of it's Covered-Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2013	0.0255172146%	\$ 4,876,847	\$ 1,561,731	312.27%	48.72%
2014	0.0237738269%	4,451,111	1,643,836	270.78%	52.08%
2015	0.0249063718%	5,590,981	1,636,476	341.65%	47.92%
2016	0.0265653753%	7,867,902	1,810,303	434.62%	40.14%
2017	0.0300134975%	6,986,662	1,950,448	358.21%	48.10%
2018	0.0284547700%	5,602,602	1,872,643	299.18%	53.60%
2019	0.0260549587%	4,694,708	1,696,501	276.73%	56.27%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

EXHIBIT "L-2"

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST SEVEN YEARS

<u>Fiscal Year</u> <u>Ending</u> <u>June 30,</u>	<u>Contractually</u> <u>Required</u> <u>Contribution</u>	<u>Contributions in</u> <u>Relation to the</u> <u>Contractually</u> <u>Required</u> <u>Contributions</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>District's</u> <u>Covered-</u> <u>Employee</u> <u>Payroll</u>	<u>Contributions as</u> <u>a Percentage of</u> <u>Covered-</u> <u>Employee</u> <u>Payroll</u>
2014	\$ 195,988	\$ 195,988	\$ -0-	1,643,836	11.92%
2015	214,128	214,128	-0-	1,636,476	13.08%
2016	236,003	236,003	-0-	1,810,303	13.04%
2017	237,183	237,183	-0-	1,950,448	12.16%
2018	283,033	283,033	-0-	1,872,643	15.11%
2019	253,438	253,438	-0-	1,696,501	14.94%
2020	270,099	270,099	-0-	1,743,897	15.49%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS PENSION AND ANNUITY FUND
LAST SEVEN YEARS

Measurement Date Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	District's Covered-Employee Payroll	Proportion Share of the Net Pension Liability (Asset) as a percentage of it's Covered-Employee Payroll	State's Proportionate Share of the Total Net Pension Liability associated with the District as a percentage of the District's Covered-Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2013	0.0619019502%	\$ -	\$ 31,284,759.00	5,744,632.00	-0-	544.59%	33.76%
2014	0.0591463531%	-0-	31,611,801.00	5,824,911.00	-0-	542.70%	33.64%
2015	0.0570915841%	-0-	36,084,319.00	6,299,960.00	-0-	572.77%	28.71%
2016	0.0568291993%	-0-	44,705,467.00	6,584,770.00	-0-	678.92%	22.33%
2017	0.0603806274%	-0-	40,710,796.00	6,745,089.00	-0-	603.56%	25.41%
2018	0.0661430720%	-0-	42,079,206.00	6,745,089.00	-0-	623.85%	26.49%
2019	0.0630452727%	-0-	38,691,479.00	6,800,393.00	-0-	568.96%	26.95%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2019	6.28%	7.00%	07/01/14-06/30/18
2018	5.66%	7.00%	07/01/11-06/30/14
2017	5.00%	7.00%	07/01/11-06/30/14
2016	3.98%	7.65%	07/01/11-06/30/14
2015	4.90%	7.90%	07/01/08-06/30/11
2014	5.39%	7.90%	07/01/08-06/30/11
2013	5.55%	7.90%	07/01/08-06/30/11

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2019	5.60%	7.00%	07/01/15-06/30/18
2018	4.86%	7.00%	07/01/12-06/30/15
2017	4.25%	7.00%	07/01/12-06/30/15
2016	3.22%	7.65%	07/01/12-06/30/15
2015	4.13%	7.90%	07/01/09-06/30/12
2014	4.68%	7.90%	07/01/09-06/30/12
2013	4.95%	7.90%	07/01/09-06/30/12

REQUIRED SUPPLEMENTARY INFORMATION - PART IV

**SCHEDULE RELATED TO ACCOUNTING AND REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER
THAN PENSIONS (GASB 75)**

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE TOTAL
TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST THREE YEARS

	Measurement Date Ended June 30,		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Non-Employer OPEB Liability - State's Proportionate Share of Total OPEB Liability Associated with the School District			
Balance at 6/30	\$27,519,389	\$29,673,676	\$31,710,212
Changes for the year:			
Service cost	1,307,560	1,393,152	1,685,041
Interest	1,101,500	1,099,588	942,398
Differences between expected and actual experience	(4,858,182)	(778,612)	
Changes in assumptions or other inputs	368,320	(3,157,988)	(4,001,978)
Benefit payments	22,478	(735,859)	(687,305)
Contributions from Members	(758,301)	25,432	25,308
Net changes	<u>(2,816,625)</u>	<u>(2,154,287)</u>	<u>(2,036,536)</u>
Balance at 6/30	<u>\$24,702,764</u>	<u>\$27,519,389</u>	<u>\$29,673,676</u>
Covered Employee Payroll	8,496,894	8,617,732	8,695,537
District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll	-0-	-0-	-0-
State's Proportionate Share of the Total Non-Employer OPEB Liability associated with the District as a percentage of the District's Covered Employee Payroll	290.73%	319.33%	341.25%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION PART IV
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Change in benefit terms: None

Change in assumptions: The discount rate changed from 3.87% to 3.50% as of June 30, 2019.

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGETARY BASIS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	CARES ACT	IDEA PART B BASIC	IDEA PART B PRESCHOOL	TITLE I	OTHER LOCAL	TITLE IIA	TOTALS
REVENUES:							
Local Sources	\$ 30,247.00	\$ 159,236.22	\$ 8,883.00	\$ 47,016.00	\$ 9,755.80	\$ 23,378.29	\$ 9,755.80
Federal Sources							268,760.51
Total Revenues	30,247.00	159,236.22	8,883.00	47,016.00	9,755.80	23,378.29	278,516.31
EXPENDITURES:							
Instruction:							
Salaries of Teachers	0.00	0.00	8,883.00	34,827.00	1,248.00	0.00	44,958.00
Tuition	0.00	159,236.22	0.00	0.00	0.00	0.00	159,236.22
General Supplies	0.00	0.00	0.00	0.00	8,412.33	0.00	8,412.33
Total Instruction	0.00	159,236.22	8,883.00	34,827.00	9,660.33	0.00	212,606.55
Support Services:							
Personal Services Employee - Benefits	0.00	0.00	0.00	12,189.00	95.47	0.00	12,284.47
Other purchased services	0.00	0.00	0.00	0.00	0.00	23,378.29	23,378.29
Supplies and Materials	30,247.00	0.00	0.00	0.00	0.00	0.00	30,247.00
Total Support Services	30,247.00	0.00	0.00	12,189.00	95.47	23,378.29	65,909.76
Total Expenditures	30,247.00	159,236.22	8,883.00	47,016.00	9,755.80	23,378.29	278,516.31
Excess (Deficiency) of Revenues Over (Under) Expenditures	-0-	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL PROJECTS FUND DETAIL STATEMENTS

The capital projects fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES-BUDGETARY BASIS
AS OF JUNE 30, 2020

<u>ISSUE/PROJECT TITLE</u>	<u>REVISED</u> <u>APPROPRIATIONS</u>	<u>EXPENDITURES TO DATE</u>		<u>BALANCE</u> <u>JUNE 30, 2020</u>
		<u>PRIOR YEAR</u>	<u>CURRENT YEAR</u>	
Windows Replacement	\$ 124,850.00	\$ 122,393.89	\$	2,456.11
Switchgear Installation	95,603.62	59,601.55		36,002.07
Totals	\$ 220,453.62	\$ 181,995.44	\$	\$ 38,458.18

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

REVENUES AND OTHER FINANCING SOURCES:	
SDA Grants	\$ <u>(24,001.38)</u>
Total Revenues and Other Financing Sources	<u>(24,001.38)</u>
Net change in fund balances	(24,001.38)
Fund Balance - Beginning of Year	<u>62,459.56</u>
Fund Balance - End of Year	\$ <u><u>38,458.18</u></u>
<u>Reconciliation of Financial Assistance Difference for GAAP Purposes</u>	
State Financial Assistance-Budgetary Basis (Exhibit F-2)	\$ (24,001.38)
Adjustment to GAAP Basis	<u>24,379.70</u>
State Financial Assistance-GAAP (Exhibit B-2)	\$ <u><u>378.32</u></u>
<u>Reconciliation to GAAP Financial Statements:</u>	
Fund Balance- Budgetary Basis (Exhibit F-2)	\$ <u>38,458.18</u>
Fund Balance- GAAP Basis (Exhibit B-1)	\$ <u><u>38,458.18</u></u>

