

**Annual Comprehensive  
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, 2021**

**Prepared by**

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



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**INTRODUCTORY SECTION**

January 27, 2022

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, 2021 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 2020-2021 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> |
|--------------------|---------------------------|------------------------------|
| 2020-2021          | 723                       | (5.74%)                      |
| 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%)                       |

Overall, the district experienced a decrease of 44 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 2020-2021 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 2020-2021 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 2020-2021 initiatives will continue to be supported during the 2021-2022 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 2021-2021 school year will be on the utilization of 1:1 technology to foster student learning, differentiation, and 21<sup>st</sup> 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 vales 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 active and supportive community organizations. The Parent-Teacher Organization (PTO) has made generous donations to support all aspects of the school community. The Green Brook Education and Athletic Foundation (GBEAF) raises funds to support a wide variety of programs and facilities in the district. 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, 2021.

**(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:**

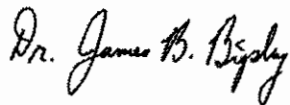
State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board's finance committee selected the accounting firm of Suplee, Clooney & Company. In addition to meeting the requirements set forth in state statutes, the audit also was designed 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.

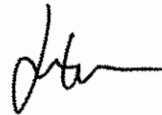
**(10) ACKNOWLEDGMENTS:**

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



Jason Weber  
Board Secretary/Business Administrator

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

**ROSTER OF OFFICIALS  
June 30, 2021**

| <b><u>Members of the Board of Education</u></b> | <b><u>Term Expires</u></b> |
|---|----------------------------|
| Bruce Martins, President                        | 2021                       |
| Janine Potter, Vice President                   | 2022                       |
| Zhi Chen  | 2022                       |
| Michelle Cruz                                   | 2022                       |
| Andrea Ferrante                                 | 2023                       |
| Catherine Kelly                                 | 2023                       |
| Jean-Louis Kong                                 | 2021                       |
| Jorge Parra                                     | 2021                       |
| Andrew Zimmer                                   | 2023                       |

**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**

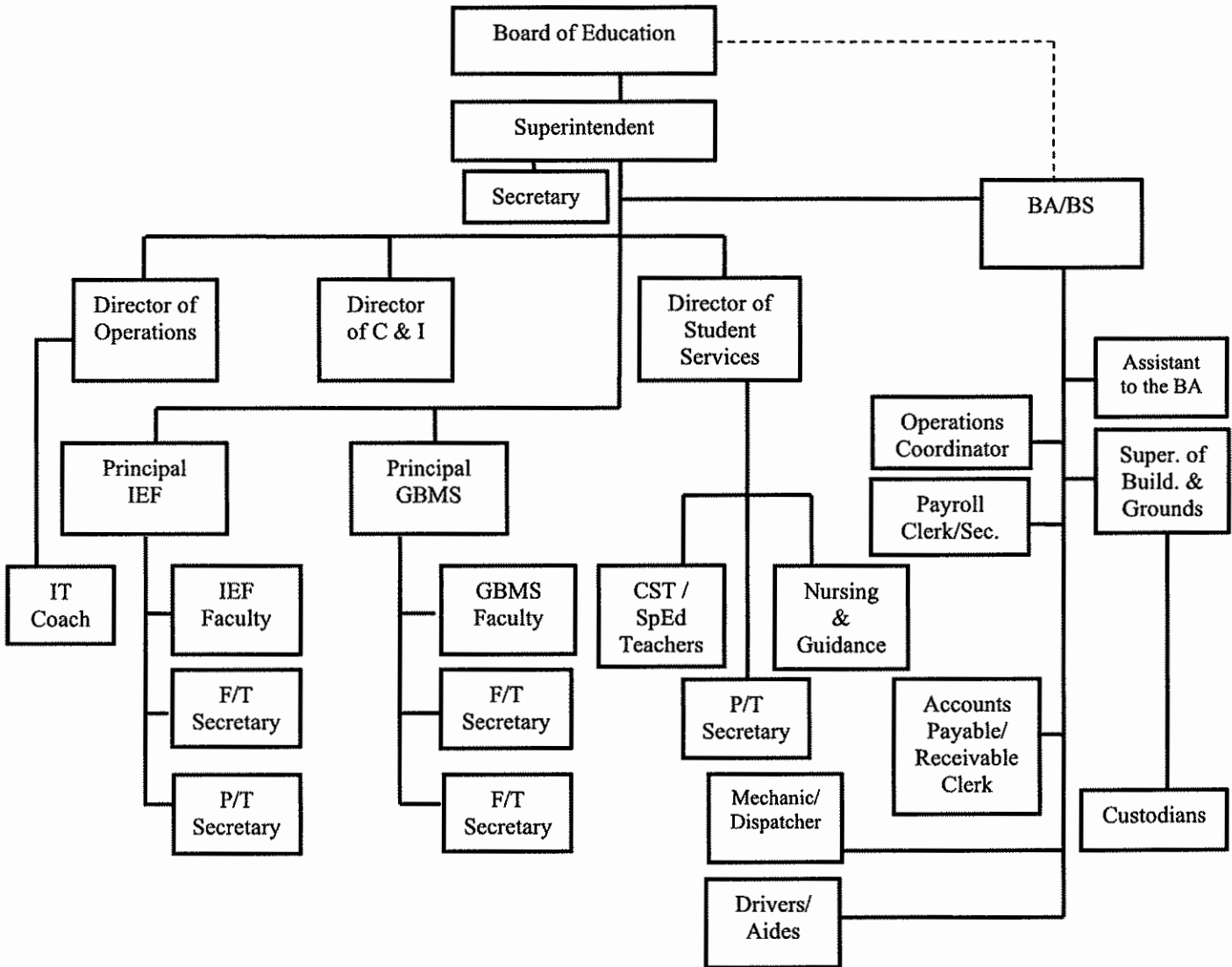
The Provident Bank  
930 North Washington Avenue  
Green Brook, NJ 08812

# 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](mailto: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 and each major fund 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, 2021, 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 and each major fund of the District as of June 30, 2021, 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.

### ***Emphasis of Matter***

#### *Change in Accounting Principle*

As discussed in Note 1 to the basic financial statements, in 2021, the District adopted Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities (an Amendment of GASB Statement No. 34). Our opinions are not modified with respect to this matter.

### ***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 January 27, 2022 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

January 27, 2022

**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, 2021  
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, 2021. 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.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34. – Basic Financial Statements-Management's Discussion and Analysis-for the State and Local Governments. Certain comparative information between the current fiscal year and the prior fiscal year is presented in the MD&A. In fiscal year 2021, the District implemented GASB Statement No. 84- Fiduciary Activities. Prior fiscal year 2020 information was restated where information was available.

**Financial Highlights**

Key financial highlights for fiscal year 2021 are as follows:

- In total, net position increased \$1,944,369.67, which represents a 24.8 percent increase from fiscal year 2020.
- General revenues accounted for \$24,767,617.47 in revenue, or 75.0 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$8,258,497.93 in revenue or 25.0 percent of total revenues.
- The School District had \$31,081,745.73 in expenses only \$8,258,497.93 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily tax levy and unrestricted state aid) of \$24,767,617.47 were adequate to provide for these programs.
- Total Governmental Activities Net Position increased by \$1,959,764.38. Cash and cash equivalents increased by \$20,497.48 receivables increased by \$166,654.12, liabilities decreased by \$2,069,848.63 and capital assets decreased by \$720,827.00.
- Among governmental funds, the General Fund had \$28,558,351.42 in revenues and \$27,082,576.09 in expenditures.

**GREEN BROOK BOARD OF EDUCATION  
GREEN BROOK, NEW JERSEY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

**Using this Annual Comprehensive Financial Report (ACFR)**

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 ACFR 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  
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**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.

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**Table 1** provides a summary of the School District's net position for 2021 as compared to 2020.

**Table 1  
Net Position**

|                                     | <u>2021</u>                  | (As Restated)<br><u>2020</u> |
|-------------------------------------|------------------------------|------------------------------|
| <b>Assets</b>                       |                              |                              |
| Current and Other Assets            | \$6,133,919.98               | 5,035,652.64                 |
| Capital Assets                      | <u>18,591,832.00</u>         | <u>19,318,902.00</u>         |
| Total Assets                        | 24,725,751.98                | 24,354,554.64                |
| <b>Deferred Outflows:</b>           |                              |                              |
| Related to Pensions                 | 860,129.00                   | 1,283,679.00                 |
| Loss on Refunding of Long-term Debt | <u>803,804.60</u>            | <u>893,116.23</u>            |
| Total Deferred Outflows             | 1,663,933.60                 | 2,176,795.23                 |
| <b>Liabilities</b>                  |                              |                              |
| Other Liabilities                   | 4,536,185.63                 | 5,581,462.98                 |
| Long-Term Liabilities               | <u>9,355,326.89</u>          | <u>10,401,769.38</u>         |
| Total Liabilities                   | 13,891,512.52                | 15,983,232.36                |
| <b>Deferred Inflows:</b>            |                              |                              |
| Related to Pensions                 | 2,446,956.00                 | 2,413,056.00                 |
| Gain on Refunding of Long-Term Debt | <u>253,927.13</u>            | <u>282,141.25</u>            |
| Total Deferred Inflows              | 2,700,883.13                 | 2,695,197.25                 |
| <b>Net Position</b>                 |                              |                              |
| Net Investment in Capital Assets    | 10,067,253.84                | 8,853,783.77                 |
| Restricted                          | 3,635,374.39                 | 3,831,693.91                 |
| Unrestricted(Deficit)               | <u>(3,905,338.30)</u>        | <u>(4,832,557.42)</u>        |
| Total Net Position                  | <u><u>\$9,797,289.93</u></u> | <u><u>\$7,852,920.26</u></u> |

The District's combined net position was \$9,797,289.93 on June 30, 2021. 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 2021 as compared to 2020.

**Table 2  
Changes in Net Position**

|                                      | <u>2021</u>           | <u>2020</u>           |
|--------------------------------------|-----------------------|-----------------------|
| Revenues                             |                       |                       |
| Program Revenues:                    |                       |                       |
| Charges for Services                 | \$653,271.61          | \$644,018.39          |
| Operating Grants and Contributions   | 7,605,226.32          | 5,862,158.08          |
| Capital Grants and Contributions     |                       | 378.32                |
| General Revenues:                    |                       |                       |
| Property Taxes                       | 24,518,595.00         | 24,059,585.00         |
| Grants and Entitlements              | 48,341.00             | 61,417.00             |
| Other                                | <u>200,681.47</u>     | <u>174,498.25</u>     |
| Total Revenues                       | <u>33,026,115.40</u>  | <u>30,802,055.04</u>  |
| <br>                                 |                       |                       |
| Program Expenses                     |                       |                       |
| Instruction                          | 21,418,454.18         | 20,241,317.44         |
| Support Services:                    |                       |                       |
| Student and Instruction Related      | 3,874,805.66          | 3,367,028.30          |
| Administrative and Business          | 2,172,131.73          | 2,094,954.46          |
| Maintenance & Operations             | 1,724,754.24          | 1,577,525.89          |
| Transportation                       | 1,306,428.15          | 1,436,671.72          |
| Business Type Activities             | 110,857.13            | 259,041.36            |
| Other                                | <u>474,314.64</u>     | <u>517,515.43</u>     |
| Total Expenses                       | <u>31,081,745.73</u>  | <u>29,494,054.60</u>  |
| Increase/ (Decrease) in Net Position | <u>\$1,944,369.67</u> | <u>\$1,308,000.44</u> |

**Governmental Activities**

Property taxes made up 74.5 percent of revenues for governmental activities for the Green Brook School District for fiscal year 2021. Property tax revenues increased by \$459,010.00, which is a 1.9 percent increase over the prior year. The District's total revenues were \$32,930,652.98 for the year ended June 30, 2021.

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Instruction comprises 69.2 percent of district expenses. Support Services costs make up 29.3 percent of district expenses and other services make up 1.5 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<br/>Services 2021</u> | <u>Total Cost of<br/>Services 2020</u> | <u>Net Cost of<br/>Services 2021</u> | <u>Net Cost of<br/>Services 2020</u> |
|--|--|--|--------------------------------------|--------------------------------------|
| Instruction  | \$21,418,454.18                        | 20,241,317.44                          | \$15,409,273.42                      | \$15,452,408.48                      |
| Support Services:  |  |  |                                      |                                      |
| Students and Instruction Related                           | 3,874,805.66                           | 3,367,028.30                           | 2,672,603.45                         | 2,557,231.42                         |
| General Administration, School<br>& Central Administration | 2,172,131.73                           | 2,094,954.46                           | 1,704,217.06                         | 1,783,358.14                         |
| Maintenance of Facilities                                  | 1,724,754.24                           | 1,577,525.89                           | 1,562,472.40                         | 1,499,444.77                         |
| Student Transportation                                     | 1,306,428.15                           | 1,436,671.72                           | 984,762.26                           | 1,140,705.01                         |
| Other  | 474,314.64                             | 517,515.43                             | 474,314.64                           | 517,515.43                           |
| Business-Type Activities                                   | 110,857.13                             | 259,041.36                             | 15,604.57                            | 36,836.56                            |
| Total Net Cost of Services                                 | <u>\$31,081,745.73</u>                 | <u>\$29,494,054.60</u>                 | <u>\$22,823,247.80</u>               | <u>\$22,987,499.81</u>               |

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

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

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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 \$15,394.71

**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 modified accrual basis of accounting. Total revenues amounted to \$30,408,128.98 and expenditures and financing uses were \$28,932,154.58.

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 schedule present a summary of general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2021 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)<br/>from FY 2020</u> | <u>Percent<br/>Increase<br/>(Decrease)</u> |
|-----------------|------------------------|-------------------------|--|--|
| Local Sources   | \$25,233,818.68        | 82.98%                  | \$526,064.40                               | 1.85%                                      |
| State Sources   | 4,881,070.79           | 16.05%                  | 791,386.26                                 | 3.12%                                      |
| Federal Sources | 293,239.51             | 0.96%                   | 27,729.00                                  | 1.88%                                      |
| <b>Total</b>    | <b>\$30,408,128.98</b> | <b>100.00%</b>          | <b>\$1,345,179.66</b>                      | <b>2.44%</b>                               |

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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, 2021, and the percentage of increases and decreases in relation to prior year amounts.

| <u>Expenditures</u> | <u>Amount</u>          | <u>Percent of<br/>Total</u> | <u>Increase/(Decrease)<br/>from FY 2020</u> | <u>Percent<br/>Increase/<br/>(Decrease)</u> |
|---------------------|------------------------|-----------------------------|---|---|
| Current:            |                        |                             |   |   |
| Instruction         | \$6,337,424.53         | 21.90%                      | (\$13,365.24)                               | -0.21%                                      |
| Support Services    | 20,958,091.05          | 72.44%                      | 841,290.66                                  | 3.86%                                       |
| Capital Outlay      | 109,364.00             | 0.38%                       | (13,079.91)                                 | -13.58%                                     |
| Debt Service        | <u>1,527,275.00</u>    | <u>5.28%</u>                | <u>8,200.00</u>                             | <u>0.01</u>                                 |
| Total               | <u>\$28,932,154.58</u> | <u>100.00%</u>              | <u>\$823,045.51</u>                         | <u>1.53%</u>                                |

**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.

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**Capital Assets**

At the end of the fiscal year 2021, the School District had \$18,591,832.00 invested in building, building improvements, furniture, equipment, and vehicles. Table 4 shows fiscal year 2021 balances compared to fiscal year 2020.

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

|   | <u>2021</u>            | <u>2020</u>            |
|---|------------------------|------------------------|
| Governmental Activities Capital Assets, Net:        |                        |                        |
| Land  | \$967,773.00           | \$967,773.00           |
| Building and Building Improvements                  | 17,295,745.00          | 18,050,047.00          |
| Machinery and Equipment                             | 264,142.00             | 230,667.00             |
| Total Governmental Activities Capital Assets, Net   | 18,527,660.00          | 19,248,487.00          |
| Business Type Activities Capital Assets, Net:       |                        |                        |
| Machinery and Equipment                             | 64,172.00              | 70,415.00              |
| Total Business Type Activities Capital Assets, Net: | 64,172.00              | 70,415.00              |
| Total Capital Assets, Net                           | <u>\$18,591,832.00</u> | <u>\$19,318,902.00</u> |

Overall capital assets decreased \$727,070.00 from fiscal year 2020 to fiscal year 2021. The decrease in capital assets is due primarily to depreciation.

**Debt Administration**

At June 30, 2021, the School District had \$13,381,662.89 of outstanding long-term liabilities. Of this amount, \$280,871.26 is for compensated absences, \$4,026,336.00 is pension related, \$9,060,000 is for serial bonds for school construction, and \$14,455.63 is for capital leases. 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 June 30, 2021 as compared to June 30, 2020.

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**Table 5  
Bonded Debt**

| <u>Series</u> | <u>FY 2021</u>         | <u>FY 2020</u>          |
|---------------|------------------------|-------------------------|
| 2011          | \$ -                   | \$ 1,095,000.00         |
| 2012          | <u>9,060,000.00</u>    | <u>9,060,000.00</u>     |
| Total         | <u>\$ 9,060,000.00</u> | <u>\$ 10,155,000.00</u> |

**For the Future**

The District's administration maintains a strategic, goal-driven approach to budget planning and priorities. Areas of focus are:

- Student Achievement
- Social and Emotional Wellness
- Programs and Opportunities
- Operational Efficiency

While many factors influence the District's future plans, the availability of State funding, special education needs, capital improvements, enrollment trends, the ongoing pandemic, and the overall state of the economy will have the most impact on educational and fiscal 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 Jason Weber, 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, 2021

## **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, 2021

|   | <u>GOVERNMENTAL</u><br><u>ACTIVITIES</u> | <u>BUSINESS-TYPE</u><br><u>ACTIVITIES</u> | <u>TOTAL</u>   |
|---|--|---|----------------|
| <b>ASSETS:</b>                              |  |   |                |
| Cash and cash equivalents                   | \$1,670,606.74                           | \$21.30                                   | \$1,670,628.04 |
| Receivables, net                            | 794,595.97                               | 30,480.62                                 | 825,076.59     |
| Inventory                                   |  | 2,840.96                                  | 2,840.96       |
| Restricted assets:                          |  |   |                |
| Restricted cash and cash equivalents        | 3,635,374.39                             |   | 3,635,374.39   |
| Capital assets:                             |  |   |                |
| Non Depreciable                             | 967,773.00                               |   | 967,773.00     |
| Depreciable - Net                           | 17,559,887.00                            | 64,172.00                                 | 17,624,059.00  |
| Total Assets                                | 24,628,237.10                            | 97,514.88                                 | 24,725,751.98  |
| <b>DEFERRED OUTFLOWS OF RESOURCES:</b>      |  |   |                |
| Related to pension                          | 860,129.00                               |   | 860,129.00     |
| Loss on refunding of long-term debt         | 803,804.60                               |   | 803,804.60     |
| Total deferred outflows of resources        | 1,663,933.60                             |   | 1,663,933.60   |
| <b>LIABILITIES:</b>                         |  |   |                |
| Accounts payable                            | 391,076.92                               | 533.66                                    | 391,610.58     |
| Unearned revenue                            | 38,620.90                                | 14,869.62                                 | 53,490.52      |
| Accrued interest payable                    | 48,559.38                                |   | 48,559.38      |
| Payroll Deductions and Withholdings Payable | 6,589.45                                 |   | 6,589.45       |
| Unemployment Compensation Claims Payable    | 9,599.70                                 |   | 9,599.70       |
| Noncurrent liabilities:                     |  |   |                |
| Net pension liability                       | 4,026,336.00                             |   | 4,026,336.00   |
| Due within one year                         | 1,144,455.63                             |   | 1,144,455.63   |
| Due beyond one year                         | 8,210,871.26                             |   | 8,210,871.26   |
| Total liabilities                           | 13,876,109.24                            | 15,403.28                                 | 13,891,512.52  |
| <b>DEFERRED INFLOWS OF RESOURCES:</b>       |  |   |                |
| Related to pension                          | 2,446,956.00                             |   | 2,446,956.00   |
| Gain on refunding of long-term debt         | 253,927.13                               |   | 253,927.13     |
| Total deferred inflows of resources         | 2,700,883.13                             |   | 2,700,883.13   |
| <b>NET POSITION:</b>                        |  |   |                |
| Net investment in capital assets            | 10,003,081.84                            | 64,172.00                                 | 10,067,253.84  |
| Restricted for:                             |  |   |                |
| Special revenue                             | 23,080.54                                |   | 23,080.54      |
| Other purposes                              | 3,612,293.85                             |   | 3,612,293.85   |
| Unrestricted (deficit)                      | (3,923,277.90)                           | 17,939.60                                 | (3,905,338.30) |
| Total net position                          | \$9,715,178.33                           | \$82,111.60                               | \$9,797,289.93 |

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, 2021

| Functions/Programs                               | Expenses         | Indirect Expenses Allocation | Charges for Services | Program Revenues                   |                                  | Net (Expense) Revenue and Changes in Net Position |                          |
|--|------------------|------------------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|
|  |                  |                              |                      | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities                           | Business-type Activities |
| <b>Governmental Activities:</b>                  |                  |                              |                      |                                    |                                  |   |                          |
| Instruction:                                     |                  |                              |                      |                                    |                                  |   |                          |
| Regular  | \$ 12,312,838.76 | \$ 4,126,603.85              | \$ 652,014.02        | \$ 2,745,112.87                    | \$                               | \$ (13,042,315.72)                                | \$ (13,042,315.72)       |
| Special  | 3,044,001.39     | 1,453,579.58                 |                      | 2,478,300.22                       |                                  | (2,019,280.75)                                    | (2,019,280.75)           |
| Other Instruction                                | 261,485.02       | 219,945.58                   |                      | 133,753.65                         |                                  | (347,676.95)                                      | (347,676.95)             |
| <b>Support services:</b>                         |                  |                              |                      |                                    |                                  |   |                          |
| Student & instruction related services           | 2,130,866.50     | 1,743,939.16                 |                      | 1,202,202.21                       |                                  | (2,672,603.45)                                    | (2,672,603.45)           |
| General administrative services                  | 351,857.43       | 250,146.20                   |                      | 142,846.91                         |                                  | (459,156.72)                                      | (459,156.72)             |
| School administrative services                   | 421,926.24       | 378,693.92                   |                      | 211,580.65                         |                                  | (589,041.51)                                      | (589,041.51)             |
| Central services                                 | 319,265.21       | 244,798.92                   |                      | 85,292.70                          |                                  | (478,771.43)                                      | (478,771.43)             |
| Administration information technology            | 119,471.95       | 85,969.86                    |                      | 28,184.41                          |                                  | (177,247.40)                                      | (177,247.40)             |
| Plant operations and maintenance                 | 1,231,136.23     | 493,618.01                   |                      | 162,281.84                         |                                  | (1,562,472.40)                                    | (1,562,472.40)           |
| Pupil transportation                             | 1,269,733.37     | 38,694.78                    |                      | 321,665.89                         |                                  | (984,762.26)                                      | (984,762.26)             |
| Unallocated benefits                             | 8,260,497.86     | (8,260,497.86)               |                      |                                    |                                  |   |                          |
| Unallocated depreciation and amortization        | 773,492.00       | (773,492.00)                 |                      |                                    |                                  |   |                          |
| Interest on Long-Term Debt                       | 474,314.64       |                              |                      |                                    |                                  | (474,314.64)                                      | (474,314.64)             |
| Total governmental activities                    | 30,970,888.60    |                              | 652,014.02           | 7,511,231.35                       |                                  | (22,807,643.23)                                   | (22,807,643.23)          |
| <b>Business-type activities</b>                  |                  |                              |                      |                                    |                                  |   |                          |
| Food Service                                     | 110,857.13       |                              | 1,257.59             | 93,994.97                          |                                  | (15,604.57)                                       | (15,604.57)              |
| Total business-type activities                   | 110,857.13       |                              | 1,257.59             | 93,994.97                          |                                  | (15,604.57)                                       | (15,604.57)              |
| <b>Total primary government</b>                  | \$ 31,081,745.73 | \$                           | \$ 653,271.61        | \$ 7,605,226.32                    | \$                               | \$ (22,807,643.23)                                | \$ (22,823,247.80)       |
| <b>General Revenues:</b>                         |                  |                              |                      |                                    |                                  |   |                          |
| <b>Taxes:</b>                                    |                  |                              |                      |                                    |                                  |   |                          |
| Property taxes, levied for general purposes, net |                  |                              |                      |                                    | \$ 22,991,320.00                 | \$  | \$ 22,991,320.00         |
| Taxes levied for debt service                    |                  |                              |                      |                                    | 1,527,275.00                     |   | 1,527,275.00             |
| Federal and state aid not restricted             |                  |                              |                      |                                    | 48,341.00                        |   | 48,341.00                |
| Miscellaneous income                             |                  |                              |                      |                                    | 200,471.61                       | 209.86  | 200,681.47               |
| Total general revenues and special items         |                  |                              |                      |                                    | 24,767,407.61                    | 209.86  | 24,767,617.47            |
| Change in net position                           |                  |                              |                      |                                    | 1,959,764.38                     | (15,394.71)                                       | 1,944,369.67             |
| Net Position- beginning (As Restated)            |                  |                              |                      |                                    | 7,755,413.95                     | 97,506.31   | 7,852,920.26             |
| Net Position ending                              |                  |                              |                      |                                    | 9,715,178.33                     | 82,111.60   | 9,797,289.93             |

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, 2021

|  | <u>GENERAL</u><br><u>FUND</u> | <u>SPECIAL</u><br><u>REVENUE</u><br><u>FUND</u> | <u>TOTAL</u><br><u>GOVERNMENTAL</u><br><u>FUNDS</u> |
|--|-------------------------------|---|---|
| <b>ASSETS:</b>   |                               |   |   |
| Cash and cash equivalents  | \$ 1,693,687.28               | \$  | \$ 1,693,687.28                                     |
| Accounts receivable:   |                               |   |   |
| Intergovernmental-Federal  |                               | 91,394.00                                       | 91,394.00   |
| Intergovernmental-State  | 614,691.00                    |   | 614,691.00  |
| Intergovernmental-Other  | 64,135.56                     |   | 64,135.56   |
| Accounts Receivable-Other  | 24,375.41                     |   | 24,375.41   |
| Interfunds   | 29,196.56                     |   | 29,196.56   |
| Restricted cash and cash equivalents                             | <u>3,612,293.85</u>           |   | <u>3,612,293.85</u>                                 |
| <br>Total assets   | <br><u>\$ 6,038,379.66</u>    | <br><u>\$ 91,394.00</u>                         | <br><u>\$ 6,129,773.66</u>                          |
| <b>LIABILITIES AND FUND BALANCES:</b>                            |                               |   |   |
| Liabilities:   |                               |   |   |
| Accounts payable   | 99,052.92                     | 10,200.00                                       | 109,252.92  |
| Payroll Deductions and Withholdings Payable                      | 6,589.45                      |   | 6,589.45  |
| Unemployment Compensation Claims Payable                         | 9,599.70                      |   | 9,599.70  |
| Interfund payable  |                               | 29,196.56                                       | 29,196.56   |
| Unearned revenue   | <u>9,704.00</u>               | <u>28,916.90</u>                                | <u>38,620.90</u>                                    |
| <br>Total liabilities  | <br><u>124,946.07</u>         | <br><u>68,313.46</u>                            | <br><u>193,259.53</u>                               |
| Fund balances:   |                               |   |   |
| Restricted for:  |                               |   |   |
| Capital reserve account  | 3,210,177.66                  |   | 3,210,177.66  |
| Maintenance reserve account                                      | 378,108.64                    |   | 378,108.64  |
| Tuition reserve account  | 400,000.00                    |   | 400,000.00  |
| Unemployment compensation  | 24,007.55                     |   | 24,007.55   |
| Student activities   |                               | 23,080.54                                       | 23,080.54   |
| Excess surplus   | 300,000.00                    |   | 300,000.00  |
| Excess surplus - Designated for<br>subsequent years expenditures | 350,000.00                    |   | 350,000.00  |
| Assigned:  |                               |   |   |
| Year-end encumbrances  | 43,644.97                     |   | 43,644.97   |
| Unassigned   | <u>1,207,494.77</u>           |   | <u>1,207,494.77</u>                                 |
| <br>Total fund balances  | <br><u>5,913,433.59</u>       | <br><u>23,080.54</u>                            | <br><u>5,936,514.13</u>                             |
| <br>Total liabilities and fund balances                          | <br><u>\$ 6,038,379.66</u>    | <br><u>\$ 91,394.00</u>                         | <br><u>\$ 6,129,773.66</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, 2021

|  |                        |                            |
|--|------------------------|----------------------------|
| Total Fund Balances (Brought Forward)  | \$                     | 5,936,514.13               |
| 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   | \$ 37,931,785.00       |                            |
| Accumulated depreciation   | <u>(19,404,125.00)</u> | 18,527,660.00              |
| 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   | (253,927.13)           |                            |
| Deferred outflow on refunding  | <u>803,804.60</u>      | 549,877.47                 |
| 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   | (9,060,000.00)         |                            |
| Net pension liability  | (4,026,336.00)         |                            |
| Capital leases payable   | (14,455.63)            |                            |
| Compensated absences payable   | <u>(280,871.26)</u>    | (13,381,662.89)            |
| Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.   |                        |                            |
| Pensions:  |                        |                            |
| Deferred Outflows  |                        |                            |
| Pension related  |                        | 860,129.00                 |
| Deferred Inflows:  |                        |                            |
| Pension related  |                        | (2,446,956.00)             |
| Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.   |                        |                            |
| Accounts payable - pension related   |                        | (281,824.00)               |
| Accrued interest payable   |                        | <u>(48,559.38)</u>         |
| Net Position of Governmental Activities  | \$                     | <u><u>9,715,178.33</u></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, 2021**

|  | GENERAL<br>FUND        | SPECIAL<br>REVENUE<br>FUND | CAPITAL<br>PROJECTS<br>FUND | DEBT<br>SERVICE<br>FUND | TOTAL<br>GOVERNMENTAL<br>FUNDS |
|--|------------------------|----------------------------|-----------------------------|-------------------------|--------------------------------|
| <b>REVENUES:</b>   |                        |                            |                             |                         |                                |
| Local sources:   |                        |                            |                             |                         |                                |
| Local tax levy   | \$ 22,991,320.00       | \$                         | \$                          | \$ 1,527,275.00         | \$ 24,518,595.00               |
| Tuition  | 481,095.92             |                            |                             |                         | 481,095.92                     |
| Transportation   | 4,393.10               |                            |                             |                         | 4,393.10                       |
| Interest earned on capital reserve funds                             | 14,166.11              |                            |                             |                         | 14,166.11                      |
| Interest earned on maintenance reserve funds                         | 2,358.64               |                            |                             |                         | 2,358.64                       |
| Miscellaneous  | 183,946.86             | 29,263.05                  |                             |                         | 213,209.91                     |
| <b>Total - local sources</b>   | <b>23,677,280.63</b>   | <b>29,263.05</b>           |                             | <b>1,527,275.00</b>     | <b>25,233,818.68</b>           |
| State sources  | 4,881,070.79           |                            |                             |                         | 4,881,070.79                   |
| Federal sources  |                        | 293,239.51                 |                             |                         | 293,239.51                     |
| <b>Total revenues</b>  | <b>28,558,351.42</b>   | <b>322,502.56</b>          |                             | <b>1,527,275.00</b>     | <b>30,408,128.98</b>           |
| <b>EXPENDITURES:</b>   |                        |                            |                             |                         |                                |
| Current expense:   |                        |                            |                             |                         |                                |
| Regular instruction  | 4,570,240.97           | 17,034.18                  |                             |                         | 4,587,275.15                   |
| Special instruction  | 1,477,510.20           | 7,461.00                   |                             |                         | 1,484,971.20                   |
| Other Instruction  | 229,478.18             | 35,700.00                  |                             |                         | 265,178.18                     |
| Support services:  |                        |                            |                             |                         |                                |
| Tuition  | 9,125,779.60           | 166,525.00                 |                             |                         | 9,292,304.60                   |
| Student & instruction related services                               | 2,038,976.35           | 95,583.31                  |                             |                         | 2,134,559.66                   |
| General administrative services                                      | 355,550.59             |                            |                             |                         | 355,550.59                     |
| School administrative services                                       | 425,621.40             |                            |                             |                         | 425,621.40                     |
| Central services   | 322,958.37             |                            |                             |                         | 322,958.37                     |
| Administrative information technology                                | 123,165.11             |                            |                             |                         | 123,165.11                     |
| Plant operations and maintenance                                     | 1,178,130.39           |                            |                             |                         | 1,178,130.39                   |
| Student transportation   | 1,273,426.56           |                            |                             |                         | 1,273,426.56                   |
| Unallocated benefits   | 5,838,160.37           |                            |                             |                         | 5,838,160.37                   |
| Debt Service:  |                        |                            |                             |                         |                                |
| Principal  |                        |                            |                             | 1,095,000.00            | 1,095,000.00                   |
| Interest   |                        |                            |                             | 432,275.00              | 432,275.00                     |
| Capital outlay   | 109,364.00             |                            |                             |                         | 109,364.00                     |
| Transfer to Charter School   | 14,214.00              |                            |                             |                         | 14,214.00                      |
| <b>Total expenditures</b>  | <b>27,082,576.09</b>   | <b>322,303.49</b>          |                             | <b>1,527,275.00</b>     | <b>28,932,154.58</b>           |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>1,475,775.33</b>    | <b>199.07</b>              |                             |                         | <b>1,475,974.40</b>            |
| Other financing sources (uses):                                      |                        |                            |                             |                         |                                |
| Operating transfers in/out   | 38,458.18              |                            | (38,458.18)                 |                         |                                |
| <b>Total other financing sources</b>                                 | <b>38,458.18</b>       |                            | <b>(38,458.18)</b>          |                         |                                |
| <b>Net change in fund balances</b>                                   | <b>1,514,233.51</b>    | <b>199.07</b>              | <b>(38,458.18)</b>          |                         | <b>1,475,974.40</b>            |
| Fund balances, July 1,   | \$ 4,375,370.14        | \$                         | \$ 38,458.18                | \$                      | \$ 4,413,828.32                |
| Prior Period Adjustments   | 23,829.94              | 22,881.47                  |                             |                         | 46,711.41                      |
| <b>Fund Balance, July 1, Restated</b>                                | <b>4,399,200.08</b>    | <b>22,881.47</b>           | <b>38,458.18</b>            |                         | <b>4,460,539.73</b>            |
| <b>Fund balances, June 30,</b>                                       | <b>\$ 5,913,433.59</b> | <b>\$ 23,080.54</b>        | <b>\$</b>                   | <b>\$</b>               | <b>\$ 5,936,514.13</b>         |

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, 2021

Total net change in fund balances - governmental funds (from B-2) \$ 1,475,974.40

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                  | \$ (773,492.00)    |              |
| Capital outlays                       | 109,364.00         |              |
| Less: Capital outlays not capitalized | <u>(56,699.00)</u> | (720,827.00) |

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.

|   |                  |             |
|---|------------------|-------------|
| Deferred outflow of resources for refunding bond premium amortization | (89,311.63)      |             |
| Deferred inflow of resources for refunding bond gain amortization     | <u>28,214.12</u> | (61,097.51) |

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 | 13,521.35           |              |
| Payment of ERIP loan               | 36,931.63           |              |
| Payment of bond principal          | <u>1,095,000.00</u> | 1,145,452.98 |

In the statement of changes in net position, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net position will differ from the change in fund balance by the cost of the asset removed.

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 |  | 20,075.00 |
|--------------------------------------|--|-----------|

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 | 270,099.00         |            |
| Less: Pension expense          | <u>(70,902.00)</u> | 199,197.00 |

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>(99,010.49)</u> |
|---|--|--------------------|

|   |  |                        |
|---|--|------------------------|
| Change in net position of governmental activities |  | <u>\$ 1,959,764.38</u> |
|---|--|------------------------|

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, 2021

BUSINESS-TYPE  
ACTIVITIES  
ENTERPRISE  
FUNDS

## ASSETS:

## Current assets:

|                           |    |                      |
|---------------------------|----|----------------------|
| Cash and cash equivalents | \$ | 21.30                |
| Accounts receivable:      |    |                      |
| Federal                   |    | 28,777.59            |
| State                     |    | 797.13               |
| Other                     |    | 905.90               |
| Inventories               |    | <u>2,840.96</u>      |
| <br>Total current assets  |    | <br><u>33,342.88</u> |

## Noncurrent assets:

|                                    |  |                      |
|------------------------------------|--|----------------------|
| Furniture, machinery and equipment |  | 267,440.00           |
| Less accumulated depreciation      |  | <u>(203,268.00)</u>  |
| <br>Total noncurrent assets        |  | <br><u>64,172.00</u> |
| <br>Total assets                   |  | <br><u>97,514.88</u> |

## LIABILITIES:

## Current liabilities:

|                               |  |                      |
|-------------------------------|--|----------------------|
| Accounts payable              |  | 533.66               |
| Unearned revenue              |  | <u>14,869.62</u>     |
| <br>Total current liabilities |  | <br><u>15,403.28</u> |
| <br>Total liabilities         |  | <br><u>15,403.28</u> |

## NET POSITION:

|                                  |    |                             |
|----------------------------------|----|-----------------------------|
| Net Investment in capital assets |    | 64,172.00                   |
| Unrestricted                     |    | <u>17,939.60</u>            |
| <br>Total net position           | \$ | <br><u><u>82,111.60</u></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, 2021

BUSINESS-TYPE  
ACTIVITIES  
ENTERPRISE  
FUNDS  
SCHOOL NUTRITION

## OPERATING REVENUES:

## Charges for services:

|   |    |          |
|---|----|----------|
| Daily sales - non-reimbursable programs | \$ | 662.13   |
| Miscellaneous                           |    | 595.46   |
|   |    | 1,257.59 |

## OPERATING EXPENSES:

|   |            |
|---|------------|
| Cost of sales-reimbursable                  | 15,516.00  |
| Cost of sales-non reimbursable              | 206.65     |
| Salaries                                    | 32,981.89  |
| Employee benefits                           | 9,438.61   |
| Other purchased property services - repairs | 3,377.25   |
| Other purchased services                    | 19,626.42  |
| Supplies and materials                      | 23,467.31  |
| Depreciation                                | 6,243.00   |
|   | 110,857.13 |

## Total operating expenses

## Operating (loss)

(109,599.54)

## NON-OPERATING REVENUES:

## State Sources

|                            |          |
|----------------------------|----------|
| State school lunch program | 3,327.26 |
|----------------------------|----------|

## Federal Sources

|  |           |
|--|-----------|
| National school lunch program              | 62,932.82 |
| Emergency Operational Cost Program-Schools | 8,904.20  |
| P-EBT Administrative Cost                  | 614.00    |
| National food distribution commodities     | 18,216.69 |
| Interest and investment revenue            | 209.86    |
|  | 94,204.83 |

## Total non-operating revenues

## Change in net position

(15,394.71)

## Total net position - beginning

97,506.31

## Total net position - ending

\$ 82,111.60

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, 2021

|  | <u>BUSINESS-TYPE<br/>ACTIVITIES<br/>ENTERPRISE<br/>FUNDS</u> |
|--|--|
| Cash flows from operating activities:  |  |
| Receipts from customers  | \$ (877.42)  |
| Payments to employees and employee benefits  | (2,570.94)   |
| Payments to suppliers  | <u>(82,772.35)</u>   |
| Net cash provided by (used for) operating activities)  | <u>(86,220.71)</u>   |
| Cash flows from noncapital financing activities:   |  |
| State Sources  | 3,266.08   |
| Federal Sources  | <u>43,690.83</u>   |
| Net cash provided by noncapital financing activities:  | <u>46,956.91</u>   |
| Cash flows from investing activities:  |  |
| Interest on investments  | <u>209.86</u>  |
| Net cash provided by (used for) investing activities   | <u>209.86</u>  |
| Net decrease in cash and cash equivalents  | (39,053.94)  |
| Cash and cash equivalents, July 1,   | <u>39,075.24</u>   |
| Cash and cash equivalents, June 30,  | <u>\$ 21.30</u>  |
| Reconciliation of operating income (loss) to net cash<br>provided (used) by operating activities               |  |
| Operating income (loss)  | \$ (109,599.54)  |
| Adjustments to reconciling operating income (loss) to<br>net cash provided by (used for) operating activities: |  |
| Depreciation and net amortization  | 6,243.00   |
| National food distribution commodities   | 18,216.69  |
| Change in assets and liabilities:  |  |
| Increase (decrease) in accounts payable  | (912.77)   |
| (Increase) decrease in accounts receivable   | 209.41   |
| Increase (decrease) in unearned revenue  | (6,582.11)   |
| (Increase) decrease in inventories   | <u>6,204.61</u>  |
|  | <u>23,378.83</u>   |
| Net cash provided by (used for) operating activities   | <u>\$ (86,220.71)</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, 2021**

**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, 2021**

**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. 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. Separate statements for each fund category – governmental and proprietary - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**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, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Proprietary Fund**

**Enterprise Fund** - The enterprise fund accounts for all revenues and expenses pertaining to the District's Food Service 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.

**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 and Proprietary 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.

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.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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, 2021 totaled net \$197,439.00, 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).