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS -
BUDGETARY BASIS
WINDOWS REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
SDA Grant	\$ 19,231.00	\$	\$ 19,231.00	\$ 19,231.00
Transfer from capital reserve	105,619.00		105,619.00	105,619.00
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues and Other Financing Sources	124,850.00	0.00	124,850.00	124,850.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased Professional and Technical Services	3,850.00		3,850.00	3,850.00
Construction Services	118,543.89		118,543.89	121,000.00
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures and Other Financing Uses	122,393.89	0.00	122,393.89	124,850.00
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	\$ <u>2,456.11</u>	\$ <u>0.00</u>	\$ <u>2,456.11</u>	
ADDITIONAL PROJECT INFORMATION:				
Project Number	1810-030-14-1003			
Grant Date	1/6/14			
Bond Authorization Date	N/A			
Bonds Authorization	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$48,077.00			
Additional Authorized Cost	\$76,773.00			
Revised Authorized Cost	\$124,850.00			
Percentage Increase over Original Authorized Cost	159.69%			
Percentage Completion	98.03%			

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS -
BUDGETARY BASIS
SWITCHGEAR INSTALLATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State Sources - Grant	\$ 47,842.00	\$ (24,001.38)	\$ 23,840.62	\$ 23,840.62
Transfer from capital reserve	71,763.00		71,763.00	71,763.00
	<u>119,605.00</u>	<u>(24,001.38)</u>	<u>95,603.62</u>	<u>95,603.62</u>
Total Revenues and Other Financing Sources				
EXPENDITURES AND OTHER FINANCING USES:				
Purchased Professional and Technical Services	7,700.00		7,700.00	7,700.00
Construction Services	51,901.55		51,901.55	87,903.62
	<u>59,601.55</u>	<u>0.00</u>	<u>59,601.55</u>	<u>95,603.62</u>
Total Expenditures and Other Financing Uses				
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ <u>60,003.45</u>	\$ <u>(24,001.38)</u>	\$ <u>36,002.07</u>	
ADDITIONAL PROJECT INFORMATION:				
Project Number	1810-030-14-1001			
Grant Date	1/6/14			
Bond Authorization Date	N/A			
Bonds Authorization	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$119,605.00			
Reduced Authorized Cost	-\$24,001.38			
Revised Authorized Cost	\$95,603.62			
Percentage Increase over Original Authorized Cost	N/A			
Percentage Completion	62.34%			

PROPRIETARY FUND DETAIL STATEMENTS

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

FOOD SERVICES FUND: This fund provides for the operation of food services within the school district.

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

FIDUCIARY FUNDS DETAIL STATEMENTS

Fiduciary funds are used to account for assets when a school district is functioning either as a trustee or as an agent for another party.

Unemployment Compensation Insurance Trust Fund: This trust fund is used to account for board contributions which are utilized to pay unemployment compensation claims as they arise.

Scholarship Trust Fund: This trust fund is used to account for assets held by the district for grants to students where there are no restrictions regarding the use of principal and interest.

Student Activity Fund: This agency fund is used to account for student funds held at the schools.

Payroll Agency Fund: This agency fund is used to account for the payroll transactions of the school district.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 JUNE 30, 2020

	UNEMPLOYMENT COMPENSATION TRUST	TOTAL TRUST FUNDS	STUDENT ACTIVITY	AGENCY FUNDS		TOTAL AGENCY FUNDS
				PAYROLL		
ASSETS:						
Cash and Cash Equivalents	\$ 23,829.94	\$ 23,829.94	\$ 22,881.47	\$ 14,376.33		\$ 37,257.80
Total assets	<u>\$ 23,829.94</u>	<u>\$ 23,829.94</u>	<u>\$ 22,881.47</u>	<u>\$ 14,376.33</u>		<u>\$ 37,257.80</u>
LIABILITIES:						
Payroll Deductions and Withholdings				\$ 4,376.33		\$ 4,376.33
Accounts Payable			2,576.85			2,576.85
Due to Student Groups			20,304.62			20,304.62
Interfunds			0.00	10,000.00		10,000.00
Total liabilities			<u>\$ 22,881.47</u>	<u>\$ 14,376.33</u>		<u>\$ 37,257.80</u>
NET POSITION:						
Held in trust for unemployment claims	\$ 23,829.94	\$ 23,829.94				
Held in trust for scholarships						
TOTAL NET POSITION	<u>\$ 23,829.94</u>	<u>\$ 23,829.94</u>				

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	UNEMPLOYMENT COMPENSATION <u>TRUST</u>	<u>TOTALS</u>
ADDITIONS:		
Contributions:		
Payroll Withholdings	\$ <u>21,023.13</u>	\$ <u>21,023.13</u>
Total contributions	<u>21,023.13</u>	<u>21,023.13</u>
Investment Earnings:		
Interest Earned	<u>255.22</u>	<u>255.22</u>
Net Investment Earnings	<u>255.22</u>	<u>255.22</u>
Total additions	<u>21,278.35</u>	<u>21,278.35</u>
DEDUCTIONS:		
Unemployment claims and contributions	<u>16,908.67</u>	<u>16,908.67</u>
Total deductions	<u>16,908.67</u>	<u>16,908.67</u>
Change in Net Position	4,369.68	4,369.68
Net Position, Beginning of Year	<u>19,460.26</u>	<u>19,460.26</u>
Net Position, End of Year	<u>\$ <u>23,829.94</u></u>	<u>\$ <u>23,829.94</u></u>

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JUNE 30, 2019</u>	<u>CASH</u> <u>RECEIPTS</u>	<u>CASH</u> <u>DISBURSE-</u> <u>MENTS</u>	<u>ADJUSTMENTS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
ASSETS:					
Cash and cash equivalents	\$ 42,943.99	\$ 112,879.83	\$ 132,942.35	\$ 0.00	\$ 22,881.47
Total assets	<u>\$ 42,943.99</u>	<u>\$ 112,879.83</u>	<u>\$ 132,942.35</u>	<u>\$ 0.00</u>	<u>\$ 22,881.47</u>
LIABILITIES:					
Accounts Payable	\$	\$	\$	\$ 2,576.85	\$ 2,576.85
Due student groups	<u>42,943.99</u>	<u>112,879.83</u>	<u>132,942.35</u>	<u>(2,576.85)</u>	<u>20,304.62</u>
Total liabilities	<u>\$ 42,943.99</u>	<u>\$ 112,879.83</u>	<u>\$ 132,942.35</u>	<u>\$ 0.00</u>	<u>\$ 22,881.47</u>

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JUNE 30, 2019</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
ASSETS:				
Cash and cash equivalents	\$ <u>92,262.74</u>	\$ <u>10,327,277.80</u>	\$ <u>10,405,164.21</u>	\$ <u>14,376.33</u>
Total assets	\$ <u><u>92,262.74</u></u>	\$ <u><u>10,327,277.80</u></u>	\$ <u><u>10,405,164.21</u></u>	\$ <u><u>14,376.33</u></u>
LIABILITIES:				
Payroll deductions and withholdings	\$ <u>82,262.74</u>	\$ <u>10,327,277.80</u>	\$ <u>10,405,164.21</u>	\$ <u>4,376.33</u>
Due to General Fund	<u>10,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>10,000.00</u>
Total liabilities	\$ <u><u>92,262.74</u></u>	\$ <u><u>10,327,277.80</u></u>	\$ <u><u>10,405,164.21</u></u>	\$ <u><u>14,376.33</u></u>