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.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

**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.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

**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.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Compensated Absences (Continued)**

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 an allowable under generally accepted accounting principles.

**Accrued Liabilities and Long-Term Obligations**

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

**Net Position**

Net Position 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.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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, Student Activities, Unemployment and Excess Surplus as Restricted Fund Balance.

*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.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

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, 2021**

**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 1<sup>st</sup> 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, 2021**

**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.

**Recently Adopted Accounting Pronouncements**

Beginning with the year ended June 30, 2021, the District has implemented GASB Statement 84, *Fiduciary Activities*. The objective of this new Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less. As a result of the implementation of this Statement, the New Jersey Department of Education has made the following determinations as to the reporting of certain fund which, in prior years, have been reported as Fiduciary Activities:

| <u>Activity</u>                      | Prior to<br>implementation of<br><u>GASB 84</u> | After Implementation of<br><u>GASB 84</u> |
|--------------------------------------|---|---|
| Student Activity Funds               | Fiduciary Fund                                  | Special Revenue Fund                      |
| Scholarship Funds                    | Fiduciary Fund                                  | Special Revenue Fund                      |
| Payroll Agency Funds                 | Fiduciary Fund                                  | General Fund                              |
| State Unemployment Compensation Fund | Fiduciary Fund                                  | General Fund                              |

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Recently Adopted Accounting Pronouncements (Continued)**

See Note 21 for information of the restatement of balance resulting in the implementation of this new standard.

**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.

The Township of Green Brook School District had the following cash and cash equivalents at June 30, 2021:

| <b>Fund Type:</b> | <b>Bank</b>           | <b>Reconciling Items</b> |                          | <b>Reconciled</b>     |
|-------------------|-----------------------|--------------------------|--------------------------|-----------------------|
|                   | <b><u>Balance</u></b> | <b><u>Additions</u></b>  | <b><u>Reductions</u></b> | <b><u>Balance</u></b> |
| Governmental      | \$5,677,551.92        | \$9,897.90               | \$381,468.69             | \$5,305,981.13        |
| Proprietary       | 5,613.61              |                          | 5,592.31                 | 21.30                 |
|                   | <u>\$5,683,165.53</u> | <u>\$9,897.90</u>        | <u>\$387,061.00</u>      | <u>\$5,306,002.43</u> |

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

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

**Deposits (Continued)**

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, 2021, 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 \$5,433,165.53 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.
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;

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

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

**Investments (Continued)**

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.

At June 30, 2021, 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.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 3: CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2021 was as follows:

|   | Beginning<br><u>Balance</u> | <u>Additions</u>      | Transfers/<br><u>Deletions</u> | Ending<br><u>Balance</u> |
|---|-----------------------------|-----------------------|--------------------------------|--------------------------|
| <b>Governmental Activities:</b>                             |                             |                       |                                |                          |
| Capital assets not being depreciated:                       |                             |                       |                                |                          |
| Land  | \$967,773.00                |                       |                                | \$967,773.00             |
| Total Capital Assets not being depreciated                  | <u>967,773.00</u>           |                       |                                | <u>967,773.00</u>        |
| Buildings and Building Improvements                         | 32,465,127.00               |                       |                                | 32,465,127.00            |
| Machinery and Equipment                                     | 4,446,220.00                | 52,665.00             |                                | 4,498,885.00             |
| Totals at historical cost                                   | <u>36,911,347.00</u>        | <u>52,665.00</u>      |                                | <u>36,964,012.00</u>     |
| Gross Assets (Memo only)                                    | <u>37,933,172.00</u>        | <u>52,665.00</u>      |                                | <u>37,931,785.00</u>     |
| Less: Accumulated Depreciation                              |                             |                       |                                |                          |
| Buildings and Building Improvements                         | (14,415,080.00)             | (754,302.00)          |                                | (15,169,382.00)          |
| Machinery and Equipment                                     | (4,215,553.00)              | (19,190.00)           |                                | (4,234,743.00)           |
| Total Depreciation  | <u>(18,630,633.00)</u>      | <u>(773,492.00)</u>   |                                | <u>(19,404,125.00)</u>   |
| Total capital assets being depreciated, net of depreciation | <u>17,553,123.00</u>        | <u>(720,827.00)</u>   |                                | <u>17,559,887.00</u>     |
| Total Governmental Fund Activities                          | <u>\$18,520,896.00</u>      | <u>(\$720,827.00)</u> |                                | <u>\$18,527,660.00</u>   |
| <b>Business type Activities:</b>                            |                             |                       |                                |                          |
| Machinery and Equipment                                     | \$267,440.00                |                       |                                | \$267,440.00             |
| Totals at historical cost                                   | <u>267,440.00</u>           |                       |                                | <u>267,440.00</u>        |
| Less: Accumulated Depreciation                              |                             |                       |                                |                          |
| Machinery and Equipment                                     | (197,025.00)                | (6,243.00)            |                                | (203,268.00)             |
| Total Depreciation  | <u>(197,025.00)</u>         | <u>(6,243.00)</u>     |                                | <u>(203,268.00)</u>      |
| Total Proprietary Fund Activities                           | <u>\$70,415.00</u>          | <u>(\$6,243.00)</u>   |                                | <u>\$64,172.00</u>       |

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 3: CAPITAL ASSETS (CONTINUED)**

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

|  |                     |
|--|---------------------|
| Instruction:                             |                     |
| Regular                                  | \$302,681.00        |
| Special education instruction            | 105,942.00          |
| Other Instruction                        | 61,331.00           |
| Support services:                        |                     |
| Student and instruction related services | 128,803.00          |
| General administrative services          | 25,271.00           |
| School administrative services           | 29,661.00           |
| Central services                         | 21,626.00           |
| Administrative technology                | 10,056.00           |
| Plant operations and maintenance         | 85,848.00           |
| Pupil transportation                     | <u>2,273.00</u>     |
|  | <u>\$773,492.00</u> |

**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, 2021, 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, 2021:

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 4: LONG-TERM LIABILITIES (CONTINUED)**

|                        | Balance,<br><u>June 30, 2020</u> | <u>Additions</u>   | <u>Reductions</u>       | Balance,<br><u>June 30, 2021</u> | Due Within<br><u>One Year</u> |
|------------------------|----------------------------------|--------------------|-------------------------|----------------------------------|-------------------------------|
| Bonds Payable          | \$10,155,000.00                  |                    | (\$1,095,000.00)        | \$9,060,000.00                   | \$1,130,000.00                |
| Compensated Absence    | 181,860.77                       | \$99,010.49        |                         | 280,871.26                       |                               |
| ERIP Loan              | 36,931.63                        |                    | (36,931.63)             |                                  |                               |
| Net Pension Liability  | 4,694,708.00                     |                    | (668,372.00)            | 4,026,336.00                     |                               |
| Capital Leases Payable | 27,976.98                        |                    | (13,521.35)             | 14,455.63                        | 14,455.63                     |
| <b>Total</b>           | <u>\$15,096,477.38</u>           | <u>\$99,010.49</u> | <u>(\$1,813,824.98)</u> | <u>\$13,381,662.89</u>           | <u>\$1,144,455.63</u>         |

**Debt Capacity**

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, 2021, the District borrowing capacity under N.J.S.A. 18A:24-19 would be as follows:

| <u>Year</u>  | <u>Equalized<br/>Valuation of<br/>Real Property</u> |
|--|---|
| 2020   | \$1,423,676,465                                     |
| 2019   | 1,411,095,014                                       |
| 2018   | 1,414,807,702                                       |
|  | <u>\$4,249,579,181</u>                              |
| Average equalized valuation                        | <u>\$1,416,526,394</u>                              |
| School borrowing margin<br>(3% of \$1,416,526,394) | \$42,495,792  |
| Net school debt as of June 30, 2021                | <u>9,060,000</u>                                    |
| School borrowing power available                   | <u>\$33,435,792</u>                                 |

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 4: LONG-TERM LIABILITIES (CONTINUED)**

**Debt Service Requirements**

The annual requirements to amortize all bonded debt outstanding as of June 30, 2021, including interest payments, are as follows:

| Fiscal Year     |                       |                       |                        |
|-----------------|-----------------------|-----------------------|------------------------|
| <u>June 30,</u> | <u>Principal</u>      | <u>Interest</u>       | <u>Total</u>           |
| 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            | 1,355,000.00          | 169,400.00            | 1,524,400.00           |
| 2027-2028       | <u>2,880,000.00</u>   | <u>174,000.00</u>     | <u>3,054,000.00</u>    |
| Totals          | <u>\$9,060,000.00</u> | <u>\$1,604,450.00</u> | <u>\$10,664,450.00</u> |

General obligation school and refunding bonds payable with their outstanding balances are comprised of the following individual issues:

| <u>Issue</u>  | <u>Amount<br/>Outstanding<br/>June 30, 2021</u> |
|---|---|
| \$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>9,060,000.00</u>                          |



**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 4: LONG-TERM LIABILITIES (CONTINUED)**

**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, 2021:

| Fiscal Year Ended                   | <u>Amount</u>                 |
|-------------------------------------|-------------------------------|
| <u>June 30,</u>                     |                               |
| 2022                                | <u>\$15,472.76</u>            |
| Total Minimum Lease Payments        | 15,472.76                     |
| Less: Amount Representing Interest  | <u>(1,017.13)</u>             |
| <br>Present Value of Lease Payments | <br><u><u>\$14,455.63</u></u> |

**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.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 5: PENSION PLANS (CONTINUED)**

**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.

**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, 2019 actuarial valuation (July 1, 2018 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.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 5: PENSION PLANS (CONTINUED)**

**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.

**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).

**Three Year Trend Information for PERS**

| Year Ended      | Annual<br>Pension Cost | Percentage of          | Net Pension       |
|-----------------|------------------------|------------------------|-------------------|
| <u>June 30,</u> | <u>(APC)</u>           | <u>APC Contributed</u> | <u>Obligation</u> |
| 2021            | \$270,099.00           | 100%                   | \$270,099.00      |
| 2020            | 253,438.00             | 100%                   | 253,438.00        |
| 2019            | 284,993.00             | 100%                   | 284,993.00        |

During the fiscal years ended June 30, 2021, 2020, and 2019, the State of New Jersey contributed \$1,907,174.00, \$1,399,264.00 and \$1,265,904.00, respectively, excluding post-retirement medical and long-term disability insurance, to the TPAF pension system on behalf of the District.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 5: PENSION PLANS (CONTINUED)**

**Contribution Requirements**

Also, in accordance with N.J.S.A. 18A:66-66 during the years ended June 30, 2021, 2020 and 2019, the State of New Jersey reimbursed the District \$497,691.79, \$495,944.53 and \$508,805.93 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

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

**Public Employees Retirement System (PERS)**

At June 30, 2021, the District reported a liability of \$4,026,336.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. 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, 2020, the District's proportion was 0.0246902608 percent, which was a decrease of 0.0013646979 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$70,900.00 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2020 measurement date.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

|   | <u>Deferred<br/>Outflow of<br/>Resources</u> | <u>Deferred<br/>Inflow of<br/>Resources</u> |
|---|--|---|
| Differences between expected and actual experience  | \$73,313                                     | \$14,239                                    |
| Changes of assumptions  | 130,619                                      | 1,685,865                                   |
| Net difference between projected and actual earnings on pension plan investments                              | 137,623                                      |   |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 236,750                                      | 746,852                                     |
| District contributions subsequent to the measurement date   | <u>281,824</u>                               | <u>                    </u>                 |
|   | <u>\$860,129</u>                             | <u>\$2,446,956</u>                          |

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

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

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

The \$281,824.00 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, 2021, the plan measurement date is June 30, 2020) will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

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<br><u>June 30</u> | <u>Amount</u>        |
|------------------------------|----------------------|
| 2021                         | (\$607,252)          |
| 2022                         | (562,638)            |
| 2023                         | (365,251)            |
| 2024                         | (208,466)            |
| 2025                         | <u>(125,044)</u>     |
|                              | <u>(\$1,868,651)</u> |

**Actuarial Assumptions**

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. These actuarial valuations used the following assumptions:

|                           | <u>June 30, 2020</u>         | <u>June 30, 2019</u> |
|---------------------------|------------------------------|----------------------|
| Inflation                 | 2.75%                        | 2.25%                |
| Salary Increases          |                              |                      |
| Through 2026              | 2.00-6.00%                   | 2.00-6.00%           |
| Thereafter                | 3.00-7.00%                   | 3.00-7.00%           |
|                           | Based on<br>Years of Service | Based on<br>Age      |
| Investment Rate of Return | 7.00%                        | 7.00%                |

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**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-2020.

The actuarial assumptions used in the July 1, 2019 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, 2020 and June 30, 2019) 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, 2020 are summarized in the following table:

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**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> |
|----------------------------------|--------------------------|---|
| U.S. Equity                      | 27.00%                   | 7.71%   |
| Non-U.S. Developed Market Equity | 13.50%                   | 8.57%   |
| Emerging Market Equity           | 5.50%                    | 10.23%  |
| Private Equity                   | 13.00%                   | 11.42%  |
| Real Estate Assets               | 3.00%                    | 9.73%   |
| Real Estate                      | 8.00%                    | 9.56%   |
| High Yield                       | 2.00%                    | 5.95%   |
| Private Credit                   | 8.00%                    | 7.59%   |
| Investment Grade Credit          | 8.00%                    | 2.67%   |
| Cash Equivalents                 | 4.00%                    | 0.50%   |
| U.S. Treasuries                  | 5.00%                    | 1.94%   |
| Risk Mitigation Strategies       | 3.00%                    | 3.40%   |

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00% and 6.28% as of June 30, 2020 and June 30, 2019 respectively. 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 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**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, 2020, 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%<br>Decrease<br><u>6.00%</u> | At Current<br>Discount Rate<br><u>7.00%</u> | 1%<br>Increase<br><u>8.00%</u> |
|---|--------------------------------|---|--------------------------------|
| District's proportionate share of the net pension liability | \$5,108,341                    | \$4,026,336                                 | \$3,166,751                    |

**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, 2021**

**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, 2021 was as follows:

|   |                            |
|---|----------------------------|
| Net Pension Liability:                                      |                            |
| Districts proportionate share                               | -0-                        |
| State's proportionate share<br>associated with the District | <u>\$41,268,420</u>        |
|   | <u><u>\$41,268,420</u></u> |

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 which was rolled forward to June 30, 2020. 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, 2020, the proportion of the TPAF net pension liability associated with the District was .0626714874% which was a decrease of .0003737853 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized on-behalf pension expense and revenue of \$2,566,246.00 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, 2020 measurement date.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**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, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

|                           | <u>June 30, 2020</u>         | <u>June 30, 2019</u>         |
|---------------------------|------------------------------|------------------------------|
| Inflation rate:           |                              |                              |
| Price                     | 2.75%                        | 2.75%                        |
| Wage                      | 3.25%                        | 3.25%                        |
| Salary Increases:         |                              |                              |
| Through 2026              | 1.55%-4.45%                  | 1.55%-4.55%                  |
|                           | Based on Years of<br>Service | Based on Years of<br>Service |
| Thereafter                | 2.75%-5.65%                  | 2.00%-5.65%                  |
|                           | Based on Years of<br>Service | Based on Years of<br>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-2020.

The actuarial assumptions used in the July 1, 2019 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, 2021**

**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, 2020 and June 30, 2019 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, 2020 are summarized in the following table:

| <u>Assets Class</u>              | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------------------|--------------------------|---|
| U.S. Equity                      | 27.00%                   | 7.71%   |
| Non-U.S. Developed Market Equity | 13.50%                   | 8.57%   |
| Emerging Market Equity           | 5.50%                    | 10.23%  |
| Private Equity                   | 13.00%                   | 11.42%  |
| Real Estate Assets               | 3.00%                    | 9.73%   |
| Real Estate                      | 8.00%                    | 9.56%   |
| High Yield                       | 2.00%                    | 5.95%   |
| Private Credit                   | 8.00%                    | 7.59%   |
| Investment Grade Credit          | 8.00%                    | 2.67%   |
| Cash Equivalents                 | 4.00%                    | 0.50%   |
| U.S. Treasuries                  | 5.00%                    | 1.94%   |
| Risk Mitigation Strategies       | 3.00%                    | 3.40%   |

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**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 5.40% and 5.60% as of June 30, 2020 and 2019, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% for both June, 30 2020 and 2019, and a municipal bond rate of 2.21% and 3.50% as of June 30, 2020 and 2019, 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 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062, 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, 2021**

**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  | 216,804        |
| Inactive Plan Members or Beneficiaries<br>Currently Receiving Benefits | 149,304        |
| Inactive Plan Members or Beneficiaries<br>Not Yet Receiving Benefits   | <u>- 0 -</u>   |
| Total Plan Members   | <u>366,108</u> |

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**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, 2021 was as follows:

|  |              |
|--|--------------|
| Total OPEB Liability:                                    |              |
| District's Proportionate Share                           | \$-0-        |
| State's Proportionate Share associated with the District | 40,209,676   |
|  | \$40,209,676 |

The Total Non-Employer OPEB Liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2019 which was rolled forward to June 30, 2020.

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

For the year ended June 30, 2021, the District recognized on-behalf post-employment expense and revenue of \$2,461,131.00 in the government-wide financial statements for contributions provided by the State. This expense and revenue were based on the plans June 30, 2020 measurement date.

At June 30, 2020, the District's proportion was 0.0591979583 percent, which was an increase of .0000996352 percent from its proportion measured as of June 30, 2019.

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, 2021**

**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, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. 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:

June 30, 2020

|  | <u>TPAF/ABP</u> | <u>PERS</u> | <u>PFRS</u>                    |
|--|-----------------|-------------|--------------------------------|
| Inflation – 2.5%<br>Salary Increases<br>Through 2026 | 1.55-4.45%*     | 2.00-6.00%* | 3.25-15.25%*                   |
| Thereafter   | 1.55-4.45%*     | 3.00-7.00%* | Applied to<br>All Future Years |

June 30, 2019

|  | <u>TPAF/ABP</u> | <u>PERS</u> | <u>PFRS</u>                    |
|--|-----------------|-------------|--------------------------------|
| Inflation – 2.5%<br>Salary Increases<br>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<br>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-2020. 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-2020. 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-2020.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

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

**Actuarial Assumptions and Other Input (Continued)**

The actuarial assumptions used in the June 30, 2019 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.

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

**Discount Rate**

The discount rate for June 30, 2020 and June 30, 2019 was 2.21% and 3.50% 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, 2019 to June 30, 2020:

|   |                  |                            |
|---|------------------|----------------------------|
| Balance at 6/30/19                                    |                  | \$24,702,764               |
| Changes for the year:                                 |                  |                            |
| Service cost  | \$1,267,907      |                            |
| Interest  | 897,197          |                            |
| Differences between expected<br>and actual experience | 6,675,682        |                            |
| Changes in assumptions or<br>other inputs             | 7,344,926        |                            |
| Membership Contributions                              | 21,217           |                            |
| Benefit payments - Net                                | <u>(700,017)</u> |                            |
| Net changes   |                  | <u>15,506,912</u>          |
| Balance at 6/30/20                                    |                  | <u><u>\$40,209,676</u></u> |



**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**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, 2020, 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, 2020             |                             |                           |
|---|---------------------------|-----------------------------|---------------------------|
|   | 1.00%<br>Decrease (1.21%) | At Discount<br>Rate (2.21%) | 1.00%<br>Increase (3.21%) |
| State of New Jersey's<br>Proportionate Share of<br>the total Non-Employer<br>OPEB Liability associated<br>with the District | \$48,474,840              | \$40,209,676                | \$33,747,114              |

**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, 2020, 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, 2020     |                               |                   |
|---|-------------------|-------------------------------|-------------------|
|   | 1.00%<br>Decrease | Healthcare Cost<br>Trend Rate | 1.00%<br>Increase |
| State of New Jersey's<br>Proportionate Share of<br>the total Non-Employer<br>OPEB Liability associated<br>with the District | \$32,458,606      | \$40,209,676                  | \$49,439,477      |

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**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, 2020, 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<br/>Outflow of<br/>Resources</u> | <u>Deferred<br/>Inflow of<br/>Resources</u> |
|--|--|---|
| Differences between expected and actual experience | \$ 6,104,876                                 | \$ 5,438,007                                |
| Changes of assumptions                             | 6,839,533                                    | 4,588,152                                   |
| Changes in proportion                              | <u>1,989,332</u>                             | <u>230,910</u>                              |
|  | <u>\$ 14,933,741</u>                         | <u>\$ 10,257,069</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:

| Measurement<br>Period Ended | <u>Amount</u>      |
|-----------------------------|--------------------|
| <u>June 30,</u>             |                    |
| 2021                        | \$377,443          |
| 2022                        | \$377,443          |
| 2023                        | \$377,443          |
| 2024                        | \$377,443          |
| 2025                        | \$377,443          |
| Total                       |                    |
| Thereafter                  | <u>\$2,789,455</u> |
|                             | <u>\$4,676,672</u> |

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**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 2020-2021 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, 2021**

**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><br><u>June 30,</u> | <u>Interest and Employer Contributions</u> | <u>Employee Contributions</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|--------------------------------------|--|-------------------------------|--------------------------|-----------------------|
| 2021                                 | \$177.61                                   | \$15,868.70                   | \$6,269.00               | \$33,607.25           |
| 2020                                 | 255.22                                     | 21,023.13                     | 16,908.67                | 23,829.94             |
| 2019                                 | 296.69                                     | 10,046.55                     | 33,293.86                | 19,460.26             |

**NOTE 11: FUND BALANCE APPROPRIATED - GAAP BASIS**

**General Fund** - Of the \$5,913,433.59 in General Fund Balance at June 30, 2021, \$43,644.97 has been assigned for encumbrances; \$3,210,177.66 has been restricted in the Capital Reserve Account; \$300,000.00 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; \$24,007.55 has been restricted for Unemployment; \$378,108.64 has been restricted for Maintenance Reserve; and \$1,207,494.77 is unassigned.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**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, 2021 is \$300,000.00.