LONG-TERM DEBT SCHEDULES

The Long-Term schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under Serial Bonds and Capital Leases.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
LONG-TERM DEBT
 SCHEDULE OF SERIAL BONDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	MATURITIES		RATE OF INTEREST	BALANCE JUNE 30, 2019	RETIRED	BALANCE JUNE 30, 2020
			DATE	AMOUNT				
Refunding Bonds	9/14/2011	\$ 8,200,000.00	1/15/2021	\$ 1,095,000.00	4.000%	\$ 2,140,000.00	\$ 1,045,000.00	\$ 1,095,000.00
Refunding Bonds	2/22/2012	9,175,000.00	5/15/2022	1,130,000.00	4.000%			
			5/15/2023	1,175,000.00	3.500/4.500%			
			5/15/2024	1,230,000.00	5.000%			
			5/15/2025	1,290,000.00	5.000%			
			5/15/2026	1,355,000.00	4.000%			
	5/15/2027	1,410,000.00	4.000%					
	5/15/2028	1,470,000.00	4.000%			9,060,000.00		9,060,000.00
						\$ 11,200,000.00	\$ 1,045,000.00	\$ 10,155,000.00

EXHIBIT "I-2"

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

<u>SERIES</u>	<u>DATE OF LEASE</u>	<u>TERM OF LEASE</u>	<u>INTEREST RATE PAYABLE</u>	<u>AMOUNT OF ORIGINAL LEASE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2019</u>	<u>INCREASES</u>	<u>DECREASES</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2020</u>
Copiers	1/3/13	5	Various	\$ 100,384.46	\$ 14,868.69	\$	14,868.69	\$ 0.00
Tech Equipment	9/1/16	4	Various	153,795.00	38,971.98		38,971.98	0.00
Security Appliance	7/22/19	3	N/A	42,965.65		42,965.65	14,988.67	27,976.98
					\$ 53,840.67	\$ 42,965.65	\$ 68,829.34	\$ 27,976.98

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>TRANSFERS</u>	<u>MODIFIED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES:					
Local sources:					
Local tax levy	\$ 1,519,075.00		\$ 1,519,075.00	\$ 1,519,075.00	
Total revenues	1,519,075.00	0.00	1,519,075.00	1,519,075.00	
EXPENDITURES:					
Regular debt service:					
Interest	474,075.00		474,075.00	474,075.00	0.00
Redemption of principal	1,045,000.00		1,045,000.00	1,045,000.00	
Total regular debt service-expenditures	1,519,075.00	0.00	1,519,075.00	1,519,075.00	0.00
Fund balance, July 1	0.00		0.00	0.00	
Fund balance, June 30	0.00	0.00	0.00	0.00	0.00

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STATISTICAL SECTION
(UNAUDITED)

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATISTICAL SECTION

<u>Contents</u>	<u>Page</u>
Financial Trends:	
These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	J-1 to J-4
Revenue Capacity:	
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	J-5 to J-9
Debt Capacity:	
These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information:	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information:	
These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20

Sources

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
NET POSITION BY COMPONENT
(accrual basis of accounting)
UNAUDITED

	Fiscal Year Ending June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental activities										
Net investment in capital assets (deficit) \$	8,783,369	8,411,882	8,264,184	7,949,524	8,272,401	8,059,312	7,450,769	6,845,922	7,498,442	5,997,822
Restricted	3,784,983	3,015,691	2,532,245	2,230,044	2,205,148	2,608,091	3,367,629	2,138,647	1,962,558	1,722,260
Unrestricted (deficit)	(4,859,649)	(6,044,965)	(5,738,757)	(5,246,945)	(4,745,337)	(4,682,289)	194,477	1,212,989	315,418	29,559
Total governmental activities net position	\$ 7,708,703	\$ 5,382,607	\$ 5,057,672	\$ 4,932,623	\$ 5,732,212	\$ 5,985,114	\$ 11,012,876	\$ 10,197,558	\$ 9,776,418	\$ 7,749,641
Business-type activities										
Net investment in capital assets	70,415	77,881	46,652	60,199	37,616	48,950	60,923	80,781	62,845	48,100
Unrestricted	27,091	55,292	99,203	84,419	110,569	81,431	89,471	59,049	85,333	87,239
Total business-type activities net position	\$ 97,506	\$ 133,173	\$ 145,855	\$ 144,618	\$ 148,185	\$ 130,381	\$ 130,394	\$ 139,830	\$ 148,178	\$ 135,339
District-wide										
Net investment in capital assets	8,853,784	8,489,763	8,310,836	8,009,723	8,310,017	8,108,262	7,511,692	6,926,703	7,561,287	6,045,922
Restricted	3,784,983	3,015,690	2,532,245	2,230,044	2,205,148	2,608,091	3,367,629	2,138,647	1,962,558	1,722,260
Unrestricted (Deficit)	(4,832,558)	(5,989,673)	(5,639,554)	(5,162,526)	(4,634,768)	(4,600,858)	263,948	1,272,038	400,751	116,798
Total district net position	\$ 7,806,209	\$ 5,515,780	\$ 5,203,527	\$ 5,077,241	\$ 5,880,397	\$ 6,115,495	\$ 11,143,270	\$ 10,337,368	\$ 9,924,596	\$ 7,884,980

Source: CAFR Schedule A-1

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CHANGES IN NET POSITION
UNAUDITED

	Fiscal Year Ending June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
EXPENSES & INDIRECT ALLOCATIONS										
Governmental activities										
Instruction										
Regular	\$ 15,182,408.27	\$ 14,985,613.31	\$ 15,047,122.47	\$ 14,176,426.99	\$ 13,747,646.08	\$ 12,775,801.86	\$ 12,431,544.00	\$ 12,239,995.76	\$ 12,171,358.06	\$ 12,342,505.00
Special education	4,503,740.01	4,924,807.26	4,381,129.84	3,928,648.57	3,460,542.29	3,855,505.43	2,980,721.00	2,877,303.16	2,227,928.34	2,491,046.36
Other instruction	555,169.16	574,807.32	1,369,825.22	1,374,705.44	1,000,619.10	720,689.96	822,169.00	596,628.11	433,389.50	288,485.81
Support Services:										
Student and instruction related services	3,367,028.30	3,355,440.90	3,821,003.94	3,435,763.99	3,204,214.25	2,599,210.55	2,025,606.00	2,292,308.06	1,994,930.80	2,010,086.24
General administrative services	559,466.29	942,371.16	588,077.97	593,318.21	615,438.40	630,448.55	536,664.00	660,886.95	606,592.32	683,633.93
School administrative services	794,145.01	840,724.31	950,376.10	906,203.85	814,699.30	838,048.68	683,979.00	720,924.89	865,241.25	814,995.61
Central services	508,162.05	622,785.13	666,672.72	1,545,440.99	1,392,466.27	1,368,038.40	1,379,162.00	1,327,976.53	1,350,322.47	1,398,866.48
Administration information technology	233,181.11	312,800.76	318,881.64	1,716,633.86	1,458,167.94	1,583,155.64	1,507,310.00	1,593,088.89	1,570,447.84	1,590,918.92
Plant operations and maintenance	1,577,525.89	1,653,604.62	1,573,345.88	564,280.70	611,156.73	628,620.90	824,020.00	525,615.24	493,383.44	496,453.54
Student transportation services	1,436,671.72	1,522,847.14	1,679,770.13	293,103.02	286,277.05	410,847.97		298,724.76	218,252.72	175,788.20
Interest on long-term debt	517,515.43	471,394.68	506,860.87	544,394.20	575,723.37	601,935.88	819,394.00	691,781.29	1,015,949.33	825,249.11
Total governmental activities expenses	\$ 29,235,013.24	\$ 30,207,196.59	\$ 30,903,066.79	\$ 29,078,919.82	\$ 27,166,950.78	\$ 26,012,303.82	\$ 24,010,569.00	\$ 23,925,233.64	\$ 22,867,796.07	\$ 23,118,019.20
Business-type activities:										
Food Service	\$ 259,041.36	\$ 357,262.85	\$ 342,802.26	\$ 339,233.81	\$ 319,745.17	\$ 305,629.44	\$ 295,278.00	\$ 323,747.12	\$ 306,158.02	\$ 279,983.98
Total business-type activities expense	\$ 259,041.36	\$ 357,262.85	\$ 342,802.26	\$ 339,233.81	\$ 319,745.17	\$ 305,629.44	\$ 295,278.00	\$ 323,747.12	\$ 306,158.02	\$ 279,983.98
Total district expenses	\$ 29,494,054.60	\$ 30,564,459.44	\$ 31,245,869.05	\$ 29,418,153.63	\$ 27,486,695.95	\$ 26,317,933.26	\$ 24,305,847.00	\$ 24,248,980.76	\$ 23,173,954.09	\$ 23,398,003.18
PROGRAM REVENUES										
Governmental activities:										
Operating grants and contributions	\$ 5,819,265.16	\$ 6,453,421.62	\$ 5,854,873.12	\$ 4,676,943.01	\$ 3,468,675.21	\$ 2,872,793.41	\$ 2,507,272.00	\$ 1,697,893.85	\$ 1,401,195.10	\$ 1,210,428.75
Charges for services	465,084.83	408,776.83								
Total governmental activities program revenue	\$ 6,284,349.99	\$ 6,862,198.45	\$ 5,854,873.12	\$ 4,676,943.01	\$ 3,468,675.21	\$ 2,872,793.41	\$ 2,507,272.00	\$ 1,697,893.85	\$ 1,401,195.10	\$ 1,210,428.75
Business-type activities:										
Charges for services	\$ 178,933.56	\$ 273,388.37	\$ 276,634.12	\$ 264,309.06	\$ 265,136.41	\$ 237,880.75	\$ 230,716.00	\$ 253,676.30	\$ 253,913.45	\$ 237,584.21
Food Service										
School Store	43,271.24	69,845.83	67,223.27	71,230.14	72,408.70	67,735.93	65,526.00	61,723.19	65,083.36	53,295.29
Operating grants and contributions	222,204.80	343,234.20	343,857.39	335,539.20	337,545.11	305,616.68	296,242.00	315,399.49	318,996.81	290,879.50
Total business type activities program revenue	\$ 6,506,554.79	\$ 7,205,452.65	\$ 6,198,730.51	\$ 5,012,482.21	\$ 3,806,220.32	\$ 3,178,410.09	\$ 2,803,514.00	\$ 2,013,293.34	\$ 1,720,191.91	\$ 1,501,308.25
Total district program revenues										
NET (EXPENSE)/REVENUE										
Governmental activities	\$ (22,950,663.25)	\$ (23,344,998.14)	\$ (25,048,193.67)	\$ (24,401,976.81)	\$ (23,698,275.57)	\$ (23,139,510.41)	\$ (21,503,297.00)	\$ (22,227,339.79)	\$ (21,466,600.97)	\$ (21,907,590.46)
Business-type activities	(36,836.56)	(14,028.65)	1,055.13	(3,694.61)	17,799.94	(12.76)	964.00	(8,347.63)	12,838.79	10,895.52
Total district-wide net expense	\$ (22,987,499.81)	\$ (23,359,026.79)	\$ (25,047,138.54)	\$ (24,405,671.42)	\$ (23,680,475.63)	\$ (23,139,523.17)	\$ (21,502,333.00)	\$ (22,235,687.42)	\$ (21,453,762.18)	\$ (21,896,694.94)