**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, 2021, is as follows:

|                        |                   |                        |
|------------------------|-------------------|------------------------|
| Balance, July 1, 2020  |                   | \$ 2,327,774.32        |
| Deposits:              |                   |                        |
| Interest Earnings      | \$ 14,166.11      |                        |
| Transfer of unexpended |                   |                        |
| capital projects funds | 38,458.18         |                        |
| Board Resolution       | <u>829,779.05</u> |                        |
|                        |                   | <u>882,403.34</u>      |
| Balance, June 30, 2021 |                   | \$ <u>3,210,177.66</u> |

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**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, 2021, is as follows:

|                        |                            |
|------------------------|----------------------------|
| Balance, July 1, 2020  | \$400,000.00               |
| Deposits:              |                            |
| Board Resolution       | 200,000.00                 |
| Withdrawals:           |                            |
| Budget                 | <u>(200,000.00)</u>        |
| Balance, June 30, 2021 | <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, 2021, is as follows:

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 15: MAINTENANCE RESERVE ACCOUNT (CONTINUED)**

|                        |                            |
|------------------------|----------------------------|
| Balance, July 1, 2020  | \$318,750.00               |
| Deposits:              |                            |
| Interest Earnings      | 2,358.64                   |
| Board Resolution       | <u>57,000.00</u>           |
| Balance, June 30, 2021 | <u><u>\$378,108.64</u></u> |

**NOTE 16: INVENTORY**

Inventory in the Food Service Fund at June 30, 2021 consisted of the following:

|                 |                          |
|-----------------|--------------------------|
| Food            | \$1,029.89               |
| Supplies        | <u>1,811.07</u>          |
| Total Inventory | <u><u>\$2,840.96</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, 2021.

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**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 District's 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, 2021, a liability existed for compensated absences for governmental fund-types in the district-wide Statement of Net Position of \$280,871.26.

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, 2021, 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, 2021:

| <u>Fund</u>          | <u>Receivable</u>  | <u>Payable</u>     |
|----------------------|--------------------|--------------------|
| General Fund         | \$29,196.56        |                    |
| Special Revenue Fund |                    | \$29,196.56        |
|                      | <u>\$29,196.56</u> | <u>\$29,196.56</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.



**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 20: SUBSEQUENT EVENTS**

The District has evaluated subsequent events occurring after the financial statement date through January 27, 2022 which is the date the financial statements were available to be issued. Based upon this evaluation, the District has determined that there are no subsequent events needed to be disclosed.

**NOTE 21: PRIOR PERIOD ADJUSTMENTS/RESTATEMENTS**

As of July 1, 2020 the District implemented GASB Statement No. 84 Fiduciary Activities (GASB 84). Certain agency funds previously accounted for activities that are not considered fiduciary in nature and are now reported in the Governmental Funds. The District restated the net position and fund balance of the funds indicated below to appropriately reflect the June 30, 2020 balances as follows:

|                                     | Governmental Funds |                      |
|-------------------------------------|--------------------|----------------------|
|                                     | General Fund       | Special Revenue Fund |
| Fund Balance 06/30/20               | \$ 4,375,370.14    | \$ -                 |
| Adjustments:                        |                    |                      |
| Unemployment Compensation           | 23,829.94          |                      |
| Student Activities                  |                    | 22,881.47            |
|                                     | \$ 4,399,200.08    | \$ 22,881.47         |
| Fund Balance 06/30/20 (As restated) | \$ 4,399,200.08    | \$ 22,881.47         |

**Township of Green Brook School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 21: PRIOR PERIOD ADJUSTMENTS/RESTATEMENTS (Continued)**

|                                     |    | <u>Fiduciary Fund</u>              |
|-------------------------------------|----|------------------------------------|
| Liabilities 06/30/20                | \$ | 37,257.80                          |
| Adjustments:                        |    |                                    |
| Payroll deductions and withholdings |    | (4,376.33)                         |
| Accounts Payable-Student Activities |    | (2,576.85)                         |
| Due to student groups               |    | (20,304.62)                        |
| Interfunds                          |    | <u>(10,000.00)</u>                 |
| Liabilities 06/30/20 (As restated)  | \$ | <u><u>-</u></u>                    |
|                                     |    |                                    |
|                                     |    | <u>Fiduciary Fund</u>              |
| Net Position 06/30/20               | \$ | 23,829.94                          |
| Adjustments:                        |    |                                    |
| Unemployment Trust                  |    | <u>(23,829.94)</u>                 |
| Net Position 06/30/20 (As restated) | \$ | <u><u>-</u></u>                    |
|                                     |    |                                    |
|                                     |    | <u>Governmental<br/>Activities</u> |
| Net Position 06/30/20               | \$ | 7,708,702.54                       |
| Adjustments:                        |    |                                    |
| Student Activities                  |    | 22,881.47                          |
| Unemployment Compensation           |    | <u>23,829.94</u>                   |
| Net Position 06/30/20 (As restated) | \$ | <u><u>7,755,413.95</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, 2021

|   | ORIGINAL<br>BUDGET   | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET         | ACTUAL               | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|---|----------------------|---------------------------------------|----------------------|----------------------|---|
| <b>REVENUES:</b>  |                      |                                       |                      |                      |   |
| Local Sources:  |                      |                                       |                      |                      |   |
| Local Tax Levy  | \$ 22,991,320.00     | \$                                    | \$ 22,991,320.00     | \$ 22,991,320.00     | \$ (58,646.05)                          |
| Tuition from Individuals                                  | 202,500.00           |                                       | 202,500.00           | 143,853.95           | 172,241.97                              |
| Tuition from Other LEAs Within State                      | 165,000.00           |                                       | 165,000.00           | 337,241.97           | 4,393.10                                |
| Transportation Fees From Individuals                      |                      |                                       |                      |                      | (6,660.00)                              |
| Transportation Fees From Other LEAs                       | 6,660.00             |                                       | 6,660.00             | 183,769.25           | 68,769.25                               |
| Unrestricted Miscellaneous Revenues                       | 115,000.00           |                                       | 115,000.00           | 2,358.64             | 2,258.64                                |
| Interest Earned on Maintenance Reserve                    | 100.00               |                                       | 100.00               | 14,166.11            | 13,766.11                               |
| Interest Earned on Capital Reserve Funds                  | 400.00               |                                       | 400.00               | 177.61               | 177.61                                  |
| Other Restricted Miscellaneous Revenues                   |                      |                                       |                      |                      | 196,300.63                              |
| <b>Total Local Sources</b>                                | <b>23,480,980.00</b> |                                       | <b>23,480,980.00</b> | <b>23,677,280.63</b> |   |
| State Sources:  |                      |                                       |                      |                      |   |
| Categorical Transportation Aid                            | 289,595.00           |                                       | 289,595.00           | 289,595.00           | 347,001.00                              |
| Extraordinary Aid   | 250,000.00           |                                       | 250,000.00           | 597,001.00           |   |
| Categorical Special Education Aid                         | 928,901.00           |                                       | 928,901.00           | 928,901.00           |   |
| Categorical Security Aid                                  | 48,339.00            |                                       | 48,339.00            | 48,339.00            |   |
| Other State Aids  |                      |                                       |                      | 17,690.00            | 17,690.00                               |
| On-behalf TPAF Contributions-non-budgeted                 |                      |                                       |                      | 1,871,565.00         | 1,871,565.00                            |
| On-behalf TPAF N.C.G.I.-non-budgeted                      |                      |                                       |                      | 35,609.00            | 35,609.00                               |
| Reimbursed TPAF Social Security Contribution-non-budgeted |                      |                                       |                      | 497,691.79           | 497,691.79                              |
| Post Retirement Medical-non budgeted                      |                      |                                       |                      | 597,679.00           | 597,679.00                              |
| Long Term Disability Insurance                            |                      |                                       |                      | 1,162.00             | 1,162.00                                |
| <b>Total State Sources</b>                                | <b>1,516,835.00</b>  |                                       | <b>1,516,835.00</b>  | <b>4,885,232.79</b>  | <b>3,368,397.79</b>                     |
| <b>Total Revenues</b>                                     | <b>24,997,815.00</b> |                                       | <b>24,997,815.00</b> | <b>28,562,513.42</b> | <b>3,564,698.42</b>                     |
| <b>EXPENDITURES:</b>                                      |                      |                                       |                      |                      |   |
| CURRENT EXPENSE:  |                      |                                       |                      |                      |   |
| Instruction - Regular Programs:                           |                      |                                       |                      |                      |   |
| Preschool   | 253,080.00           |                                       | 253,080.00           | 188,621.70           | 64,458.30                               |
| Kindergarten  | 248,843.00           |                                       | 248,843.00           | 233,430.00           | 15,413.00                               |
| Grades 1-5  | 1,933,540.00         | 33,022.00                             | 1,966,562.00         | 1,966,440.93         | 121.07                                  |
| Grades 6-8  | 1,684,392.00         | 70,923.00                             | 1,755,315.00         | 1,755,314.31         | 0.69                                    |
| Regular programs - home instruction:                      |                      |                                       |                      |                      |   |
| Salaries of teachers                                      | 15,000.00            | 630.00                                | 15,630.00            | 156.00               | 15,474.00                               |

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, 2021

|   | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET  | ACTUAL        | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|---|--------------------|---------------------------------------|---------------|---------------|---|
| Regular programs (continued)                |                    |                                       |               |               |   |
| Other purchased services (400 - 500 series) | \$ 115,034.00      | \$ 3,931.00                           | \$ 118,965.00 | \$ 112,960.79 | \$ 6,004.21                             |
| General supplies                            | 365,890.28         | 8,000.00                              | 373,890.28    | 310,616.94    | 63,273.34                               |
| Textbooks                                   | 3,000.00           |                                       | 3,000.00      | 3,000.00      |   |
| Total regular programs                      | 4,618,779.28       | 116,506.00                            | 4,735,285.28  | 4,570,540.67  | 164,744.61                              |
| Instruction - Special Education:            |                    |                                       |               |               |   |
| Learning and/or Language Disabilities:      |                    |                                       |               |               |   |
| Salaries of Teachers                        | 185,595.00         |                                       | 185,595.00    | 138,923.80    | 46,671.20                               |
| General Supplies                            | 3,481.00           |                                       | 3,481.00      | 3,089.76      | 391.24                                  |
| Total Learning and/or Language Disabilities | 189,076.00         |                                       | 189,076.00    | 142,013.56    | 47,062.44                               |
| Behavioral Disabilities:                    |                    |                                       |               |               |   |
| Salaries of Teachers                        | 59,318.00          | 217.00                                | 59,535.00     | 59,535.00     |   |
| Other Salaries for Instruction              | 59,965.00          | 562.00                                | 59,527.00     | 59,526.03     | 0.97                                    |
| General Supplies                            | 925.00             |                                       | 925.00        | 137.34        | 787.66                                  |
| Total Behavioral Disabilities               | 119,208.00         | 779.00                                | 119,987.00    | 119,198.37    | 788.63                                  |
| Resource Room / Resource Center:            |                    |                                       |               |               |   |
| Salaries of Teachers                        | 1,182,018.00       | 31,250.00                             | 1,213,268.00  | 1,213,267.68  | 0.32                                    |
| General Supplies                            | 6,340.00           |                                       | 6,340.00      | 3,030.59      | 3,309.41                                |
| Total Resource Room / Resource Center       | 1,188,358.00       | 31,250.00                             | 1,219,608.00  | 1,216,298.27  | 3,309.73                                |

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, 2021

|   | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET    | ACTUAL          | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|---|--------------------|---------------------------------------|-----------------|-----------------|---|
| Total Special Education                         | \$ 1,496,642.00    | \$ 32,029.00                          | \$ 1,528,671.00 | \$ 1,477,510.20 | \$ 51,160.80                            |
| Basic Skills / Remedial:                        |                    |                                       |                 |                 |   |
| Salaries of Teachers                            | 113,646.00         | 1,000.00                              | 114,646.00      | 63,225.00       | 51,421.00                               |
| General Supplies                                | 2,799.00           |                                       | 2,799.00        | 2,770.29        | 28.71                                   |
| Total Basic Skills / Remedial                   | 116,445.00         | 1,000.00                              | 117,445.00      | 65,995.29       | 51,449.71                               |
| Bilingual Education Instruction:                |                    |                                       |                 |                 |   |
| Salaries of Teachers                            | 40,274.00          | 748.00                                | 41,022.00       | 41,021.60       | 0.40                                    |
| General Supplies                                | 400.00             |                                       | 400.00          | 396.00          | 4.00                                    |
| Total Bilingual Education Instruction           | 40,674.00          | 748.00                                | 41,422.00       | 41,417.60       | 4.40                                    |
| School Sponsored Co-Curricular Activities:      |                    |                                       |                 |                 |   |
| Salaries  | 62,376.00          |                                       | 62,376.00       | 19,842.75       | 42,533.25                               |
| Supplies and Materials                          | 10,525.00          |                                       | 10,525.00       | 5,959.00        | 4,566.00                                |
| Total School Sponsored Co-Curricular Activities | 72,901.00          |                                       | 72,901.00       | 25,801.75       | 47,099.25                               |
| School Sponsored Athletics:                     |                    |                                       |                 |                 |   |
| Salaries  | 47,495.00          |                                       | 47,495.00       | 42,721.00       | 4,774.00                                |
| Purchased Services (300-500 Series)             | 3,050.00           |                                       | 3,050.00        | 742.50          | 2,307.50                                |
| Supplies and Materials                          | 6,858.00           |                                       | 6,858.00        | 2,961.03        | 3,896.97                                |
| Other Objects                                   | 11,420.00          |                                       | 11,420.00       | 3,265.00        | 8,155.00                                |
| Total School Sponsored Athletics                | 68,823.00          |                                       | 68,823.00       | 49,689.53       | 19,133.47                               |
| Summer School Instruction:                      |                    |                                       |                 |                 |   |
| Salaries  | 71,465.00          |                                       | 71,465.00       | 31,395.00       | 40,070.00                               |
| Other Salaries of Instruction                   | 44,505.00          |                                       | 44,505.00       | 15,179.01       | 29,325.99                               |
| Other Purchased Services (400-500 series)       | 6,000.00           |                                       | 6,000.00        |                 | 6,000.00                                |
| General Supplies                                | 1,400.00           |                                       | 1,400.00        |                 | 1,400.00                                |
| Total Summer School Instruction                 | 123,370.00         |                                       | 123,370.00      | 46,574.01       | 76,795.99                               |
| Total Summer School                             | 123,370.00         |                                       | 123,370.00      | 46,574.01       | 76,795.99                               |
| Total Other Instructional Programs              | 422,213.00         | 1,748.00                              | 423,961.00      | 229,478.18      | 194,482.82                              |
| Total - Instruction                             | 6,537,534.28       | 150,283.00                            | 6,687,917.28    | 6,277,529.05    | 410,388.23                              |

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, 2021

|  | ORIGINAL<br>BUDGET  | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET        | ACTUAL              | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|--|---------------------|---------------------------------------|---------------------|---------------------|---|
| Undistributed Expenditures:                                      |                     |                                       |                     |                     |   |
| Instruction:   |                     |                                       |                     |                     |   |
| Tuition to Other LEA's within the State - Regular                | \$ 7,351,865.00     | \$ 202,492.00                         | \$ 7,554,357.00     | \$ 7,554,281.25     | \$ 75.75                                |
| Tuition to Other LEA's within the State - Special                | 1,246,220.00        | (87,875.00)                           | 1,158,345.00        | 1,086,770.16        | 71,574.84                               |
| Tuition to County Vocational School District - Regular           | 8,775.00            |                                       | 8,775.00            | 8,775.00            |   |
| Tuition to County Vocational School District - Sp Ed             | 4,050.00            | 46,950.00                             | 51,000.00           | 46,815.96           | 4,184.04                                |
| Tuition to Private Schools for the Handicapped w/in State        | 668,489.00          | (126,665.00)                          | 541,824.00          | 429,137.23          | 112,686.77                              |
| Tuition - Other  | 73,077.00           | (73,077.00)                           |                     |                     |   |
| Total Undistributed Expenditures - Instruction                   | <u>9,352,476.00</u> | <u>(38,175.00)</u>                    | <u>9,314,301.00</u> | <u>9,125,779.60</u> | <u>188,521.40</u>                       |
| Attendance and Social Work Services:                             |                     |                                       |                     |                     |   |
| Salaries   | 23,673.00           | 3,358.00                              | 27,031.00           | 24,916.44           | 2,114.56                                |
| Total Attendance and Social Work Services                        | <u>23,673.00</u>    | <u>3,358.00</u>                       | <u>27,031.00</u>    | <u>24,916.44</u>    | <u>2,114.56</u>                         |
| Health Services:   |                     |                                       |                     |                     |   |
| Salaries   | 160,175.00          | 2,955.00                              | 163,130.00          | 154,594.25          | 8,535.75                                |
| Purchased Professional and Technical Services                    | 3,960.00            |                                       | 3,960.00            | 2,825.00            | 1,135.00                                |
| Supplies and Materials   | 15,664.93           | 17,475.00                             | 33,139.93           | 30,665.67           | 2,474.26                                |
| Other Objects  | 1,000.00            |                                       | 1,000.00            |                     | 1,000.00                                |
| Total Health Services  | <u>180,799.93</u>   | <u>20,430.00</u>                      | <u>201,229.93</u>   | <u>188,084.92</u>   | <u>13,145.01</u>                        |
| Other Support Services - Speech, OT, PT & Related Services:      |                     |                                       |                     |                     |   |
| Salaries   | 231,006.00          | 900.00                                | 231,906.00          | 230,899.95          | 1,006.05                                |
| Purchased Professional - Educational Services                    | 92,200.00           |                                       | 92,200.00           | 62,098.03           | 30,101.97                               |
| Supplies and Materials   | 5,877.00            |                                       | 5,877.00            | 2,568.63            | 3,308.37                                |
| Total Other Support Services - Speech, OT, PT & Related Services | <u>329,083.00</u>   | <u>900.00</u>                         | <u>329,983.00</u>   | <u>295,566.61</u>   | <u>34,416.39</u>                        |
| Other Support Services - Students - Extra Services               |                     |                                       |                     |                     |   |
| Salaries   | 545,525.00          | 1,811.00                              | 547,336.00          | 543,129.71          | 4,206.29                                |
| Purchased Professional - Educational Services                    | 213,000.00          |                                       | 213,000.00          | 176,748.75          | 36,251.25                               |
| Total Other Support Services - Students - Extra Services         | <u>758,525.00</u>   | <u>1,811.00</u>                       | <u>760,336.00</u>   | <u>719,878.46</u>   | <u>40,457.54</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, 2021

|  | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET      | ACTUAL            | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|--|--------------------|---------------------------------------|-------------------|-------------------|---|
| Guidance:  |                    |                                       |                   |                   |   |
| Salaries of Other Professional Staff                     | \$ 151,228.00      | \$ 1,700.00                           | \$ 152,928.00     | \$ 152,926.52     | 1.48                                    |
| Other Purchased Services                                 | 500.00             | 60.00                                 | 560.00            | 542.76            | 17.24                                   |
| Supplies and Materials                                   | 415.00             |                                       | 415.00            | 185.42            | 229.58                                  |
| <b>Total Guidance</b>                                    | <b>152,143.00</b>  | <b>1,760.00</b>                       | <b>153,903.00</b> | <b>153,654.70</b> | <b>248.30</b>                           |
| Child Study Teams:                                       |                    |                                       |                   |                   |   |
| Salaries of Other Professional Staff                     | 408,455.00         | 26,001.00                             | 434,456.00        | 433,597.64        | 858.36                                  |
| Salaries of Secretarial and Clerical Assistants          | 68,527.00          | 665.00                                | 69,192.00         | 69,191.95         | 0.05                                    |
| Purchased Professional Educational Services              | 83,575.00          |                                       | 83,575.00         | 42,668.59         | 40,906.41                               |
| Other Purchased Services (400-500 series)                | 10,194.00          | 160.00                                | 10,354.00         | 3,604.12          | 6,749.88                                |
| Supplies and Materials                                   | 15,023.00          |                                       | 15,023.00         | 7,246.10          | 7,776.90                                |
| Other Objects  | 3,075.00           |                                       | 3,075.00          | 2,845.00          | 230.00                                  |
| <b>Total Child Study Teams</b>                           | <b>588,849.00</b>  | <b>26,826.00</b>                      | <b>615,675.00</b> | <b>559,153.40</b> | <b>56,521.60</b>                        |
| Improvement of Instruction Services                      |                    |                                       |                   |                   |   |
| Other Support Services - Instructional Staff:            |                    |                                       |                   |                   |   |
| Salaries of Other Professional Staff                     | 12,100.00          |                                       | 12,100.00         | 4,200.00          | 7,900.00                                |
| Purchased Prof. and Tech. Services                       | 6,810.00           | 330.00                                | 7,140.00          | 7,139.23          | 0.77                                    |
| <b>Total Improvement of Instruction Services /</b>       | <b>18,910.00</b>   | <b>330.00</b>                         | <b>19,240.00</b>  | <b>11,339.23</b>  | <b>7,900.77</b>                         |
| Other Support Services - Instructional Staff             |                    |                                       |                   |                   |   |
| Educational Media Services / School Library:             |                    |                                       |                   |                   |   |
| Salaries   | 32,565.00          | 1,958.00                              | 34,523.00         | 33,453.64         | 1,069.36                                |
| Other Purchased Services (400-500 Series)                | 4,300.00           | 100.00                                | 4,400.00          | 3,511.87          | 888.13                                  |
| Supplies and materials                                   | 6,910.00           |                                       | 6,910.00          | 6,910.00          | 0.00                                    |
| <b>Total Educational Media Services / School Library</b> | <b>43,775.00</b>   | <b>2,058.00</b>                       | <b>45,833.00</b>  | <b>36,965.51</b>  | <b>8,867.49</b>                         |