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CHANGES IN NET POSITION
UNAUDITED

	Fiscal Year Ending June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS										
Governmental activities:										
Property taxes levied for general purpose	\$ 22,540,510.00	\$ 22,098,539.00	\$ 21,518,175.00	\$ 20,657,544.00	\$ 20,070,974.00	\$ 19,971,118.00	\$ 19,998,018.00	\$ 19,800,018.00	\$ 19,411,783.00	\$ 19,031,160.00
Taxes levied for debt service	1,519,075.00	1,519,275.00	1,512,675.00	1,509,475.00	1,505,756.00	1,480,854.00	1,436,006.00	1,397,637.00	1,424,069.00	1,537,459.00
Federal and state aid not restricted	61,417.00	59,065.00	1,225,397.00	1,333,100.00	1,269,789.44	1,165,583.69	63,306.00	1,127,540.33	1,390,171.30	689,553.38
Disposal of Capital Assets		(192,633.00)		(472,424.57)						
Miscellaneous income	173,328.65	185,686.94	916,996.71	574,693.11	478,971.13	352,457.47	369,085.00	323,284.05	1,267,355.17	189,036.28
Total governmental activities	\$ 24,294,330.65	\$ 23,669,932.94	\$ 25,173,243.71	\$ 23,602,387.54	\$ 23,325,490.57	\$ 22,970,013.16	\$ 21,866,415.00	\$ 22,648,479.38	\$ 23,493,378.47	\$ 21,447,208.66
Business-type activities:										
Miscellaneous Revenue	\$ 1,169.60	\$ 1,347.25	\$ 181.32	\$ 127.38	\$ 4.27	\$	\$	\$	\$	\$
Total business-type activities	\$ 1,169.60	\$ 1,347.25	\$ 181.32	\$ 127.38	\$ 4.27	\$	\$	\$	\$	\$
Total district-wide	\$ 24,295,500.25	\$ 23,671,280.19	\$ 25,173,425.03	\$ 23,602,514.92	\$ 23,325,494.84	\$ 22,970,013.16	\$ 21,866,415.00	\$ 22,648,479.38	\$ 23,493,378.47	\$ 21,447,208.66
CHANGE IN NET ASSETS										
Governmental activities	\$ 1,343,667.40	\$ 324,934.80	\$ 125,050.04	\$ (799,589.27)	\$ (372,785.00)	\$ (169,497.25)	\$ 363,118.00	\$ 421,139.59	\$ 2,026,777.50	\$ (460,381.80)
Business-type activities	(35,666.96)	(12,681.40)	1,236.45	(3,567.23)	17,804.21	(12.76)	964.00	(6,347.63)	12,838.79	10,895.52
Total district	\$ 1,308,000.44	\$ 312,253.40	\$ 126,286.49	\$ (803,156.50)	\$ (354,980.79)	\$ (169,510.01)	\$ 364,082.00	\$ 412,791.96	\$ 2,039,616.29	\$ (449,486.28)

Source: CAFR Schedule A-2

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
 FUND BALANCES, GOVERNMENTAL FUNDS
 (modified accrual basis of accounting)
 UNAUDITED

	Fiscal Year Ending June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund										
Restricted	\$ 3,746,524	\$ 2,977,611	\$ 2,600,383	\$ 2,077,159	\$ 2,069,129	\$ 2,316,811	\$ 2,816,665	\$ 2,672,173	\$ 1,835,488	\$ 602,077
Committed						120,320		1	38,820	
Assigned	70,470	15,113	32,477	12,646	37,486	33,359	308,150	380,942	229,038	225,014
Unassigned	558,376	385,841	391,700	515,342	469,420	375,216	160,786	364,223	541,782	426,862
Total general fund	\$ 4,375,370	\$ 3,378,565	\$ 3,024,560	\$ 2,605,147	\$ 2,576,035	\$ 2,845,706	\$ 3,285,601	\$ 3,417,339	\$ 2,645,128	\$ 1,253,953
All Other Governmental Funds										
Restricted	\$ 38,458.18	\$ 38,079.86	\$ 38,079.86	\$ 276,702.86	\$ 276,702.86	\$ 323,464.00	\$ 471,710.00	\$ 448,737.39	\$ 448,626.39	\$ 877,626.00
Committed						419			39,734	112,364
Unassigned						88,365		21,121	21,121	1
Total all other governmental funds	\$ 38,458	\$ 38,080	\$ 38,080	\$ 276,703	\$ 276,703	\$ 412,248	\$ 471,710	\$ 469,858	\$ 509,481	\$ 989,991

Source: CAFR Schedule B-1

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
 CHANGES IN GOVERNMENTAL FUND BALANCES, GOVERNMENTAL FUNDS
 UNAUDITED