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, 2021

|  | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET      | ACTUAL            | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|--|--------------------|---------------------------------------|-------------------|-------------------|---|
| Instructional Staff Training Services:               |                    |                                       |                   |                   |   |
| Salaries of Other Professional Staff                 | \$ 43,697.00       | \$ 428.00                             | \$ 44,125.00      | \$ 44,124.98      | \$ 0.02                                 |
| Salaries of Secretarial and Clerical Assistants      | 7,140.00           |                                       | 7,140.00          | 1,071.00          | 6,069.00                                |
| Purchased Professional - Educational Services        | 28,500.00          |                                       | 28,500.00         | 1,080.00          | 27,420.00                               |
| Other Purchased Services (400- 500)                  | 6,000.00           |                                       | 6,000.00          | 2,200.00          | 3,800.00                                |
| Supplies and materials                               | 2,000.00           |                                       | 2,000.00          | 941.10            | 1,058.90                                |
| <b>Total Instructional Staff Training Services</b>   | <b>87,337.00</b>   | <b>428.00</b>                         | <b>87,765.00</b>  | <b>49,417.08</b>  | <b>38,347.92</b>                        |
| Support Services General Administration:             |                    |                                       |                   |                   |   |
| Salaries   | 223,759.00         | (16,657.00)                           | 207,102.00        | 207,100.33        | 1.67                                    |
| Legal Services                                       | 35,000.00          | 35,000.00                             | 70,000.00         | 48,328.50         | 21,671.50                               |
| Expenditure and Internal Control Audit Fees          | 21,000.00          | 11,500.00                             | 32,500.00         | 32,500.00         |   |
| Other Purchased Professional Services                | 18,610.00          |                                       | 18,610.00         | 16,470.00         | 2,140.00                                |
| Communications / Telephone                           | 3,424.00           |                                       | 3,424.00          | 2,342.37          | 1,081.63                                |
| Board Travel Expense                                 | 1,600.00           |                                       | 1,600.00          | 1,600.00          |   |
| Miscellaneous Expenditures                           | 29,585.00          |                                       | 29,585.00         | 25,060.00         | 4,525.00                                |
| BOE In- House Training/ Meeting Supplies             | 500.00             |                                       | 500.00            | 500.00            |   |
| Judgements against the District                      | 15,000.00          | (1,116.00)                            | 13,884.00         | 10,000.00         | 3,884.00                                |
| Miscellaneous Expenditures                           | 3,575.00           |                                       | 3,575.00          | 3,555.89          | 19.11                                   |
| BOE Membership Dues and Fees                         | 10,400.00          |                                       | 10,400.00         | 10,193.50         | 206.50                                  |
| <b>Total Support Services General Administration</b> | <b>362,453.00</b>  | <b>28,727.00</b>                      | <b>391,180.00</b> | <b>355,550.59</b> | <b>35,629.41</b>                        |
| Support Services School Administration:              |                    |                                       |                   |                   |   |
| Salaries of Principals / Asst. Principals            | 228,542.00         | 22,208.00                             | 248,750.00        | 241,466.92        | 7,283.08                                |
| Salaries of Secretarial and Clerical Assistants      | 162,669.00         | 368.00                                | 163,037.00        | 163,036.19        | 0.81                                    |
| Other Purchased Services(400-500 series)             | 14,900.00          | 3,011.00                              | 17,911.00         | 14,192.39         | 3,718.61                                |
| Supplies and Materials                               | 12,825.00          |                                       | 12,825.00         | 4,575.10          | 8,249.90                                |
| Other Objects  | 4,245.00           | (1,000.00)                            | 3,245.00          | 2,350.80          | 894.20                                  |
| <b>Total Support Services School Administration</b>  | <b>421,181.00</b>  | <b>24,587.00</b>                      | <b>445,768.00</b> | <b>425,621.40</b> | <b>20,146.60</b>                        |

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, 2021

|   | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET      | ACTUAL            | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|---|--------------------|---------------------------------------|-------------------|-------------------|---|
| Central Service:  |                    |                                       |                   |                   |   |
| Salaries  | \$ 336,766.00      | \$ (4,339.00)                         | \$ 332,427.00     | \$ 308,815.44     | \$ 23,611.56                            |
| Misc. Purch Services (400-500)                          | 16,163.00          | 1,200.00                              | 17,363.00         | 9,410.58          | 7,952.42                                |
| Supplies and Materials                                  | 5,000.00           |                                       | 5,000.00          | 3,542.35          | 1,457.65                                |
| Miscellaneous Expenditures                              | 1,800.00           |                                       | 1,800.00          | 1,190.00          | 610.00                                  |
| <b>Total Central Service</b>                            | <b>359,729.00</b>  | <b>(3,139.00)</b>                     | <b>356,590.00</b> | <b>322,958.37</b> | <b>33,631.63</b>                        |
| Administrative Information Technology:                  |                    |                                       |                   |                   |   |
| Salaries  | 97,693.00          | 6,373.00                              | 104,066.00        | 102,082.23        | 1,983.77                                |
| Purchased Technical Services                            | 31,900.00          | (9,000.00)                            | 22,900.00         | 20,832.88         | 2,067.12                                |
| Other Purchased Services                                | 1,000.00           |                                       | 1,000.00          | 250.00            | 750.00                                  |
| <b>Total Administrative Information Technology</b>      | <b>130,593.00</b>  | <b>(2,627.00)</b>                     | <b>127,966.00</b> | <b>123,165.11</b> | <b>4,800.89</b>                         |
| Required Maintenance for School Facilities:             |                    |                                       |                   |                   |   |
| Salaries  | 73,368.00          | 376.00                                | 73,744.00         | 73,743.54         | 0.46                                    |
| Cleaning, Repair and Maintenance Services               | 45,430.00          | (6,651.25)                            | 38,778.75         | 37,619.91         | 1,158.84                                |
| General Supplies  | 38,500.00          | 15,437.25                             | 53,937.25         | 52,824.30         | 1,112.95                                |
| Other Objects   | 900.00             | 545.00                                | 1,445.00          | 1,445.00          |   |
| <b>Total Required Maintenance for School Facilities</b> | <b>158,198.00</b>  | <b>9,707.00</b>                       | <b>167,905.00</b> | <b>165,632.75</b> | <b>2,272.25</b>                         |

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, 2021

|   | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET  | ACTUAL        | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|---|--------------------|---------------------------------------|---------------|---------------|---|
| Custodial Services:                           |                    |                                       |               |               |   |
| Salaries                                      | \$ 521,347.00      | \$ 24.00                              | \$ 521,371.00 | \$ 513,823.03 | \$ 7,547.97                             |
| Purchased Professional and Technical Services | 2,200.00           | (800.00)                              | 1,400.00      | 1,300.00      | 100.00                                  |
| Cleaning, Repair and Maintenance Services     | 25,600.00          |                                       | 25,600.00     | 22,228.36     | 3,371.64                                |
| Other Purchased Property Services             | 27,712.00          | 9.00                                  | 27,721.00     | 16,950.36     | 10,770.64                               |
| Insurance                                     | 182,469.00         | 15,572.00                             | 178,041.00    | 178,041.00    |   |
| General Supplies                              | 32,500.00          | (2,445.00)                            | 30,055.00     | 26,707.08     | 3,347.92                                |
| Energy (Natural Gas)                          | 75,190.00          |                                       | 75,190.00     | 68,275.02     | 6,914.98                                |
| Energy (Heat and Electricity)                 | 260,590.00         |                                       | 260,590.00    | 180,140.30    | 80,449.70                               |
| Other Objects                                 | 1,205.00           |                                       | 1,205.00      | 705.00        | 500.00                                  |
| Total Custodial Services                      | 1,108,813.00       | 12,360.00                             | 1,121,173.00  | 1,008,170.15  | 113,002.85                              |
| Care and Upkeep of Grounds:                   |                    |                                       |               |               |   |
| General Supplies                              | 5,000.00           |                                       | 5,000.00      | 4,327.49      | 672.51                                  |
| Total Care and Upkeep of Grounds              | 5,000.00           |                                       | 5,000.00      | 4,327.49      | 672.51                                  |

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, 2021

|   | ORIGINAL<br>BUDGET  | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET        | ACTUAL              | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|---|---------------------|---------------------------------------|---------------------|---------------------|---|
| Student Transportation Services:                                      |                     |                                       |                     |                     |   |
| Salaries for Pupil Transportation (Between Home and School) - Regular | \$ 52,033.00        | \$                                    | \$ 52,033.00        | \$ 52,032.02        | \$ 0.98                                 |
| Management Fee- ESC & CTSA Trans. Program                             | 20,000.00           |                                       | 20,000.00           | 10,732.80           | 9,267.20                                |
| Contracted Services - Aid in Lieu Payments-NonPub Sch                 | 62,000.00           | 1,000.00                              | 63,000.00           | 59,000.00           | 4,000.00                                |
| Contracted Services (Aetween Home & School) - Vendors                 | 931,695.00          | (2,000.00)                            | 929,695.00          | 898,970.91          | 30,724.09                               |
| Contracted Services (Other than Between Home and School) - Vendors    | 41,395.00           |                                       | 41,395.00           | 3,477.00            | 37,918.00                               |
| Contract Services (Sp. Ed. Stds.) - Vendors                           | 11,800.00           |                                       | 11,800.00           | 11,800.00           | 0.00                                    |
| Contracted Services (Spec. Ed. Students) - Joint Agreements           | 29,275.00           | 2,000.00                              | 31,275.00           | 9,337.35            | 21,937.65                               |
| Contracted Services -(Spec.Ed. Students) - ESCs & CTSA                | 483,824.00          |                                       | 483,824.00          | 239,076.48          | 244,747.52                              |
| Miscellaneous Purchased Services - Transportation                     | 5,780.00            |                                       | 5,780.00            | 600.00              | 5,180.00                                |
| Other Objects   | 200.00              |                                       | 200.00              | 200.00              | 0.00                                    |
| <b>Total Student Transportation Services</b>                          | <b>1,638,002.00</b> | <b>1,000.00</b>                       | <b>1,639,002.00</b> | <b>1,273,426.56</b> | <b>365,575.44</b>                       |
| Unallocated Benefits - Employee Benefits:                             |                     |                                       |                     |                     |   |
| Social Security Contributions   | 200,850.00          |                                       | 200,850.00          | 188,698.67          | 12,151.33                               |
| T.P.A.F. Contributions - ERIP   | 40,170.00           |                                       | 40,170.00           | 36,799.92           | 3,370.08                                |
| Other Retirement Contributions - PERS                                 | 299,977.00          |                                       | 299,977.00          | 270,752.91          | 29,224.09                               |
| Other Retirement Contributions - Regular                              | 5,665.00            | 94.00                                 | 5,759.00            | 5,758.69            | 0.31                                    |
| Unemployment Compensation   | 15,000.00           |                                       | 15,000.00           | 15,000.00           | 0.00                                    |
| Workmen's Compensation  | 138,538.00          | (11,129.00)                           | 127,409.00          | 117,570.00          | 9,839.00                                |
| Health Benefits   | 2,736,637.00        | (324,219.00)                          | 2,412,418.00        | 2,190,325.14        | 222,092.86                              |
| Tuition Reimbursements  | 35,000.00           |                                       | 35,000.00           | 19,509.25           | 15,490.75                               |
| Other Employee Benefits   | 5,300.00            | 1,840.00                              | 7,140.00            | 5,039.00            | 2,101.00                                |
| Unused sick payment   | 10,000.00           |                                       | 10,000.00           | 10,000.00           | 0.00                                    |
| <b>Total Unallocated Benefits - Employee Benefits</b>                 | <b>3,487,137.00</b> | <b>(333,414.00)</b>                   | <b>3,153,723.00</b> | <b>2,834,453.58</b> | <b>319,269.42</b>                       |

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, 2021

|   | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET  | ACTUAL        | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|---|--------------------|---------------------------------------|---------------|---------------|---|
| On-Behalf TPAF Contributions (Non-Budgeted):  |                    |                                       |               |               |   |
| On-behalf TPAF Contributions-non-budgeted   |                    |                                       |               | 1,871,565.00  | (1,871,565.00)                          |
| On-behalf TPAF N.C.G.I.-non-budgeted  |                    |                                       |               | 35,609.00     | (35,609.00)                             |
| Post Retirement Medical-non budgeted  |                    |                                       |               | 597,679.00    | (597,679.00)                            |
| Reimbursed TPAF Social Security Contribution-non-budgeted                                       |                    |                                       |               | 497,691.79    | (497,691.79)                            |
| Long Term Disability Insurance  |                    |                                       |               | 1,162.00      | (1,162.00)                              |
| Total TPAF Pension/Social Security  |                    |                                       |               | 3,003,706.79  | (3,003,706.79)                          |
| Total Undistributed Expenditures  | 19,009,237.93      | (45,634.00)                           | 18,963,603.93 | 20,681,768.74 | (1,718,164.81)                          |
| TOTAL EXPENDITURES - CURRENT EXPENSE  | 25,546,872.21      | 104,649.00                            | 25,651,521.21 | 26,959,297.79 | (1,307,776.58)                          |
| CAPITAL OUTLAY:   |                    |                                       |               |               |   |
| Equipment:  |                    |                                       |               |               |   |
| Undistributed-Req. Maint. For Schools   |                    | 51,569.00                             | 51,569.00     | 11,445.00     | 40,124.00                               |
| Undistributed-Security  |                    | 41,221.00                             | 41,221.00     | 40,920.30     | 300.70                                  |
| Total Equipment   |                    | 92,790.00                             | 92,790.00     | 52,365.30     | 40,424.70                               |
| Facilities Acquisition and Construction Services:<br>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     |   |
| TOTAL CAPITAL OUTLAY  | 56,699.00          | 92,790.00                             | 149,489.00    | 109,064.30    | 40,424.70                               |
| Transfer of funds to charter schools  | 14,214.00          |                                       | 14,214.00     | 14,214.00     |   |
| TOTAL EXPENDITURES  | 25,617,785.21      | 197,439.00                            | 25,815,224.21 | 27,082,576.09 | (1,267,351.88)                          |

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, 2021

|   | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET    | ACTUAL          | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|---|--------------------|---------------------------------------|-----------------|-----------------|---|
| Excess (deficiency) of revenues<br>over (under) expenditures  | \$ (619,970.21)    | \$ (197,439.00)                       | \$ (817,409.21) | \$ 1,479,937.33 | \$ 2,297,346.54                         |
| Other financing sources (uses)  |                    |                                       |                 | 38,458.18       | 38,458.18                               |
| Transfers from Other Funds  |                    |                                       |                 | 38,458.18       | 38,458.18                               |
| Total other financing sources   |                    |                                       |                 |                 |   |
| Excess of revenues and other financing sources over<br>expenditures and other expenditures and other<br>financing sources | (619,970.21)       | (197,439.00)                          | (817,409.21)    | 1,518,395.51    | 2,335,804.72                            |
| Fund balances, July 1   | 4,491,559.14       |                                       | 4,491,559.14    | 4,491,559.14    |   |
| Prior Period Adjustment   |                    |                                       |                 | 23,829.94       |   |
| Fund Balances, July 1, Restated   |                    |                                       |                 | 4,515,389.08    |   |
| Fund balances, June 30  | \$ 3,871,588.93    | \$ (197,439.00)                       | \$ 3,674,149.93 | \$ 6,033,784.59 | \$ 2,335,804.72                         |

Recapitulation:

- Assigned - year-end encumbrances \$ 43,644.97
- Restricted - excess surplus - current year 300,000.00
- Restricted - excess surplus - designated for subsequent year's expenditures 350,000.00
- Restricted - capital reserve 3,210,177.66
- Restricted - maintenance reserve 378,108.64
- Restricted - tuition reserve 400,000.00
- Restricted - unemployment claims 24,007.55
- Unassigned fund balance 1,327,845.77

\$ 6,033,784.59

Reconciliation to governmental funds statements (GAAP):  
Prior Year aid payment not recognized on GAAP basis

(120,351.00)

\$ 5,913,433.59

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|   | ORIGINAL<br>BUDGET   | BUDGET TRANSFERS/<br>AMENDMENTS | FINAL<br>BUDGET      | ACTUAL               | VARIANCE<br>FINAL TO ACTUAL |
|---|----------------------|---------------------------------|----------------------|----------------------|-----------------------------|
| REVENUES:   |                      |                                 |                      |                      |                             |
| Other Sources   | \$ 201,480.00        | \$ 57,233.88                    | \$ 57,233.88         | \$ 29,263.05         | \$ (27,970.83)              |
| Federal Sources   |                      | 117,294.51                      | 318,774.51           | 293,914.51           | (24,860.00)                 |
| Total Revenues  | <u>\$ 201,480.00</u> | <u>\$ 174,528.39</u>            | <u>\$ 376,008.39</u> | <u>\$ 323,177.56</u> | <u>\$ (52,830.83)</u>       |
| EXPENDITURES:   |                      |                                 |                      |                      |                             |
| Instruction:  |                      |                                 |                      |                      |                             |
| Salaries of Teachers                                      | \$ 65,022.00         | \$ (29,834.16)                  | \$ 35,187.84         | \$ 35,187.84         | \$                          |
| Tuition   | 136,458.00           | 30,067.00                       | 166,525.00           | 166,525.00           | \$                          |
| General Supplies  |                      | 45,452.86                       | 45,452.86            | 14,614.96            | 30,837.90                   |
| Total Instruction   | <u>201,480.00</u>    | <u>45,685.70</u>                | <u>247,165.70</u>    | <u>216,327.80</u>    | <u>30,837.90</u>            |
| Support Services:   |                      |                                 |                      |                      |                             |
| Purchased Services Employee Benefits                      |                      | 10,392.38                       | 10,392.38            | 10,392.38            | \$                          |
| Other purchased services                                  |                      | 31,325.00                       | 31,325.00            | 9,133.00             | 22,192.00                   |
| Supplies and Materials                                    |                      | 75,095.51                       | 75,095.51            | 75,095.51            | \$                          |
| Student Activities  |                      | 12,029.80                       | 12,029.80            | 12,029.80            | \$                          |
| Total Support Services                                    |                      | <u>128,842.69</u>               | <u>128,842.69</u>    | <u>106,650.69</u>    | <u>22,192.00</u>            |
| Total expenditures  | <u>\$ 201,480.00</u> | <u>\$ 174,528.39</u>            | <u>\$ 376,008.39</u> | <u>\$ 322,978.49</u> | <u>\$ 53,029.90</u>         |
| Excess (Deficiency) of Revenues Over (Under) Expenditures |                      |                                 |                      | <u>199.07</u>        | <u>199.07</u>               |
| Fund Balance, July 1                                      |                      |                                 |                      | <u>22,881.47</u>     | <u>22,881.47</u>            |
| Prior Period Adjustment                                   |                      |                                 |                      | <u>22,881.47</u>     | <u>22,881.47</u>            |
| Fund Balance, July 1 (Restated)                           |                      |                                 |                      | <u>23,080.54</u>     | <u>23,080.54</u>            |
| Fund Balance, June 30                                     |                      |                                 |                      | <u>\$</u>            | <u>\$</u>                   |



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, 2021

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

|  | <u>GENERAL<br/>FUND</u> | <u>SPECIAL<br/>REVENUE<br/>FUND</u> |
|--|-------------------------|-------------------------------------|
| Sources/inflows of resources   |                         |                                     |
| Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule  | \$ 28,562,513.42        | \$ 323,177.56                       |
| Difference - budget to GAAP:   |                         |                                     |
| State aid payment recognized for GAAP statements in the current year, previously it was recognized for budgetary purposes.   | 116,189.00              |                                     |
| 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) | (120,351.00)            |                                     |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.   |                         |                                     |
| Adjust for encumbrances:   |                         |                                     |
| Add prior year encumbrances  |                         | 3,250.00                            |
| Less prior year encumbrances canceled  |                         | (3,250.00)                          |
| Less current year encumbrances   |                         | (675.00)                            |
| Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.   | <u>\$ 28,558,351.42</u> | <u>\$ 322,502.56</u>                |
| Uses/outflows of resources   |                         |                                     |
| Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule   | \$ 27,082,576.09        | \$ 322,978.49                       |
| Difference - budget to GAAP:   |                         |                                     |
| Adjust for encumbrances:   |                         |                                     |
| Add prior year encumbrances  |                         | 3,250.00                            |
| Less prior year encumbrances canceled  |                         | (3,250.00)                          |
| Less current year encumbrances   |                         | (675.00)                            |
| Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds  | <u>\$ 27,082,576.09</u> | <u>\$ 322,303.49</u>                |

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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

EXHIBIT "L-1"

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN 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) | 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%   |
| 2020                             | 0.0246902608%  | 4,026,336   | 1,743,897                           | 230.88%   | 58.32%   |

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 CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN YEARS

| Fiscal Year<br>Ending<br><u>June 30,</u> | Contractually<br>Required<br><u>Contribution</u> | Contributions in<br>Relation to the<br>Contractually<br>Required<br><u>Contributions</u> | Contribution<br>Deficiency<br>( <u>Excess</u> ) | District's<br>Covered-<br>Employee<br><u>Payroll</u> | Contributions as<br>a Percentage of<br>Covered-<br>Employee<br><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%  |
| 2021                                     | 281,824  | 281,824  | -0-   | 1,682,999  | 16.75%  |

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 TEN 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 | District's Proportion of the Net Pension Liability (Asset) as a percentage of its 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%  | \$ -0-  | \$ 31,284,759.00  | 5,359,598.00                        | -0-  | 583.71%  | 33.76%   |
| 2014                             | 0.0591463531%  | -0-   | 31,611,801.00   | 5,744,632.00                        | -0-  | 550.28%  | 33.64%   |
| 2015                             | 0.0570915841%  | -0-   | 36,084,319.00   | 5,824,911.00                        | -0-  | 619.48%  | 28.71%   |
| 2016                             | 0.0568291993%  | -0-   | 44,705,467.00   | 6,299,960.00                        | -0-  | 709.62%  | 22.33%   |
| 2017                             | 0.0603806274%  | -0-   | 40,710,796.00   | 6,584,770.00                        | -0-  | 618.26%  | 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%   |
| 2020                             | 0.0626714874%  | -0-   | 41,268,420.00   | 6,600,539.00                        | -0-  | 625.23%  | 24.60%   |

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, 2021

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<br>Date Ending<br><u>June 30.</u> | Discount<br><u>Rate</u> | Long-Term<br>Expected<br>Rate of<br><u>Return</u> | Actuarial<br>Experience<br><u>Study Period</u> |
|---|-------------------------|---|--|
| 2020  | 7.00%                   | 7.00%   | 07/01/14-06/30/18                              |
| 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<br>Date Ending<br><u>June 30.</u> | Discount<br><u>Rate</u> | Long-Term<br>Expected<br>Rate of<br><u>Return</u> | Actuarial<br>Experience<br><u>Study Period</u> |
|---|-------------------------|---|--|
| 2020  | 5.40%                   | 7.00%   | 07/01/15-06/30/18                              |
| 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 TEN YEARS

|  | Measurement Date Ended June 30, |                     |                     |                     |
|--|---------------------------------|---------------------|---------------------|---------------------|
|  | 2020                            | 2019                | 2018                | 2017                |
| Total Non-Employer OPEB Liability - State's Proportionate Share of Total OPEB Liability Associated with the School District                                  |                                 |                     |                     |                     |
| Balance at 6/30  | \$24,702,764                    | \$27,519,389        | \$29,673,676        | \$31,710,212        |
| Changes for the year:  |                                 |                     |                     |                     |
| Service cost   | 1,267,907                       | 1,307,560           | 1,393,152           | 1,685,041           |
| Interest   | 897,197                         | 1,101,500           | 1,099,588           | 942,398             |
| Changes of benefit terms   |                                 |                     |                     |                     |
| Differences between expected and actual experience   | 6,675,682                       | (4,858,182)         | (778,612)           |                     |
| Changes in assumptions or other inputs   | 7,344,926                       | 368,320             | (3,157,988)         | (4,001,978)         |
| Benefit payments   | 21,217                          | 22,478              | (735,859)           | (687,305)           |
| Contributions from Members   | (700,017)                       | (758,301)           | 25,432              | 25,308              |
| Net changes  | <u>15,506,912</u>               | <u>(2,816,625)</u>  | <u>(2,154,287)</u>  | <u>(2,036,536)</u>  |
| Balance at 6/30  | <u>\$40,209,676</u>             | <u>\$24,702,764</u> | <u>\$27,519,389</u> | <u>\$29,673,676</u> |
| Covered Employee Payroll   | 8,344,436                       | 8,496,894           | 8,617,732           | 8,535,218           |
| District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll                           | -0-                             | -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 | 481.87%                         | 290.73%             | 319.33%             | 347.66%             |

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, 2021

Change in benefit terms:           None

Change in assumptions:

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

| Measurement<br>Date Ending | Discount<br>Rate |
|----------------------------|------------------|
| <u>June 30,</u><br>2020    | 2.21%            |
| 2019                       | 3.50%            |
| 2018                       | 3.87%            |

**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, 2021

|  | COVID CARES<br>ESSER FUND | COVID CARES<br>SOMERSET CITY F/T | COVID CRF BRIDGING<br>THE DIGITAL DIVIDE | COVID CRF SCHOOL<br>RE-OPENING/REMOTE | IDEA PART B<br>BASIC | IDEA PART B<br>PRESCHOOL | TITLE I      | OTHER LOCAL  | TITLE IIA   | STUDENT<br>ACTIVITIES | TOTALS       |
|--|---------------------------|----------------------------------|--|---------------------------------------|----------------------|--------------------------|--------------|--------------|-------------|-----------------------|--------------|
| REVENUES:  |                           |                                  |  |                                       |                      |                          |              |              |             |                       |              |
| Local Sources  | \$ 1,652.00               | \$ 31,676.51                     | \$ 3,438.00                              | \$ 38,329.00                          | \$ 166,525.00        | \$ 7,461.00              | \$ 35,700.00 | \$ 17,034.18 | \$ 9,133.00 | \$ 12,228.87          | \$ 29,263.05 |
| Federal Sources  |                           |                                  |  |                                       |                      |                          |              |              |             |                       | 283,914.51   |
| Total Revenues   | 1,652.00                  | 31,676.51                        | 3,438.00                                 | 38,329.00                             | 166,525.00           | 7,461.00                 | 35,700.00    | 17,034.18    | 9,133.00    | 12,228.87             | 323,177.56   |
| EXPENDITURES:  |                           |                                  |  |                                       |                      |                          |              |              |             |                       |              |
| Instruction:   |                           |                                  |  |                                       |                      |                          |              |              |             |                       |              |
| Salaries of Teachers   |                           |                                  |  |                                       | 166,525.00           | 7,461.00                 | 25,500.00    | 2,226.84     |             |                       | 35,187.84    |
| Tuition  |                           |                                  |  |                                       |                      |                          |              | 14,614.96    |             |                       | 166,525.00   |
| General Supplies   |                           |                                  |  |                                       |                      |                          |              |              |             |                       | 14,614.96    |
| Total Instruction  |                           |                                  |  |                                       | 166,525.00           | 7,461.00                 | 25,500.00    | 16,841.80    |             |                       | 216,327.80   |
| Support Services:  |                           |                                  |  |                                       |                      |                          |              |              |             |                       |              |
| Personal Services Employee - Benefits                        |                           |                                  |  |                                       |                      |                          | 10,200.00    | 192.38       | 9,133.00    |                       | 10,392.38    |
| Other purchased services                                     | 1,652.00                  | 31,676.51                        | 3,438.00                                 | 38,329.00                             |                      |                          |              |              |             |                       | 9,133.00     |
| Supplies and Materials                                       |                           |                                  |  |                                       |                      |                          |              |              |             |                       | 75,095.51    |
| Student Activities   |                           |                                  |  |                                       |                      |                          |              |              |             | 12,029.80             | 12,029.80    |
| Total Support Services                                       | 1,652.00                  | 31,676.51                        | 3,438.00                                 | 38,329.00                             |                      |                          | 10,200.00    | 192.38       | 9,133.00    | 12,029.80             | 106,650.69   |
| Construction Services:                                       |                           |                                  |  |                                       |                      |                          |              |              |             |                       |              |
| Total Expenditures   | 1,652.00                  | 31,676.51                        | 3,438.00                                 | 38,329.00                             | 166,525.00           | 7,461.00                 | 35,700.00    | 17,034.18    | 9,133.00    | 12,029.80             | 322,978.49   |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures |                           |                                  |  |                                       |                      |                          |              |              |             | 199.07                | 199.07       |
| Fund Balance, July 1   |                           |                                  |  |                                       |                      |                          |              |              |             |                       |              |
| Prior Period Adjustment                                      |                           |                                  |  |                                       |                      |                          |              |              |             | 22,861.47             | 22,861.47    |
| Fund Balance, July 1 (Restated)                              |                           |                                  |  |                                       |                      |                          |              |              |             | 22,861.47             | 22,861.47    |
| Fund Balance, June 30  | \$ -                      | \$ -                             | \$ -                                     | \$ -                                  | \$ -                 | \$ -                     | \$ -         | \$ -         | \$ -        | \$ 23,060.54          | \$ 23,060.54 |

## **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, 2021

| <u>ISSUE/PROJECT TITLE</u> | <u>REVISED</u><br><u>APPROPRIATIONS</u> | <u>EXPENDITURES TO DATE</u> |                     | <u>BALANCE</u><br><u>JUNE 30, 2021</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, 2021

EXPENDITURES AND OTHER FINANCING USES:

|   |                                       |
|---|---------------------------------------|
| Transfer to Capital Reserve Fund            | \$ <u>38,458.18</u>                   |
| Total Expenditures and Other Financing Uses | <u>38,458.18</u>                      |
| Net change in fund balances                 | (38,458.18)                           |
| Fund Balance - Beginning of Year            | <u>38,458.18</u>                      |
| Fund Balance - End of Year                  | \$ <u><u>                    </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, 2021

|  | <u>PRIOR PERIODS</u> | <u>CURRENT YEAR</u>  | <u>TOTALS</u>     | <u>REVISED<br/>AUTHORIZED<br/>COST</u> |
|--|----------------------|----------------------|-------------------|--|
| <b>REVENUES AND OTHER FINANCING SOURCES:</b>                 |                      |                      |                   |  |
| SDA Grant  | \$ 19,231.00         | \$                   | \$ 19,231.00      | \$ 19,231.00                           |
| Transfer from capital reserve                                | <u>105,619.00</u>    | <u></u>              | <u>105,619.00</u> | <u>105,619.00</u>                      |
| Total Revenues and Other Financing Sources                   | <u>124,850.00</u>    | <u></u>              | <u>124,850.00</u> | <u>124,850.00</u>                      |
| <b>EXPENDITURES AND OTHER FINANCING USES:</b>                |                      |                      |                   |  |
| Purchased Professional and Technical Services                | 3,850.00             |                      | 3,850.00          | 3,850.00                               |
| Construction Services  | 118,543.89           |                      | 118,543.89        | 118,543.89                             |
| Transfer to Capital Reserve Fund                             |                      | <u>2,456.11</u>      | <u>2,456.11</u>   | <u>2,456.11</u>                        |
| Total Expenditures and Other Financing Uses                  | <u>122,393.89</u>    | <u>2,456.11</u>      | <u>124,850.00</u> | <u>124,850.00</u>                      |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | <u>\$ 2,456.11</u>   | <u>\$ (2,456.11)</u> | <u>\$</u>         |  |
| <b>ADDITIONAL PROJECT INFORMATION:</b>                       |                      |                      |                   |  |
| 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  | 100.00%              |                      |                   |  |

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, 2021

|  | <u>PRIOR PERIODS</u> | <u>CURRENT YEAR</u> | <u>TOTALS</u>    | <u>REVISED<br/>AUTHORIZED<br/>COST</u> |
|--|----------------------|---------------------|------------------|--|
| <b>REVENUES AND OTHER FINANCING SOURCES:</b>                 |                      |                     |                  |  |
| State Sources - Grant  | \$ 23,840.62         | \$                  | \$ 23,840.62     | \$ 23,840.62                           |
| Transfer from capital reserve                                | 71,763.00            |                     | 71,763.00        | 71,763.00                              |
| <b>Total Revenues and Other Financing Sources</b>            | <b>95,603.62</b>     |                     | <b>95,603.62</b> | <b>95,603.62</b>                       |
| <b>EXPENDITURES AND OTHER FINANCING USES:</b>                |                      |                     |                  |  |
| Purchased Professional and Technical Services                | 7,700.00             |                     | 7,700.00         | 7,700.00                               |
| Construction Services  | 51,901.55            |                     | 51,901.55        | 51,901.55                              |
| Transfer to Capital Reserve Fund                             |                      | 36,002.07           | 36,002.07        | 36,002.07                              |
| <b>Total Expenditures and Other Financing Uses</b>           | <b>59,601.55</b>     | <b>36,002.07</b>    | <b>95,603.62</b> | <b>95,603.62</b>                       |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | \$ 36,002.07         | \$ (36,002.07)      | \$               |  |
| <b>ADDITIONAL PROJECT INFORMATION:</b>                       |                      |                     |                  |  |
| 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  | 100.00%              |                     |                  |  |

**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, 2021

| ISSUE           | DATE OF ISSUE | AMOUNT OF ISSUE | MATURITIES |              | RATE OF INTEREST | BALANCE JUNE 30, 2020 | RETIRED         | BALANCE JUNE 30, 2021 |
|-----------------|---------------|-----------------|------------|--------------|------------------|-----------------------|-----------------|-----------------------|
|                 |               |                 | DATE       | AMOUNT       |                  |                       |                 |                       |
| Refunding Bonds | 9/14/2011     | \$ 8,200,000.00 |            |              |                  | \$ 1,095,000.00       | \$ 1,095,000.00 | \$                    |
| Refunding Bonds | 2/22/2012     | 9,175,000.00    | 5/15/2022  | 1,130,000.00 | 4.000%           | 9,060,000.00          |                 | 9,060,000.00          |
|                 |               |                 | 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%           |                       |                 |                       |
|                 |               |                 |            |              |                  | \$ 10,155,000.00      | \$ 1,095,000.00 | \$ 9,060,000.00       |

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| SERIES             | DATE OF LEASE | TERM OF LEASE | INTEREST RATE PAYABLE | AMOUNT OF ORIGINAL LEASE | AMOUNT                    |                           |
|--------------------|---------------|---------------|-----------------------|--------------------------|---------------------------|---------------------------|
|                    |               |               |                       |                          | OUTSTANDING JUNE 30, 2020 | OUTSTANDING JUNE 30, 2021 |
| Security Appliance | 7/22/19       | 3             | N/A                   | 42,965.65                | 27,976.98                 | 14,455.63                 |
|                    |               |               |                       |                          | 13,521.35                 | 14,455.63                 |
|                    |               |               |                       |                          | DECREASES                 |                           |
|                    |               |               |                       |                          | 13,521.35                 | 14,455.63                 |

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
 DEBT SERVICE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|   | ORIGINAL<br>BUDGET | TRANSFERS | MODIFIED<br>BUDGET | ACTUAL          | VARIANCE |
|---|--------------------|-----------|--------------------|-----------------|----------|
| <b>REVENUES:</b>                        |                    |           |                    |                 |          |
| Local sources:                          |                    |           |                    |                 |          |
| Local tax levy                          | \$ 1,527,275.00    |           | \$ 1,527,275.00    | \$ 1,527,275.00 | \$       |
| Total revenues                          | 1,527,275.00       |           | 1,527,275.00       | 1,527,275.00    |          |
| <b>EXPENDITURES:</b>                    |                    |           |                    |                 |          |
| Regular debt service:                   |                    |           |                    |                 |          |
| Interest                                | 432,275.00         |           | 432,275.00         | 432,275.00      |          |
| Redemption of principal                 | 1,095,000.00       |           | 1,095,000.00       | 1,095,000.00    |          |
| Total regular debt service-expenditures | 1,527,275.00       |           | 1,527,275.00       | 1,527,275.00    |          |
| Fund balance, July 1                    |                    |           |                    |                 |          |
| Fund balance, June 30                   | \$                 |           | \$                 | \$              | \$       |

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**STATISTICAL SECTION**  
**(UNAUDITED)**

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
STATISTICAL SECTION

Contents

Page

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 annual comprehensive financial reports (ACFR) for the relevant year.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
 NET POSITION BY COMPONENT  
 LAST TEN FISCAL YEARS  
 UNAUDITED

|   | Fiscal Year Ending June 30, |              |              |              |              |              |              |               |               |              |
|---|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|--------------|
|   | 2021                        | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         | 2014          | 2013          | 2012         |
| <b>Governmental activities</b>              |                             |              |              |              |              |              |              |               |               |              |
| Net investment in capital assets            | \$ 10,003,082               | \$ 9,126,641 | \$ 8,411,882 | \$ 8,264,184 | \$ 7,949,524 | \$ 8,272,401 | \$ 8,059,312 | \$ 7,450,769  | \$ 6,845,922  | \$ 7,498,442 |
| Restricted                                  | 3,635,374                   | 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    |
| Unrestricted (Deficit)                      | (3,923,278)                 | (4,834,349)  | (6,044,965)  | (5,738,757)  | (5,246,945)  | (4,745,337)  | (4,682,289)  | 194,477       | 1,212,989     | 315,418      |
| Total governmental activities net position  | \$ 9,715,178                | \$ 8,077,275 | \$ 5,362,607 | \$ 5,057,672 | \$ 4,932,623 | \$ 5,732,212 | \$ 5,985,114 | \$ 11,012,876 | \$ 10,197,558 | \$ 9,776,418 |
| <b>Business-type activities</b>             |                             |              |              |              |              |              |              |               |               |              |
| Net investment in capital assets            | \$ 64,172                   | \$ 70,415    | \$ 77,681    | \$ 46,652    | \$ 60,199    | \$ 37,616    | \$ 48,950    | \$ 60,923     | \$ 60,781     | \$ 62,845    |
| Unrestricted                                | 17,940                      | 27,091       | 55,292       | 99,203       | 84,419       | 110,569      | 81,431       | 69,471        | 59,049        | 85,333       |
| Total business-type activities net position | \$ 82,112                   | \$ 97,506    | \$ 133,173   | \$ 145,855   | \$ 144,618   | \$ 148,185   | \$ 130,381   | \$ 130,394    | \$ 139,830    | \$ 148,178   |
| <b>District-wide</b>                        |                             |              |              |              |              |              |              |               |               |              |
| Net investment in capital assets            | \$ 10,067,254               | \$ 9,197,056 | \$ 8,489,763 | \$ 8,310,836 | \$ 8,009,723 | \$ 8,310,017 | \$ 8,108,262 | \$ 7,511,692  | \$ 6,926,703  | \$ 7,561,287 |
| Restricted                                  | 3,635,374                   | 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    |
| Unrestricted (Deficit)                      | (3,905,338)                 | (4,807,258)  | (5,989,673)  | (5,639,554)  | (5,162,526)  | (4,634,768)  | (4,600,859)  | 283,948       | 1,272,038     | 400,751      |
| Total district net position                 | \$ 9,797,290                | \$ 8,174,781 | \$ 5,515,780 | \$ 5,203,527 | \$ 5,077,241 | \$ 5,880,397 | \$ 6,115,495 | \$ 11,143,270 | \$ 10,337,388 | \$ 9,924,596 |