	Fiscal Year Ending June 30,					
	2020	2019	2018	2017	2016	2015
Revenues						
Tax Levy	\$ 24,059,585	\$ 23,617,814	\$ 23,030,850	\$ 22,187,019	\$ 21,576,730	\$ 21,451,972
Tuition Charges	461,885	408,777	396,046	298,677	164,839	78,778
Transportation Charges	3,200					
Miscellaneous	183,084	198,706	559,615	306,267	314,132	273,679
State Sources	4,090,063	3,868,433	3,378,901	3,063,548	2,741,550	2,416,766
Federal Sources	285,511	237,195	244,187	236,412	248,639	229,257
Total Revenue	29,063,328	28,330,924	27,609,599	26,071,924	25,045,889	24,450,453
Expenditures						
Instruction						
Regular Instruction	4,422,908	4,530,227	4,563,269	4,525,098	4,609,340	4,113,932
Special Education Instruction	1,621,588	1,878,590	1,770,955	1,744,393	1,571,642	1,776,121
Other Instruction	341,768	370,062	408,560	397,519	393,100	387,911
School Sponsored Activities and Athletics						
Tuition	8,939,408	8,277,615	7,793,864	7,207,791	7,144,412.91	732,167.07
Student & Instruction Related Services	1,964,873	1,968,361	2,014,584	1,909,651	1,939,759	1,782,565
Educational Media / School Library			365,158	375,330	415,320	364,665
General Administration	386,806	509,693	463,440	472,196	444,402	461,548
School Administrative Services	454,010	418,068	337,604	306,931	364,647	341,164
Central Services	484,943	474,447	150,826	137,247	129,078	244,454
Plant Operations and Maintenance	1,140,888	1,169,969	1,062,883	1,113,630	1,073,666	1,112,450
Pupil Transportation	1,413,939	1,406,718	1,552,660	1,166,508	1,060,415	1,046,435
Unallocated Benefits	5,296,459	5,386,487	5,375,632	5,099,464	4,571,124	3,961,272
Capital Outlay	122,444	67,409	56,699	527,579	228,025	954,239
Debt Service:						
Principal	1,045,000	1,005,000	960,000	920,000	890,000	860,000
Interest and Other Charges	474,075	514,275	552,675	589,475	616,175	641,975
Total expenditures	28,109,109	27,976,920	27,428,809	26,492,813	25,451,106	25,370,404
Excess (Deficiency) of Revenues Over (Under) Expenditures	954,219	354,005	180,790	(420,888)	(405,216)	(919,951)
Other Financing Sources (Uses)						
Capital Leases (Non-Budgeted)	42,965			450,000		100,384
Total Other Financing Sources (Uses)	42,965			450,000		100,384
Net Change in Fund Balances	\$ 997,184	\$ 354,005	\$ 180,790	\$ 29,112	\$ (405,216)	\$ (819,567)
Debt Service as a Percentage of Noncapital Expenditures	5.43%	5.44%	5.53%	5.81%	5.97%	6.15%
					7.24%	6.42%
						8.90%
						6.82%

Source: CAFR Schedule B-2
 * Noncapital expenditures are total expenditures less capital outlay.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
UNAUDITED

Fiscal Year Ended <u>June 30.</u>	<u>Tuition</u>	<u>Interest on Investments</u>	<u>Use of Facilities</u>	<u>Transportation Fees</u>	<u>Other/ Miscellaneous</u>	<u>Total</u>
2020	\$ 461,884.58	\$ 72,434.86	\$ 34,152.50	\$ 3,200.25	\$ 66,741.29	\$ 638,413.48
2019	430,169.73	56,996.24	83,357.00	2,224.00	21,716.80	594,463.77
2018	396,046.15	5,717.58	84,447.50	4,652.50	426,132.99	916,996.72
2017	298,677.48	5,616.44	51,524.11	151,050.28	67,824.84	574,693.15
2016	164,839.00	5,873.96	60,785.00	160,624.00	61,308.97	453,430.93
2015	78,778.44	7,012.37	43,015.08	171,670.67	51,980.91	352,457.47
2014	92,669.00	6,505.00	98,323.00	123,717.00	47,446.00	368,660.00
2013	104,032.90	6,293.38	26,805.00	92,773.74	92,317.21	322,222.23
2012	77,721.05	2,672.51	68,634.72	125,045.30	4,974.74	279,048.32
2011	49,094.76	2,545.78	24,856.80	93,961.44	13,128.68	183,587.46

Source: District Records

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Calendar Year	Vacant Land	Residential	Farm Req. and O-Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Est. Actual (County Equalized Value)	Total Direct School Tax Rate (b)
2020	\$ 16,164,500	\$ 1,102,725,800	100,712	\$ 236,879,500	\$ 12,449,100	\$ 8,845,000	\$ 1,377,264,612	\$ 580,080	\$ 1,377,844,692	\$ 1,395,278,421	1,762
2019	11,325,800	1,101,913,400	88,040	234,629,440	12,249,100	6,810,000	1,366,927,740	580,080	1,367,507,820	1,392,847,079	1,743
2018	11,793,300	1,086,008,100	87,340	231,838,400	12,164,100	6,420,000	1,348,311,240	813,464	1,349,124,704	1,415,355,309	1,729
2017	11,694,500	1,098,683,400	87,032	228,809,700	12,164,100	6,420,500	1,357,859,232	672,157	1,358,531,389	1,400,103,736	1,663
2016	11,550,700	1,094,518,100	86,156	218,706,200	11,797,300	6,420,500	1,343,078,956	495	1,343,079,451	1,424,660,911	1,628
2015	12,679,100	1,065,146,100	85,990	210,534,700	11,203,900	6,340,200	1,305,989,990	522	1,305,990,512	1,421,253,662	1,647
2014	12,660,900	1,049,800,600	86,023	208,534,600	11,203,900	6,340,200	1,288,626,223	542	1,288,626,765	1,362,609,650	1,664
2013	12,787,500	1,067,043,000	85,777	207,210,900	11,028,900	6,340,200	1,304,496,277	1,000	1,304,497,277	1,386,795,299	1,633
2012	13,510,700	1,132,771,400	3,400	227,266,700	13,323,500	6,340,200	1,393,215,900	518	1,393,216,418	1,470,039,765	1,529
2011	14,967,000	1,161,266,300	3,400	224,240,800	13,358,500	6,365,200	1,420,201,200	513	1,420,201,713	1,441,751,572	1,427

Source: District records Tax list summary & Municipal Tax Assessor

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

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

b Tax rates are per \$100

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES

(rate per \$100 of assessed value)

UNAUDITED

Fiscal Year Ended <u>June 30,</u>	Township of Green Brook			Overlapping Rates		Total Direct an Overlapping Tax Rate
	<u>Basic Rate (a)</u>	<u>General Obligation Debt Service (b)</u>	<u>Total Direct School Tax Rate</u>	<u>Township of Green Brook</u>	<u>Somerset County</u>	
2020	\$1.651	\$0.111	1.762	\$0.458	\$0.402	\$2.622
2019	1.631	0.112	1.743	0.459	0.408	2.610
2018	1.615	0.114	1.729	0.460	0.404	2.593
2017	1.550	0.113	1.663	0.461	0.411	2.535
2016	1.514	0.114	1.628	0.462	0.405	2.495
2015	1.533	0.114	1.647	0.468	0.431	2.546
2014	1.553	0.111	1.664	0.469	0.414	2.547
2013	1.525	0.108	1.633	0.480	0.404	2.517
2012	1.424	0.105	1.529	0.449	0.389	2.367
2011	1.320	0.107	1.427	0.430	0.362	2.219

Source: District Records and Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any appending growth adjustments.

- a** The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable
- b** Rates for debt service are based on each year's requirements.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO
 UNAUDITED

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
293-305 RT.22 EAST LLC	\$ 10,700,000	1	0.78%			
FERRAEZ BROTHERS SOLOMON 2,LLC	10,603,000	2	0.77%	\$ 6,879,800	5	0.48%
GREENBROOK MANOR REALTY LLC	9,000,000	3	0.65%	9,000,000	2	0.63%
CRYSTAL MOTORS INC	8,995,500	4	0.65%	7,616,300	3	0.54%
EXTRA SPACE N.2,OF GREENBROOK	8,715,000	5	0.63%	5,350,000	10	0.38%
PG'S FAMILY LLC,	8,400,000	6	0.61%	7,071,200	4	0.50%
PUBLIC STORAGE-DEPT 21015	6,275,000	7	0.46%			
G.B.P. C/O CRC PROP.	6,100,000	8	0.44%	5,963,700	8	0.42%
CYZNER PROPERTIES-GREENBROOK INC	6,000,000	9	0.44%	6,400,000	6	0.45%
CHASBOB INC	5,911,600	10	0.43%	6,027,200	7	0.42%
ROUTE REALTY CO.INC.C/O BOWLMOR AMF						
COLONIAL SQUARE LTD.				10,248,900	1	0.72%
MULTIMANAGEMENT REALTY				6,027,200	7	0.42%
FERRUGGIA ASSOCIATES						
GREENBROOK OFFICE PARK ASSOCIATES				5,590,300	9	0.39%
Total	\$ 80,700,100.00		5.86%	\$ 76,174,600.00		5.36%

(*) Not Available at time of Audit

Source: CAFR Exhibit J-11 and Municipal Tax Assessor

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
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	
2020	\$24,059,585	\$24,059,585	100.00%	-
2019	23,617,814	23,617,814	100.00%	-
2018	23,030,850	23,030,850	100.00%	-
2017	22,167,019	22,167,019	100.00%	-
2016	21,576,730	21,576,730	100.00%	-
2015	21,451,972	21,451,972	100.00%	-
2014	21,434,024	21,434,024	100.00%	-
2013	21,197,655	21,197,655	100.00%	-
2012	20,835,852	20,835,852	100.00%	-
2011	20,568,619	20,568,619	100.00%	-

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

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities			Total District	Population	Per Capita ^a
	General Obligation Bonds	Capital Leases				
2020	\$ 10,155,000.00	\$ 27,976.98	\$	10,182,976.98	7,007	1,453
2019	11,200,000.00	53,840.67		11,253,840.67	7,007	1,587
2018	12,302,295.51	165,038.62		12,467,334.13	7,090	1,729
2017	13,290,431.85	390,760.87		13,681,192.72	7,212	1,893
2016	14,236,655.52	85,870.07		14,322,525.59	7,227	1,984
2015	15,151,102.00	217,302.18		15,368,404.18	7,220	2,123
2014	15,835,000.00	243,014.00		16,078,014.00	7,239	2,220
2013	16,884,553.00	375,674.73		17,260,227.73	7,242	2,388
2012	17,699,369.97	180,028.12		17,879,398.09	7,229	2,481
2011	19,120,527.66	291,880.77		19,412,408.43	7,206	2,706

Source: District CAFR Schedules I-1 & I-2, N.J. Department of Labor

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

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

N/A not available

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
RATIOS OF NET BONDED DEBT OUTSTANDING
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Total Municipal Assessed Value	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions				
2020	\$10,155,000.00		\$10,155,000.00	\$1,377,844,692	0.74%	6,987.75
2019	11,200,000.00		11,200,000.00	1,367,507,820	0.82%	7,056.08
2018	12,205,000.00		12,205,000.00	1,349,124,704	0.90%	7,060.25
2017	13,165,000.00		13,165,000.00	1,358,531,389	0.97%	6,954.32
2016	14,085,000.00		14,085,000.00	1,343,079,451	1.05%	7,100.26
2015	14,975,000.00		14,975,000.00	1,305,990,512	1.15%	7,053.69
2014	15,835,000.00		15,835,000.00	1,288,626,765	1.23%	7,132.54
2013	16,665,000.00		16,665,000.00	1,304,497,277	1.28%	6,979.70
2012	17,465,000.00		17,465,000.00	1,393,216,418	1.25%	7,038.98
2011	18,869,000.00		18,869,000.00	1,420,201,713	1.33%	6,974.15

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

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

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2019
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Township of Green Brook	\$ 875,000.00	100.00%	\$ 875,000
Other debt			
Somerset County	231,912,534.98	2.28%	<u>5,288,706</u>
Subtotal, overlapping debt			6,163,706
Township of Green Brook School District Direct Debt	11,200,000.00	100.00%	<u>11,200,000</u>
Total direct and overlapping debt			<u><u>\$ 17,363,706</u></u>

Source: Municipal Chief Financial Officer, County Treasurer's Office

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the district. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

(a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property **is within**

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
 UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2020

		<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Debt limit	\$	46,338,976	\$ 45,538,241	\$ 44,597,533	\$ 43,463,822	\$ 42,546,194	\$ 41,601,193	\$ 42,086,145	\$ 42,058,234	\$ 42,365,055	\$ 42,254,690
Total net debt applicable to limit		<u>19,120,528</u>	<u>17,699,370</u>	<u>16,884,553</u>	<u>15,835,000</u>	<u>14,085,000</u>	<u>14,085,000</u>	<u>13,165,000</u>	<u>12,205,000</u>	<u>11,200,000</u>	<u>10,155,000</u>
Legal debt margin	\$	<u>27,218,448</u>	<u>27,838,871</u>	<u>27,712,980</u>	<u>27,628,822</u>	<u>28,461,194</u>	<u>27,516,193</u>	<u>28,921,145</u>	<u>29,853,234</u>	<u>31,165,055</u>	<u>32,099,690</u>
Total net debt applicable to the limit as a percentage of debt limit		41.26%	38.87%	37.86%	36.43%	33.11%	33.86%	31.28%	29.02%	26.44%	24.03%

Equalized valuation basis											
2019	\$	1,411,095,014									
2018		1,414,807,702									
2017		1,399,566,308									
		<u>[A]</u>									
	\$	<u>4,225,469,024</u>									
	\$	1,408,489,675									
		<u>[A/3]</u>									
Debt limit (3% of average equalization value)									<u>[B]</u>		\$42,254,690 a
Net bonded school debt									<u>[C]</u>		10,155,000
Legal debt margin									<u>[B-C]</u>		<u>32,099,690</u>

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

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
UNAUDITED

<u>Year Ended December 31</u>	<u>Population</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>
2019	7,007	\$ 106,194	2.90%
2018	7,090	96,548	3.30%
2017	7,212	90,641	3.40%
2016	7,227	87,515	4.10%
2015	7,220	82,689	4.50%
2014	7,239	77,955	5.30%
2013	7,242	74,885	6.80%
2012	7,229	71,333	6.50%
2011	7,206	69,171	6.60%
2010	7,175	68,651	7.60%

Source: N.J. Department of Labor

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 CURRENT AND NINE YEARS AGO
 UNAUDITED

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
	-		-			

* Information for this schedule was not available at the time of audit.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
UNAUDITED

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Instruction:										
Regular	59	55	64.0	61.0	65.0	76.0	76.0	78.0	81.5	81.0
Special education	45	45	38.0	49.5	41.6	20.0	16.0	16.0	16.0	13.5
Other instruction	2	3	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.5
Support Services:										
Student & instruction related services	20	17	15.5	14.6	13.8	17.0	16.0	14.0	14.0	14.0
General administrative services	3	2	2.5	2.3	2.3	4.0	4.0	4.0	4.0	4.0
School administrative services	7	8	9.0	5.0	5.0	8.0	8.0	7.0	7.0	6.5
Plant operations and maintenance	12	12	12.0	12.2	12.2	11.5	10.0	10.0	10.0	9.0
Pupil transportation	0	0	0.0	20.9	17.4	23.0	23.0	24.0	24.0	24.0
Business administrative services	6	6	5.5	4.0	4.5	5.0	5.0	5.0	5.0	4.0
Total	154.0	148.0	149.5	172.5	164.7	167.5	161.0	161.0	164.5	158.5

Source: District Personnel Records

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
OPERATING STATISTICS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost per Pupil ^d	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2020	767	\$ 26,467,590.16	\$ 34,507.94	2.39%	88	8.7	765	745	-3.51%	97.36%
2019	783	26,390,235.65	33,704.00	21.47%	88	8.9	793	762	-5.60%	96.09%
2018	842	25,859,434.79	27,747.46	-0.02%	91	9.3	840	830	-4.22%	98.81%
2017	863	24,455,758.66	28,338.07	7.42%	93	9.3	877	848	-3.72%	96.69%
2016	899	23,716,906.17	26,381.43	0.47%	94	9.6	911	868	0.54%	95.26%
2015	909	23,868,428.83	26,257.90	10.28%	99	9.2	906	881	-2.16%	97.24%
2014	934	22,238,260.00	23,809.70	2.88%	100	9.3	926	905	-1.07%	97.73%
2013	943	21,823,903.61	23,143.06	7.39%	101	9.3	936	902	-2.80%	96.37%
2012	963	20,753,079.64	21,550.45	0.57%	100	9.6	963	937	-3.02%	97.30%
2011	995	21,320,747.96	21,427.89	-4.34%	97	10.3	993	955	1.12%	96.17%

Sources: District records, ASSA and Schedules J-12, J-14

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures (modified accrual) less debt service and capital outlay;
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- d Cost per pupil represents operating expenditures divided by enrollment.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
 SCHOOL BUILDING INFORMATION
 UNAUDITED

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<u>District Buildings</u>										
Elementary School(s):										
I.E.F. (1961)										
Square Feet	72,599	72,599	72,599	72,599	72,599	72,599	72,599	72,599	72,599	72,599
Capacity (students)	437	437	437	437	437	437	437	437	437	437
Enrollment	387	399	419	450	470	463	480	385	394	433
Middle School(s):										
Green Brook Middle School (1967)										
Square Feet	119,574	119,574	119,574	119,574	119,574	119,574	119,574	119,574	119,574	119,574
Capacity (students)	653	653	653	653	653	653	653	653	653	653
Enrollment	380	384	423	413	429	446	447	558	569	562

Number of Schools at June 30, 2020

Elementary = 1

Middle School = 1

Source: District records

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.