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
UNAUDITED

|  | Fiscal Year Ending June 30, |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|--|-----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|  | 2021                        | 2020               | 2019               | 2018               | 2017               | 2016               | 2015               | 2014               | 2013               | 2012               |
| <b>EXPENSES &amp; INDIRECT ALLOCATIONS</b>     |                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Governmental activities</b>                 |                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Instruction                                    |                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Regular  | \$ 16,439,442.61            | \$ 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   |
| Special education                              | 4,497,580.97                | 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       | 2,977,303.16       | 2,227,928.34       |
| Other instruction                              | 481,430.60                  | 555,169.16         | 574,807.32         | 1,369,825.22       | 1,374,705.44       | 1,000,619.10       | 720,689.96         | 822,168.00         | 596,628.11         | 433,389.50         |
| Support Services:                              |                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Student and instruction related services       | 3,874,805.66                | 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       | 1,934,930.80       |
| General administrative services                | 602,003.63                  | 559,486.29         | 842,371.16         | 588,077.97         | 593,318.21         | 615,438.40         | 630,448.55         | 536,664.00         | 660,866.95         | 606,582.32         |
| School administrative services                 | 800,622.16                  | 794,145.01         | 840,724.31         | 950,376.10         | 906,203.85         | 814,699.30         | 836,048.66         | 683,979.00         | 720,924.89         | 865,241.25         |
| Central services                               | 564,064.13                  | 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       | 1,327,876.53       | 1,330,322.47       |
| Administration information technology          | 205,441.81                  | 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       |
| Plant operations and maintenance               | 1,724,754.24                | 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         | 493,363.44         |
| Student transportation services                | 1,306,428.15                | 1,466,671.72       | 1,522,847.14       | 1,679,770.13       | 293,103.02         | 286,277.05         | 410,847.97         | 298,724.76         | 298,724.76         | 218,252.72         |
| Interest on long-term debt                     | 474,314.64                  | 517,515.43         | 471,394.68         | 506,960.87         | 544,394.20         | 575,723.37         | 601,935.88         | 819,394.00         | 691,781.29         | 1,015,949.33       |
| Total governmental activities expenses         | \$ 30,970,888.60            | \$ 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   |
| <b>Business-type activities:</b>               |                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Food Service                                   | \$ 110,857.13               | \$ 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      |
| Total business-type activities expense         | \$ 110,857.13               | \$ 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      |
| Total district expenses                        | \$ 31,081,745.73            | \$ 29,494,054.60   | \$ 30,564,459.44   | \$ 31,245,869.05   | \$ 29,418,153.63   | \$ 27,486,695.95   | \$ 26,317,933.26   | \$ 24,306,847.00   | \$ 24,248,980.76   | \$ 23,173,954.09   |
| <b>PROGRAM REVENUES</b>                        |                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Governmental activities:</b>                |                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Operating grants and contributions             | \$ 7,511,231.35             | \$ 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    | \$ 1,897,893.85    | \$ 1,401,195.10    |
| Charges for services                           | 652,014.02                  | 465,084.83         | 408,776.63         | 343,857.39         | 335,539.20         | 319,745.17         | 305,629.44         | 295,278.00         | 323,747.12         | 306,158.02         |
| Total governmental activities program revenue  | \$ 8,163,245.37             | \$ 6,284,349.99    | \$ 6,862,198.25    | \$ 6,198,730.51    | \$ 5,012,482.21    | \$ 3,788,420.38    | \$ 3,178,422.85    | \$ 2,802,550.00    | \$ 2,221,640.97    | \$ 1,707,353.12    |
| <b>Business-type activities:</b>               |                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Charges for services                           | \$ 1,257.59                 | \$ 178,933.56      | \$ 273,368.37      | \$ 276,634.12      | \$ 264,309.06      | \$ 265,136.41      | \$ 237,880.75      | \$ 230,716.00      | \$ 253,676.30      | \$ 253,913.45      |
| Food Service                                   | 93,994.97                   | 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          |
| School Store                                   | 95,252.56                   | 222,204.80         | 343,234.20         | 343,857.39         | 335,539.20         | 337,545.11         | 305,616.68         | 296,242.00         | 315,399.49         | 318,986.81         |
| Operating grants and contributions             | 8,258,487.93                | 6,506,554.79       | 7,205,432.65       | 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       |
| Total business-type activities program revenue | \$ 8,259,740.52             | \$ 6,727,020.83    | \$ 7,514,100.78    | \$ 6,642,818.41    | \$ 5,324,360.67    | \$ 4,153,912.54    | \$ 3,521,727.25    | \$ 3,329,772.00    | \$ 2,582,312.13    | \$ 2,294,303.72    |
| Total district program revenues                | \$ 16,422,985.89            | \$ 13,011,370.82   | \$ 14,376,300.03   | \$ 12,841,548.92   | \$ 10,336,842.88   | \$ 7,942,332.92    | \$ 6,700,150.10    | \$ 6,132,322.00    | \$ 4,804,953.10    | \$ 3,901,656.84    |
| <b>NET (EXPENSE)/REVENUE</b>                   |                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Governmental activities</b>                 | \$ (22,807,643.23)          | \$ (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) |
| <b>Business-type activities</b>                | (15,604.57)                 | (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          |
| <b>Total district-wide net expense</b>         | \$ (22,823,247.80)          | \$ (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) |

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
CHANGES IN NET POSITION  
UNAUDITED

|   | Fiscal Year Ending June 30, |                  |                  |                  |                   |                   |                  |                   |                  |                  |
|---|-----------------------------|------------------|------------------|------------------|-------------------|-------------------|------------------|-------------------|------------------|------------------|
|   | 2021                        | 2020             | 2019             | 2018             | 2017              | 2016              | 2015             | 2014              | 2013             | 2012             |
| <b>GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS</b> |                             |                  |                  |                  |                   |                   |                  |                   |                  |                  |
| <b>Governmental activities:</b>                         |                             |                  |                  |                  |                   |                   |                  |                   |                  |                  |
| Property taxes levied for general purpose               | \$ 22,891,320.00            | \$ 22,540,510.00 | \$ 22,098,539.00 | \$ 21,516,175.00 | \$ 20,857,544.00  | \$ 20,070,974.00  | \$ 19,971,118.00 | \$ 19,998,018.00  | \$ 19,800,018.00 | \$ 19,411,783.00 |
| Taxes levied for debt service                           | 1,527,275.00                | 1,519,075.00     | 1,519,275.00     | 1,512,675.00     | 1,508,475.00      | 1,505,756.00      | 1,480,854.00     | 1,436,006.00      | 1,397,637.00     | 1,424,069.00     |
| Federal and state aid not restricted                    | 48,341.00                   | 61,417.00        | 59,065.00        | 1,225,397.00     | 1,333,100.00      | 1,289,789.44      | 1,165,583.69     | 63,306.00         | 1,127,540.33     | 1,390,171.30     |
| Disposal of Capital Assets                              |                             |                  | (192,633.00)     |                  | (472,424.57)      |                   |                  |                   |                  |                  |
| Miscellaneous income                                    | 200,471.61                  | 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     |
| Total governmental activities                           | \$ 24,767,407.61            | \$ 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 | \$ 23,483,378.47 |
| <b>Business-type activities:</b>                        |                             |                  |                  |                  |                   |                   |                  |                   |                  |                  |
| Miscellaneous Revenue                                   | \$ 209.86                   | \$ 1,169.60      | \$ 1,347.25      | \$ 181.32        | \$ 127.38         | \$ 4.27           | \$               | \$                | \$               | \$               |
| Total business-type activities                          | \$ 209.86                   | \$ 1,169.60      | \$ 1,347.25      | \$ 181.32        | \$ 127.38         | \$ 4.27           | \$               | \$                | \$               | \$               |
| Total district-wide                                     | \$ 24,767,617.47            | \$ 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 | \$ 23,483,378.47 |
| <b>CHANGE IN NET ASSETS</b>                             |                             |                  |                  |                  |                   |                   |                  |                   |                  |                  |
| Governmental activities                                 | \$ 1,969,764.38             | \$ 1,343,667.40  | \$ 719,269.69    | \$ 1,828,245.57  | \$ (1,445,806.13) | \$ (1,076,486.24) | \$ (728,262.41)  | \$ (1,273,095.41) | \$ 1,145,182.38  | \$ 1,266,038.68  |
| Business-type activities                                | (15,394.71)                 | (35,666.96)      | (35,489.31)      | (13,847.33)      | 1,182.51          | (3,690.34)        | 17,799.94        | (12.76)           | 964.00           | (8,347.63)       |
| Total district  | \$ 1,944,369.67             | \$ 1,308,000.44  | \$ 683,780.38    | \$ 1,814,398.24  | \$ (1,444,623.62) | \$ (1,080,176.58) | \$ (710,462.47)  | \$ (1,273,108.17) | \$ 1,146,146.38  | \$ 1,257,691.05  |

Source: ACFR Schedule A-2

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

|   | Fiscal Year Ending June 30, |              |              |              |              |              |              |              |              |              |
|---|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|   | 2021                        | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         | 2014         | 2013         | 2012         |
| General Fund                              | \$ 4,862,294                | \$ 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 |
| Restricted                                |                             |              |              |              |              |              | 120,320      |              |              | 38,820       |
| Committed                                 | 43,645                      | 70,470       | 15,113       | 32,477       | 12,646       | 37,486       | 33,359       | 308,150      | 380,942      | 229,038      |
| Assigned                                  | 1,207,495                   | 558,376      | 385,841      | 391,700      | 515,342      | 469,420      | 375,216      | 160,786      | 364,223      | 541,782      |
| Unassigned                                | 5,913,434                   | 4,375,370    | 3,378,565    | 3,024,560    | 2,605,147    | 2,576,035    | 2,845,706    | 3,285,601    | 3,417,339    | 2,645,126    |
| <b>Total general fund</b>                 |                             |              |              |              |              |              |              |              |              |              |
| All Other Governmental Funds              | 23,081                      | 38,458       | 38,080       | 38,080       | 276,703      | 276,703      | 323,464      | 471,710      | 448,737      | 448,626      |
| Restricted                                |                             |              |              |              |              |              | 419          |              |              | 39,734       |
| Committed                                 |                             |              |              |              |              |              | 88,365       |              | 21,121       | 21,121       |
| Unassigned                                | 23,081                      | 38,458       | 38,080       | 38,080       | 276,703      | 276,703      | 412,248      | 471,710      | 469,888      | 509,481      |
| <b>Total all other governmental funds</b> |                             |              |              |              |              |              |              |              |              |              |

Source: ACFR Schedule B-1

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
CHANGES IN GOVERNMENTAL FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
UNAUDITED

|  | Fiscal Year Ending June 30, |                   |                   |                   |                   |                   |                     |                     |                   |                   |
|--|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|
|  | 2021                        | 2020              | 2019              | 2018              | 2017              | 2016              | 2015                | 2014                | 2013              | 2012              |
| <b>Revenues</b>  |                             |                   |                   |                   |                   |                   |                     |                     |                   |                   |
| Tax levy   | \$ 24,518,595               | \$ 24,059,585     | \$ 23,617,814     | \$ 23,030,850     | \$ 22,167,019     | \$ 21,576,730     | \$ 21,451,972       | \$ 21,434,024       | \$ 21,197,855     | \$ 20,835,852     |
| Tuition Charges  | 481,096                     | 461,885           | 408,777           | 396,046           | 298,677           | 164,939           | 78,778              | 92,669              | 104,033           | 77,721            |
| Transportation Charges   | 4,393                       | 3,200             |                   |                   |                   |                   |                     |                     |                   |                   |
| Miscellaneous  | 229,735                     | 183,084           | 198,706           | 559,615           | 306,267           | 314,132           | 273,679             | 282,525             | 224,619           | 1,207,852         |
| State Sources  | 4,881,071                   | 4,090,063         | 3,868,433         | 3,378,901         | 3,063,548         | 2,741,550         | 2,416,766           | 2,281,900           | 2,459,558         | 2,431,547         |
| Federal Sources  | 293,239                     | 265,511           | 237,195           | 244,187           | 236,412           | 248,639           | 229,257             | 282,569             | 360,508           | 341,602           |
| <b>Total Revenue</b>   | <b>30,408,129</b>           | <b>29,063,328</b> | <b>28,330,924</b> | <b>27,609,589</b> | <b>26,071,924</b> | <b>25,045,889</b> | <b>24,450,453</b>   | <b>24,373,687</b>   | <b>24,346,373</b> | <b>24,894,574</b> |
| <b>Expenditures</b>  |                             |                   |                   |                   |                   |                   |                     |                     |                   |                   |
| <b>Instruction</b>   |                             |                   |                   |                   |                   |                   |                     |                     |                   |                   |
| Regular Instruction  | 4,587,275                   | 4,422,908         | 4,530,227         | 4,563,269         | 4,525,098         | 4,609,340         | 4,113,932           | 12,273,152          | 4,087,070         | 4,308,058         |
| Special Education Instruction                                  | 1,484,971                   | 1,621,588         | 1,878,590         | 1,770,955         | 1,744,393         | 1,571,642         | 1,776,121           | 2,826,597           | 1,496,955         | 1,156,477         |
| Other Instruction  | 279,392                     | 341,768           | 370,062           | 408,560           | 397,519           | 393,100           | 387,911             | 272,147             | 335,933           | 230,585           |
| School Sponsored Activities and Athletics                      |                             |                   |                   |                   |                   |                   |                     | 243,945             |                   |                   |
| <b>Support Services:</b>                                       |                             |                   |                   |                   |                   |                   |                     |                     |                   |                   |
| Tuition  | 9,292,305                   | 8,939,408         | 8,277,615         | 7,793,864         | 7,207,791.33      | 7,144,412.91      | 7,321,671.07        | 1,986,242           | 6,785,188         | 6,541,477         |
| Student & Instruction Related Services                         | 2,134,560                   | 1,964,873         | 1,968,361         | 2,014,584         | 1,909,651         | 1,939,759         | 1,782,565           | 1,986,242           | 1,692,953         | 1,415,998         |
| Educational Media / School Library                             |                             |                   |                   |                   |                   |                   |                     |                     | 428,435           | 394,172           |
| General Administration   | 355,551                     | 368,806           | 509,693           | 463,440           | 472,196           | 444,402           | 461,548             | 651,754             | 432,096           | 547,294           |
| School Administrative Services                                 | 425,622                     | 454,010           | 418,068           | 337,604           | 306,931           | 364,647           | 341,164             | 792,236             | 292,013           | 278,188           |
| Central Services   | 446,123                     | 484,943           | 474,447           | 150,826           | 137,247           | 129,078           | 244,454             | 168,119             | 103,582           | 103,582           |
| Plant Operations and Maintenance                               | 1,178,130                   | 1,140,888         | 1,169,969         | 1,062,883         | 1,113,630         | 1,073,666         | 1,112,450           | 1,286,930           | 1,084,099         | 1,068,051         |
| Pupil Transportation   | 1,273,427                   | 1,413,939         | 1,406,718         | 1,552,660         | 1,166,508         | 1,060,415         | 1,046,435           | 1,420,333           | 1,187,090         | 1,179,860         |
| Unallocated Benefits   | 5,838,160                   | 5,296,459         | 5,386,487         | 5,375,632         | 5,099,464         | 4,571,124         | 3,961,272           | 3,833,953           | 3,833,953         | 3,511,337         |
| Capital Outlay   | 109,364                     | 122,444           | 67,409            | 56,699            | 527,579           | 228,025           | 954,239             | 323,401             | 695,573           | 1,203,410         |
| <b>Debt Service:</b>   |                             |                   |                   |                   |                   |                   |                     |                     |                   |                   |
| Principal  | 1,095,000                   | 1,045,000         | 1,005,000         | 960,000           | 920,000           | 890,000           | 860,000             | 982,410             | 800,000           | 1,085,000         |
| Interest and Other Charges                                     | 432,275                     | 474,075           | 514,275           | 552,675           | 589,475           | 616,175           | 641,975             | 753,261             | 697,625           | 942,419           |
| <b>Total expenditures</b>                                      | <b>28,932,155</b>           | <b>28,109,109</b> | <b>27,976,920</b> | <b>27,428,809</b> | <b>26,492,813</b> | <b>25,451,105</b> | <b>25,370,404</b>   | <b>24,297,332</b>   | <b>24,017,102</b> | <b>23,983,909</b> |
| <b>Excess (Deficiency) of Revenues</b>                         | <b>1,475,974</b>            | <b>954,219</b>    | <b>354,005</b>    | <b>180,790</b>    | <b>(420,888)</b>  | <b>(405,219)</b>  | <b>(919,951)</b>    | <b>76,355</b>       | <b>329,271</b>    | <b>910,665</b>    |
| <b>Other Financing Sources (Uses)</b>                          |                             |                   |                   |                   |                   |                   |                     |                     |                   |                   |
| Capital Leases (Non-Budgeted)                                  |                             | 42,965            |                   |                   | 450,000           |                   | 100,384             |                     | 403,316           |                   |
| <b>Total Other Financing Sources (Uses)</b>                    |                             | <b>42,965</b>     |                   |                   | <b>450,000</b>    |                   | <b>100,384</b>      |                     | <b>403,316</b>    |                   |
| <b>Net Change in Fund Balances</b>                             | <b>\$ 1,475,974</b>         | <b>\$ 997,184</b> | <b>\$ 987,184</b> | <b>\$ 354,005</b> | <b>\$ 180,790</b> | <b>\$ 29,112</b>  | <b>\$ (405,216)</b> | <b>\$ (819,567)</b> | <b>\$ 76,355</b>  | <b>\$ 732,587</b> |
| <b>Debt Service as a Percentage of Noncapital Expenditures</b> | 5.30%                       | 5.43%             | 5.44%             | 5.53%             | 5.81%             | 5.97%             | 6.15%               | 7.24%               | 6.42%             | 8.90%             |

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED

| Fiscal Year<br>Ended<br><u>June 30,</u> | <u>Tuition</u> | <u>Interest on<br/>Investments</u> | <u>Use of<br/>Facilities</u> | <u>Transportation<br/>Fees</u> | <u>Other/<br/>Miscellaneous</u> | <u>Total</u> |
|---|----------------|------------------------------------|------------------------------|--------------------------------|---------------------------------|--------------|
| 2021                                    | 481,095.92     | 46,881.17                          | 5,000.00                     | 4,393.10                       | 148,590.44                      | 685,960.63   |
| 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   |

Source: District Records



TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN CALENDAR YEARS

| Calendar Year | Vacant Land   | Residential      | Farm Req. and Q-Farm | Commercial     | Industrial    | Apartment     | Total Assessed Value | Public Utilities* | Net Valuation Taxable | Est. Actual (County Equalized Value) | Total Direct School Tax Rate (b) |
|---------------|---------------|------------------|----------------------|----------------|---------------|---------------|----------------------|-------------------|-----------------------|--------------------------------------|----------------------------------|
| 2021          | \$ 15,992,500 | \$ 1,175,294,300 | \$ 97,200            | \$ 236,527,300 | \$ 12,942,400 | \$ 14,390,000 | \$ 1,455,243,700     | \$ 580,080        | \$ 1,455,823,780      | \$ 1,524,555,051                     | 1.698                            |
| 2020          | 16,164,500    | 1,102,725,800    | 100,712              | 236,979,500    | 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               | 234,628,440    | 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         | 1,415,365,309                        | 1.729                            |
| 2017          | 11,694,500    | 1,098,663,400    | 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    | 85,980               | 210,534,700    | 11,203,900    | 6,340,200     | 1,305,688,980        | 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     | 1,304,486,277        | 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         | 1,470,038,765                        | 1.529                            |

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  
LAST TEN FISCAL YEARS

(rate per \$100 of assessed value)

UNAUDITED

| Fiscal Year<br>Ended<br>June 30, | Township of Green Brook |   |                                    | Overlapping Rates          |                    | Total Direct and<br>Overlapping<br>Tax Rate |
|----------------------------------|-------------------------|---|------------------------------------|----------------------------|--------------------|---|
|                                  | Basic Rate (a)          | General<br>Obligation<br>Debt Service (b) | Total Direct<br>School<br>Tax Rate | Township of<br>Green Brook | Somerset<br>County |   |
| 2021                             | \$1.592                 | \$0.106                                   | 1.698                              | \$0.456                    | \$0.393            | \$2.547                                     |
| 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                                       |