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
 UNAUDITED

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

School Facilities	Project # (s)	2020	2019	2018	2017	2,016	2,015	2,014	2013	2012	2011
I.E.F. Elementary	N/A	\$ 67,916	\$ 54,109	\$ 46,775	\$ 53,471	\$ 49,234	\$ 72,205	\$ 60,833	\$ 73,262	\$ 83,333	\$ 84,090
Green Brook Middle School	N/A	98,930	89,120	79,644	91,045	83,830	122,944	103,580	124,743	141,891	143,180
Total School Facilities		<u>166,846</u>	<u>143,229</u>	<u>126,418</u>	<u>144,516</u>	<u>133,064</u>	<u>195,149</u>	<u>164,413</u>	<u>198,005</u>	<u>225,225</u>	<u>227,270</u>
Grand Total		<u>\$ 166,846</u>	<u>\$ 143,229</u>	<u>\$ 126,418</u>	<u>\$ 144,516</u>	<u>\$ 133,064</u>	<u>\$ 195,149</u>	<u>\$ 164,413</u>	<u>\$ 198,005</u>	<u>\$ 225,225</u>	<u>\$ 227,270</u>

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED

Type of Coverage	Coverage	Deductible
<u>Section I - Property:</u>		
Blanket Building and Contents	\$ 500,000,000.00	\$ 2,500.00
Flood Zone A or V	25,000,000.00	250,000.00
Flood Zone - All Other	10,000,000.00	500,000.00
Earthquake	25,000,000.00	5%
Boiler & Machinery	100,000,000.00	10,000.00
Included in Property - Valuable Papers and Records; Extra Expense/Business Income, EDP Equip, Data, Media, Extra Expense; Camera, Musical Instruments; Glass Coverage; Demolition/Incr. Cost of Construction; Blanket Contractors Equipment		
<u>Section II - General Liability:</u>		
Bodily Injury and Property Damage	5,000,000.00	
Sexual Misconduct	5,000,000.00	
<u>Section III - School Board Legal Liability Policy:</u>		
Aggregate Limit of Liability	10,000,000.00	5,000.00
<u>Section IV - Crime:</u>		
Blanket Employee Dishonesty	500,000.00	1,000.00
Depositors Forgery	50,000.00	
Computer Fraud	50,000.00	
Money and Securities	50,000.00	
<u>Section V - Environmental Liability:</u>		
Per Pollution Condition	1,000,000.00	10,000.00
Policy and Program Aggregate Retroactive Date: 7/1/2011	25,000,000.00	
<u>Cyber Liability</u>		
Aggregate Limit of Liability	2,000,000.00	10,000.00
<u>Workers Compensation</u>		
Section A	Statutory	
Section B	5,000,000.00	
<u>Automobile:</u>		
Bodily Injury and Property	5,000,000.00	
Personal Injury Protection	Statutory	
Uninsured/Underinsured	15,000/30,000/5,000	
Medical Payments	10,000.00	
Comprehensive and Collision	ACV	1,000.00

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
<u>Commercial Umbrella: SAIF</u>		
Per Occurrence	\$ 5,000,000.00	
Annual Aggregate	5,000,000.00	
<u>Umbrella Excess Liability Fireman's Fund-Starstone and Markel</u>		
Policy Aggregate Limit of Liability - Primary	30,000,000.00	
<u>Student Accident:</u>		
Maximum Benefit	1,000,000.00	
<u>Catastrophic Student Accident:</u>		
Maximum Benefit	5,000,000.00	
<u>Fidelity Bonds:</u>		
Hanover Insurance Company - Business Administrator/Board Secretary	225,000.00	
Treasurer of School Monies	225,000.00	

Source: District Records

SINGLE AUDIT SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

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

Honorable President and Members
of the Board of Education
Township of Green Brook School District
County of Somerset
Green Brook, New Jersey 08812

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Green Brook School District, in the County of Somerset, State of New Jersey (the "District") as of and for the year ended June 30, 2020, 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 31, 2020.

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.

SUPLEE, CLOONEY & COMPANY

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 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*

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.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

December 31, 2020



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR STATE FINANCIAL ASSISTANCE PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN
IN ACCORDANCE WITH THE NEW JERSEY OMB CIRCULAR 15-08**

Honorable President and Members
of the Board of Education
Township of Green Brook School District
County of Somerset
Green Brook, New Jersey 08812

Report on Compliance for Each Major State Program

We have audited the Township of Green Brook School District's, in the County of Somerset, State of New Jersey (the "District") compliance with the types of compliance requirements described in the New Jersey *OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the District's major state programs for the year ended June 30, 2020. The District's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and New Jersey *OMB 15-08*. Those standards and New Jersey *OMB 15-08* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major State Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered District's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with New Jersey OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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 State of New Jersey OMB 15-08. Accordingly, this report is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 948

December 31, 2020

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

FEDERAL CFDA NUMBER	GRANT OR STATE PROJECT NUMBER	FEDERAL FAIN NUMBER	AWARD AMOUNT	GRANT PERIOD FROM	TO	BALANCE JUNE 30, 2019		CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ CANCEL PRIOR YEAR ACCOUNTS PAYABLE	(ACCOUNTS RECEIVABLE)	BALANCE JUNE 30, 2020 UNEARNED REVENUE	DUE TO GRANTOR
						(ACCT. RECEIVABLE) UNEARNED REVENUE							
Enterprise Funds													
U.S. Department of Agriculture													
Passed-Through State Department of Education:													
Child Nutrition Cluster													
10.555	N/A	201N304N1099	\$ 17,091.00	7/1/2019	6/30/2020		\$ (3,371.55)	17,091.00	(12,211.95)	\$	\$	4,879.05	
10.555	N/A	191N304N1099	45,824.08	7/1/2018	6/30/2019		3,371.55	3,371.55	(45.24)		(17.40)		
10.555	N/A	201N304N1099	45.24	3/13/2020	6/30/2020		27.84	27.84	(28,189.04)				
10.555	N/A	201N304N1099	28,189.04	7/1/2019	6/30/2020		(3,371.55)	28,189.04	(40,446.23)	0.00	(17.40)	4,879.05	
Total Child Nutrition Cluster													
Total Enterprise Funds													
Total Enterprise Funds													
Special Revenue Funds													
U.S. Department of Education													
Passed-Through State Department of Education:													
Title I													
84.010	NCLB181019	S010A180030	49,877.00	7/1/2018	9/30/2019		(26,851.00)	26,851.00	(47,016.00)		(19,154.00)		
84.010	NCLB181020	S010A190030	47,616.00	7/1/2019	9/30/2020		(26,851.00)	27,862.00	(47,016.00)	0.00	(19,154.00)		
Total Title I													
84.367	NCLB181019	S367A180029	17,729.00	7/1/2018	9/30/2019		(8,697.57)	8,697.00	(3,629.00)	0.57	(1,649.00)		
84.367	NCLB181019	S367A180029	17,729.00	7/1/2019	9/30/2020		1,980.00	1,980.00	(19,749.29)		(21,398.29)		
84.367	NCLB181020	S367A190029	19,997.00	7/1/2019	9/30/2020		(8,697.57)	10,677.00	(23,378.29)	0.57	(21,398.29)		
Total Title II													
84.365	NCLB181019	S365A180030	1,228.00	7/1/2018	9/30/2019		(1,228.00)	1,228.00	0.00	0.00	0.00		
Total Title III													
Special Education Cluster													
84.027	IDEA181020	H027A190100	160,539.00	7/1/2019	9/30/2020		(6,084.50)	131,724.00	(159,236.22)		(27,512.22)		
84.173	IDEA181019	H173A180114	14,874.00	7/1/2018	9/30/2019			6,085.00	(0.50)				
84.173	IDEA181019	H173A180114	14,874.00	7/1/2019	9/30/2020			1,392.00	(1,392.00)				
84.173	IDEA181020	H173A190114	7,491.00	7/1/2019	9/30/2020		(6,084.50)	7,491.00	(7,491.00)	(0.50)	(27,512.22)		
Total Special Education Cluster													
CARES Act													
84.425D		S425D200027	30,247.00	3/13/20	9/30/22				(30,247.00)	0.00	(30,247.00)		
Total U.S. Department of Education													
Total U.S. Department of Education													
Total Federal Financial Assistance													
											\$	\$	0.00
											\$	\$	0.00
											\$	\$	0.00

The accompanying notes to schedules of financial assistance are an integral part of this schedule.

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD		BALANCE AT JUNE 30, 2019		CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	(ACCOUNTS RECEIVABLE)	BALANCE AT JUNE 30, 2020	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
			FROM	TO	(ACCT. RECEIVABLE)	UNEARNED REVENUE									
State Department of Education															
General Funds:															
State Aid Cluster:															
Categorical Special Education Aid	20-495-034-5120-089	\$884,647.00	7/1/2019	6/30/2020				\$800,574.00	\$884,647.00	(\$84,073.00)				(\$84,073.00)	\$884,647.00
Categorical Security Aid	20-495-034-5120-084	48,339.00	7/1/2019	6/30/2020				43,745.00	(48,339.00)	(4,594.00)				(4,594.00)	48,339.00
Total State Aid Cluster:															
Categorical Transportation Aid	20-495-034-5120-014	289,595.00	7/1/2019	6/30/2020				262,073.00	(289,595.00)	(27,522.00)				(\$27,522.00)	289,595.00
Institutionalized Children Aid	20-495-034-5120-005	13,081.00	7/1/2019	6/30/2020				13,081.00	(13,081.00)						13,081.00
Non-Public Transportation Aid	19-495-034-5120-014	15,950.00	7/1/2018	6/30/2019				15,950.00							15,950.00
Extraordinary Aid	19-495-034-5094-044	373,034.00	7/1/2018	6/30/2019				373,034.00							373,034.00
Extraordinary Aid	20-495-034-5094-044	447,439.00	7/1/2019	6/30/2020					(447,439.00)	(447,439.00)					447,439.00
On-behalf TPAF Contributions	20-495-034-5094-002	1,374,625.00	7/1/2019	6/30/2020				1,374,625.00	(1,374,625.00)						1,374,625.00
Non-Contributory Group Insurance	20-495-034-5094-004	24,639.00	7/1/2019	6/30/2020				24,639.00	(24,639.00)						24,639.00
Long-Term Disability Insurance	20-495-034-5094-004	1,212.00	7/1/2019	6/30/2020				1,212.00	(1,212.00)						1,212.00
Post Retirement Medical	20-495-034-5094-001	519,101.00	7/1/2019	6/30/2020				519,101.00	(519,101.00)						519,101.00
TPAF Social Security Aid	19-495-034-5094-003	508,805.93	7/1/2018	6/30/2019				6,453.32							508,805.93
TPAF Social Security Aid	20-495-034-5094-003	495,944.53	7/1/2019	6/30/2020				493,987.59	(495,944.53)	(1,956.94)					495,944.53
Total General Fund															
								3,928,474.91	(4,098,622.53)	(116,189.00)				(116,189.00)	5,929,398.46
Capital Projects Fund:															
School Development Authority - Facilities Grant															
Windows	1810-030-14-1003-G04	19,231.00						19,231.00		0.00					19,231.00
Switchgear	1810-030-14-1001-G04	47,842.00						23,840.62	24,001.38	0.00					23,840.62
Enterprise Fund:															
National School Lunch Program	19-100-010-3350-023	3,396.99	7/1/2018	6/30/2019				254.31							3,396.99
National School Lunch Program	20-100-010-3350-023	2,825.01	7/1/2019	6/30/2020				2,089.06	(2,825.01)	(735.95)					2,825.01
Total Enterprise Fund															
								43,071.62	24,001.38	0.00			0.00		1,912,244.08
Total State Financial Assistance															
								\$3,973,889.90	(\$4,077,446.16)	(\$116,189.00)				(\$116,189.00)	\$8,053,633.54
Less: On-Behalf amounts not utilized for determination of Major Programs:															
On-behalf TPAF Contributions	20-495-034-5094-002	1,374,625.00	7/1/2019	6/30/2020				\$1,374,625.00	(\$1,374,625.00)						
NCGI	20-495-034-5094-004	24,639.00	7/1/2019	6/30/2020				24,639.00	(24,639.00)						
Long-Term Disability Insurance	20-495-034-5094-004	1,212.00	7/1/2019	6/30/2020				1,212.00	(1,212.00)						
Post Retirement Medical	20-495-034-5094-001	519,101.00	7/1/2019	6/30/2020				519,101.00	(519,101.00)						
Total State Financial Assistance Subject to Single Audit															
								\$2,054,312.90	(\$2,157,869.16)						\$8,053,633.54

The accompanying notes to schedules of financial assistance are an integral part of this schedule.

Township of Green Brook School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2020

NOTE 1: GENERAL

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

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 of the District's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3: DE MINIMUS INDIRECT COST RATE

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

NOTE 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The General fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the deferred state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP accounting purposes, those payments are not recognized until the subsequent budget year due to the state deferral and recording of the 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 revenue, whereas GAAP basis does not.

Township of Green Brook School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2020

NOTE 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The special revenue fund also recognizes the deferred 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 (\$8,938.00) for the general fund, (\$3,250.00) for the special revenue fund, and \$24,379.70 for the capital projects fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds, and Exhibit F-2 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the capital projects fund. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$4,089,684.53	\$4,089,684.53
Special Revenue Fund	\$265,510.51		265,510.51
Capital Projects Fund		378.32	378.32
Food Service Fund	40,446.23	2,825.01	43,271.24
Total Awards & Financial Assistance	<u>\$305,956.74</u>	<u>\$4,092,887.86</u>	<u>\$4,398,844.60</u>

NOTE 5: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6: OTHER

The amount reported as TPAF pension contributions, post-retirement medical benefits and long-term disability insurance represents the amount paid by the state on behalf of the district for the year ended June 30, 2020. TPAF Social Security contributions represent the amount reimbursed by the state for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2020.

Township of Green Brook School District
Somerset County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

Section I – Summary of Auditor’s Results

Financial Statements

- | | | |
|-----|--|------------|
| (1) | Type of Auditor’s Report Issued: | Unmodified |
| (2) | Internal Control Over Financial Reporting: | |
| | (a) Material weakness(es) identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (3) | Noncompliance material to the basic financial statements noted during the audit? | No |

Federal Program(s) – Not Applicable

State Program(s)

- | | | |
|-----|---|------------|
| (1) | Internal Control Over Major State Programs: | |
| | (a) Material weakness(es) identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (2) | Type of Auditor’s Report issued on compliance for major state program(s)? | Unmodified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08? | No |

(4) Identification of Major State Program(s):

<u>Program</u>	<u>Grant Number</u>
State Aid Cluster:	
Categorical Special Education Aid	20-495-034-5120-089
Categorical Security Aid	20-495-034-5120-084
Extraordinary Aid	20-100-034-5120-473

Township of Green Brook School District
Somerset County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

Section I – Summary of Auditor’s Results (Continued)

State Program(s) (Continued)

- (5) Program Threshold Determination:
 - Type A State Program Threshold > \$750,000.00
 - Type B State Program Threshold <= \$750,000.00

- (6) Auditee qualified as a low-risk auditee under OMB Circular 15-08? Yes

Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards

Internal Control Findings – None Reported

Compliance Findings – None Reported

Section III – Findings and Questioned Costs Relative to Major Federal and State Programs

Federal Programs – Not Applicable

State Programs – None Reported

Township of Green Brook School District
Somerset County, New Jersey

Schedule of Prior Year Audit Findings

Not Applicable