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                            | 2021                    |      |  | 2012                    |      |  |
|-------------------------------------|-------------------------|------|--|-------------------------|------|--|
|                                     | Taxable Assessed Value  | Rank | % of Total District Net Assessed Value | Taxable Assessed Value  | Rank | % of Total District Net Assessed Value |
| FERRAEZ BROTHERS SOLOMON 2,LLC      | \$ 10,903,000           | 1    | 0.75%                                  | \$ 8,443,000            | 3    | 0.61%                                  |
| 293-305 RT.22 EAST LLC              | 10,700,000              | 2    | 0.73%                                  |                         |      |  |
| EXTRA SPACE N.2,OF GREENBROOK       | 10,000,000              | 3    | 0.69%                                  | 5,350,000               | 10   | 0.38%                                  |
| GREENBROOK MANOR REALTY LLC         | 9,000,000               | 4    | 0.62%                                  | 9,000,000               | 2    | 0.65%                                  |
| CRYSTAL MOTORS INC                  | 9,518,000               | 5    | 0.65%                                  | 7,616,300               | 4    | 0.55%                                  |
| PG'S FAMILY LLC,                    | 7,900,000               | 6    | 0.54%                                  | 7,071,200               | 5    | 0.51%                                  |
| PUBLIC STORAGE-DEPT 21015           | 7,200,000               | 7    | 0.49%                                  |                         |      |  |
| CHASBOB INC                         | 6,306,000               | 8    | 0.43%                                  |                         |      |  |
| G.B.P. C/O CRC PROP.                | 6,100,000               | 9    | 0.42%                                  | 5,963,700               | 8    | 0.43%                                  |
| CYZNER PROPERTIES-GREENBROOK INC    | 5,800,000               | 10   | 0.40%                                  | 6,400,000               | 6    | 0.46%                                  |
| ROUTE REALTY CO.INC.C/O BOWLMOR AMF |                         |      |  |                         |      |  |
| COLONIAL SQUARE LTD.                |                         |      |  | 10,248,900              | 1    | 0.74%                                  |
| MULTIMANAGEMENT REALTY              |                         |      |  | 6,027,200               | 7    | 0.43%                                  |
| FERRUGGIA ASSOCIATES                |                         |      |  |                         |      |  |
| GREENBROOK OFFICE PARK ASSOCIATES   |                         |      |  | 5,590,300               | 9    | 0.40%                                  |
| <b>Total</b>                        | <b>\$ 83,427,000.00</b> |      | <b>4.98%</b>                           | <b>\$ 71,710,600.00</b> |      | <b>4.54%</b>                           |

Source: ACFR Exhibit J-11 and Municipal Tax Assessor

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
UNAUDITED

| Fiscal Year Ended<br>June 30, | Taxes Levied for<br>the Fiscal Year | Collected within the Fiscal Year of<br>the Levy |                       | Collections in<br>Subsequent<br>Years |
|-------------------------------|-------------------------------------|---|-----------------------|---------------------------------------|
|                               |                                     | Amount  | Percentage of<br>Levy |                                       |
| 2021                          | \$24,518,595                        | \$24,518,595                                    | 100.00%               | -                                     |
| 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%               | -                                     |

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  
LAST TEN FISCAL YEARS  
UNAUDITED

| Fiscal Year<br>Ended June 30, | Governmental Activities     |                |                 |       | Population | Per Capita <sup>a</sup> |
|-------------------------------|-----------------------------|----------------|-----------------|-------|------------|-------------------------|
|                               | General<br>Obligation Bonds | Capital Leases | Total District  |       |            |                         |
| 2021                          | \$ 9,060,000.00             | \$ 14,455.63   | \$ 9,074,455.63 | 7,005 | 1,295      |                         |
| 2020                          | 10,155,000.00               | 27,976.98      | 10,182,976.98   | 7,042 | 1,446      |                         |
| 2019                          | 11,200,000.00               | 53,840.67      | 11,253,840.67   | 7,092 | 1,587      |                         |
| 2018                          | 12,302,295.51               | 165,038.62     | 12,467,334.13   | 7,108 | 1,754      |                         |
| 2017                          | 13,290,431.85               | 390,760.87     | 13,681,192.72   | 7,135 | 1,917      |                         |
| 2016                          | 14,236,655.52               | 85,870.07      | 14,322,525.59   | 7,143 | 2,005      |                         |
| 2015                          | 15,151,102.00               | 217,302.18     | 15,368,404.18   | 7,178 | 2,141      |                         |
| 2014                          | 15,835,000.00               | 243,014.00     | 16,078,014.00   | 7,200 | 2,233      |                         |
| 2013                          | 16,884,553.00               | 375,674.73     | 17,260,227.73   | 7,206 | 2,395      |                         |
| 2012                          | 17,699,369.97               | 180,028.12     | 17,879,398.09   | 7,201 | 2,483      |                         |

Source: District ACFR 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.

<sup>a</sup> See ACFR 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  
LAST TEN FISCAL YEARS  
UNAUDITED

| Fiscal<br>Year<br>Ended<br>June 30, | General Bonded Debt Outstanding |            | Net General<br>Bonded Debt<br>Outstanding | Total Municipal<br>Assessed Value | Percentage of<br>Actual Taxable<br>Value <sup>a</sup> of<br>Property | Per Capita <sup>b</sup> |
|-------------------------------------|---------------------------------|------------|---|-----------------------------------|--|-------------------------|
|                                     | General<br>Obligation Bonds     | Deductions |   |                                   |  |                         |
| 2021                                | \$9,060,000.00                  |            | \$9,060,000.00                            | \$1,455,823,780                   | 0.62%  | 6,993.84                |
| 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                |

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

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

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2020  
UNAUDITED

| <u>Governmental Unit</u>                                   | <u>Debt Outstanding</u> | <u>Estimated<br/>Percentage<br/>Applicable <sup>a</sup></u> | <u>Estimated<br/>Share of<br/>Overlapping<br/>Debt</u> |
|--|-------------------------|---|--|
| Debt repaid with property taxes<br>Township of Green Brook | \$ 875,000.00           | 100.00%   | \$ 875,000   |
| Other debt<br>Somerset County                              | 228,271,942.76          | 2.25%   | <u>5,131,509</u>                                       |
| Subtotal, overlapping debt                                 |                         |   | 6,006,509  |
| Township of Green Brook School District Direct Debt        | 10,155,000.00           | 100.00%   | <u>10,155,000</u>                                      |
| Total direct and overlapping debt                          |                         |   | <u>\$ 16,161,509</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 values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN YEARS  
 UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2021

|  | 2012          | 2013          | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Debt limit   | \$ 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 | \$ 42,495,792 |
| Total net debt applicable to limit                                   | 17,699,370    | 16,884,553    | 15,835,000    | 14,085,000    | 14,085,000    | 13,165,000    | 12,205,000    | 11,200,000    | 10,155,000    | 9,060,000     |
| Legal debt margin  | \$ 27,838,871 | \$ 27,712,980 | \$ 27,628,822 | \$ 28,461,194 | \$ 27,516,193 | \$ 28,921,145 | \$ 29,853,234 | \$ 31,165,055 | \$ 32,099,690 | \$ 33,435,792 |
| Total net debt applicable to the limit as a percentage of debt limit | 38.87%        | 37.86%        | 36.43%        | 33.11%        | 33.86%        | 31.28%        | 29.02%        | 26.44%        | 24.03%        | 21.32%        |

|   | 2020             | 2019          | 2018          |
|---|------------------|---------------|---------------|
| Equalized valuation basis                       | \$ 1,423,676,465 | 1,411,095,014 | 1,414,807,702 |
|   |                  |               | [A]           |
| Average equalized valuation of taxable property | \$ 1,416,526,394 |               | [A/3]         |
| Debt limit (3% of average equalization value)   | \$42,495,792     | [B]           |               |
| Net bonded school debt                          | 9,060,000        | [C]           |               |
| Legal debt margin                               | \$ 33,435,792    | [B-C]         |               |

Source: Abstract of Rates and District Records ACFR 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  
LAST TEN CALENDAR YEARS  
UNAUDITED

| <u>Year Ended</u><br><u>December 31</u> | <u>Population</u> | <u>Per Capita</u><br><u>Income</u> | <u>Unemployment Rate</u> |
|---|-------------------|------------------------------------|--------------------------|
| 2020                                    | 7,005             | \$ 109,916                         | 7.60%                    |
| 2019                                    | 7,042             | 109,916                            | 2.90%                    |
| 2018                                    | 7,092             | 105,161                            | 3.30%                    |
| 2017                                    | 7,108             | 99,189                             | 3.40%                    |
| 2016                                    | 7,135             | 92,514                             | 4.10%                    |
| 2015                                    | 7,143             | 88,447                             | 4.50%                    |
| 2014                                    | 7,178             | 83,429                             | 5.30%                    |
| 2013                                    | 7,200             | 78,451                             | 6.80%                    |
| 2012                                    | 7,206             | 75,156                             | 6.50%                    |
| 2011                                    | 7,201             | 71,429                             | 6.60%                    |

Source: N.J. Department of Labor

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

| Employer | 2021      |      |                                | 2012      |      |                                |
|----------|-----------|------|--------------------------------|-----------|------|--------------------------------|
|          | 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  
 LAST TEN FISCAL YEARS  
 UNAUDITED

| Function/Program                       | 2021         | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         | 2014         | 2013         | 2012         |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Instruction:</b>                    |              |              |              |              |              |              |              |              |              |              |
| Regular                                | 56           | 59           | 55.0         | 64.0         | 61.0         | 65.0         | 76.0         | 76.0         | 78.0         | 81.5         |
| Special education                      | 44           | 45           | 45.0         | 38.0         | 49.5         | 41.6         | 20.0         | 16.0         | 16.0         | 16.0         |
| Other instruction                      | 2            | 2            | 3.0          | 3.0          | 3.0          | 3.0          | 3.0          | 3.0          | 3.0          | 3.0          |
| <b>Support Services:</b>               |              |              |              |              |              |              |              |              |              |              |
| Student & instruction related services | 16           | 20           | 17.0         | 15.5         | 14.6         | 13.8         | 17.0         | 16.0         | 14.0         | 14.0         |
| General administrative services        | 4            | 3            | 2.0          | 2.5          | 2.3          | 2.3          | 4.0          | 4.0          | 4.0          | 4.0          |
| School administrative services         | 5            | 7            | 8.0          | 9.0          | 5.0          | 5.0          | 8.0          | 8.0          | 7.0          | 7.0          |
| Plant operations and maintenance       | 11           | 12           | 12.0         | 12.0         | 12.2         | 12.2         | 11.5         | 10.0         | 10.0         | 10.0         |
| Pupil transportation                   | 0            | 0            | 0.0          | 0.0          | 20.9         | 17.4         | 23.0         | 23.0         | 24.0         | 24.0         |
| Business administrative services       | 6            | 6            | 6.0          | 5.5          | 4.0          | 4.5          | 5.0          | 5.0          | 5.0          | 5.0          |
| <b>Total</b>                           | <b>144.0</b> | <b>154.0</b> | <b>148.0</b> | <b>149.5</b> | <b>172.5</b> | <b>164.7</b> | <b>167.5</b> | <b>161.0</b> | <b>161.0</b> | <b>164.5</b> |

Source: District Personnel Records

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

| Fiscal Year | Enrollment | Operating Expenditures <sup>a</sup> | Cost per Pupil <sup>d</sup> | Percentage Change | Teaching Staff <sup>b</sup> | Pupil/Teacher Ratio | Average Daily Enrollment (ADE) <sup>c</sup> | Average Daily Attendance (ADA) <sup>c</sup> | % Change in Average Daily Enrollment | Student Attendance Percentage |
|-------------|------------|-------------------------------------|-----------------------------|-------------------|-----------------------------|---------------------|---|---|--------------------------------------|-------------------------------|
| 2021        | 723        | \$ 27,295,515.58                    | \$ 37,753.13                | 9.40%             | 88                          | 8.2                 | 713   | 695   | -6.75%                               | 97.43%                        |
| 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%                        |

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  
 LAST TEN FISCAL YEARS  
 UNAUDITED

|                                  | 2021    | 2020    | 2019    | 2018    | 2017    | 2016    | 2015    | 2014    | 2013    | 2012    |
|----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <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                       | 354     | 387     | 399     | 419     | 450     | 470     | 463     | 480     | 385     | 394     |
| 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                       | 369     | 380     | 384     | 423     | 413     | 429     | 446     | 447     | 558     | 569     |

Number of Schools at June 30, 2021

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  
 LAST TEN FISCAL YEARS  
 UNAUDITED

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
 11-090-261-XXX

| School Facilities         | Project # (s) | 2021       | 2020       | 2019       | 2018       | 2017       | 2016       | 2015       | 2014       | 2013       | 2012       |
|---------------------------|---------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| I.E.F. Elementary         | N/A           | \$ 64,165  | \$ 67,916  | \$ 54,109  | \$ 46,775  | \$ 53,471  | \$ 49,234  | \$ 72,205  | \$ 60,833  | \$ 73,262  | \$ 83,333  |
| Green Brook Middle School | N/A           | 101,488    | 98,930     | 89,120     | 79,644     | 91,045     | 83,830     | 122,944    | 103,580    | 124,743    | 141,891    |
| Total School Facilities   |               | 165,633    | 166,846    | 143,229    | 126,418    | 144,516    | 133,064    | 195,149    | 164,413    | 198,005    | 225,225    |
| Grand Total               |               | \$ 165,633 | \$ 166,846 | \$ 143,229 | \$ 126,418 | \$ 144,516 | \$ 133,064 | \$ 195,149 | \$ 164,413 | \$ 198,005 | \$ 225,225 |

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT  
INSURANCE SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
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 -<br>Valuable Papers and Records; Extra Expense/Business<br>Income, EDP Equip, Data, Media, Extra Expense; Camera,<br>Musical Instruments; Glass Coverage; Demolition/Incr. Cost<br>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<br>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, 2021  
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

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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 and each major fund 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, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 27, 2022.

### ***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

January 27, 2022



# 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, 2021. 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.

# SUPLEE, CLOONEY & COMPANY

## ***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, 2021.

## ***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

January 27, 2022

TOWNSHIP OF GREEN BROOK - SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| FEDERAL GRANTOR/PASS-THROUGH GRANTEE/PROGRAM/TITLE  | FEDERAL CFDA NUMBER | GRANT OR STATE PROJECT NUMBER | FEDERAL FAIN NUMBER | AWARD AMOUNT | GRANT PERIOD FROM | TO        | BALANCE JUNE 30, 2020 (ACCT. RECEIVABLE) | CASH RECEIVED | BUDGETARY EXPENDITURES | ADJUSTMENTS / CANCEL PRIOR YEAR ACCOUNTS PAYABLE | ACCOUNTS RECEIVABLE | UNEARNED REVENUE | DUE TO GRANTOR |
|---|---------------------|-------------------------------|---------------------|--------------|-------------------|-----------|--|---------------|------------------------|--|---------------------|------------------|----------------|
|   |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| <b>Enterprise Funds</b>                             |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| U.S. Department of Agriculture                      |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| Passed-Through State Department of Education:       |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| Child Nutrition Cluster                             |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
|   | 10.555              | N/A                           | 201NJ304N1099       | \$ 17,091.00 | 7/1/2019          | 6/30/2020 | \$ 4,879.05                              | \$ 14,038.35  | (4,879.05)             | \$   | \$                  | \$ 700.71        |                |
|   | 10.555              | N/A                           | 211NJ304N1099       | 14,038.35    | 7/1/2020          | 6/30/2021 | (17.40)                                  | 17.40         | (13,337.64)            |  |                     |                  |                |
|   | 10.555              | N/A                           | 201NJ304N1099       | 45.24        | 7/1/2019          | 6/30/2020 |  | 43,673.43     | (62,932.82)            |  | (19,259.39)         |                  |                |
|   | 10.555              | N/A                           | 201NJ304N1099       | 62,932.82    | 7/1/2020          | 6/30/2021 |  |               | (8,904.20)             |  | (8,904.20)          |                  |                |
|   | 10.555              | N/A                           | 2021Z1H170341       | 8,904.20     | 7/1/2020          | 6/30/2021 |  |               | (614.00)               |  | (614.00)            |                  |                |
|   | 10.649              | N/A                           | 2021Z1S900941       | 614.00       | 7/1/2020          | 6/30/2021 |  |               | (90,667.71)            |  | (90,667.71)         |                  |                |
|   |                     |                               |                     |              |                   |           | 4,861.65                                 | 57,729.18     |                        |  | 700.71              |                  |                |
|   |                     |                               |                     |              |                   |           | 4,861.65                                 | 57,729.18     |                        |  | (28,777.59)         | 700.71           |                |
| <b>Total Enterprise Funds</b>                       |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| <b>Special Revenue Funds</b>                        |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| U.S. Department of Education                        |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| Passed-Through State Department of Education:       |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| E.S.E.A.  |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
|   | 84.010              | NCLB181020                    | S010A190030         | 47,616.00    | 7/1/2019          | 9/30/2020 | (19,154.00)                              | 19,154.00     | (600.00)               |  | (16,616.00)         |                  |                |
|   | 84.010              | NCLB181020                    | S010A190030         | 600.00       | 7/1/2020          | 9/30/2021 |  | 600.00        |                        |  |                     |                  |                |
|   | 84.010              | NCLB181021                    | S010A200030         | 37,768.00    | 7/1/2020          | 9/30/2021 |  | 38,038.00     | (35,100.00)            |  | (16,816.00)         |                  |                |
|   |                     |                               |                     |              |                   |           | (19,154.00)                              |               | (35,700.00)            |  |                     |                  |                |
|   | 84.367              | NCLB181020                    | S367A190029         | 19,897.00    | 7/1/2019          | 9/30/2020 | (21,396.29)                              | 18,148.00     | 3,250.29               |  |                     |                  |                |
|   | 84.367              | NCLB181020                    | S367A190029         | 3,486.00     | 7/1/2020          | 9/30/2021 |  | 3,486.00      |                        |  | (4,856.00)          |                  |                |
|   | 84.367              | NCLB181021                    | S367A200029         | 27,737.00    | 7/1/2020          | 9/30/2021 |  | 777.00        | (9,635.00)             |  | (4,856.00)          |                  |                |
|   |                     |                               |                     |              |                   |           | (21,396.29)                              | 22,423.00     | (9,133.00)             |  | (4,856.00)          |                  |                |
|   |                     |                               |                     |              |                   |           |  |               | 3,250.29               |  |                     |                  |                |
| <b>Total Title I</b>                                |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
|   | 84.027              | IDEA181020                    | H027A190100         | 160,530.00   | 7/1/2019          | 6/30/2020 | (27,512.22)                              | 27,512.00     | 0.22                   |  |                     |                  |                |
|   | 84.027              | IDEA181020                    | H027A190100         | 1,303.00     | 7/1/2020          | 6/30/2021 |  | 1,303.00      |                        |  | (1,303.00)          |                  |                |
|   | 84.027              | IDEA181021                    | H027A200100         | 166,525.00   | 7/1/2020          | 9/30/2021 |  | 100,984.00    | (165,222.00)           |  | (64,238.00)         |                  |                |
|   | 84.173              | IDEA181021                    | H173A200114         | 7,461.00     | 7/1/2020          | 9/30/2021 |  | 1,979.00      | (7,461.00)             |  | (5,482.00)          |                  |                |
|   |                     |                               |                     |              |                   |           | (27,512.22)                              | 131,778.00    | (173,966.00)           |  | (69,720.00)         |                  |                |
| <b>Total Special Education Cluster</b>              |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| Coronavirus Aid Relief and Economic Security Act:   |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| Cares Emergency Relief Grant - ESSER I              |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| Coronavirus Aid Relief Pass Through Somerset County |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
|   | 84.425D             | 21-5120-513                   | S425D200027         | 31,899.00    | 3/13/20           | 9/30/22   | (30,247.00)                              | 31,899.00     | (1,652.00)             |  |                     |                  |                |
|   | 84.425D             |                               | S425D200027         | 31,876.51    | 3/13/20           | 9/30/2023 |  | 31,876.51     | (31,876.51)            |  |                     |                  |                |
|   |                     |                               |                     |              |                   |           | (30,247.00)                              | 63,575.51     | (33,328.51)            |  |                     |                  |                |
|   |                     |                               |                     |              |                   |           | (98,311.51)                              | 255,814.51    | (253,147.51)           |  | (91,394.00)         |                  |                |
| <b>Total U.S. Department of Education</b>           |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| U.S. Department of Treasury                         |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| Coronavirus Relief Fund:                            |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| Passed-Through State Department of Education:       |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
| Bridging the Digital Divide                         |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
|   | 21.019              | 21-5120-516                   | S425D200027         | 3,438.00     | 3/13/20           | 9/30/22   |  | 3,438.00      | (3,438.00)             |  |                     |                  |                |
|   | 21.019              | 21-5120-517                   | S425D200027         | 38,329.00    | 3/13/20           | 9/30/22   |  | 38,329.00     | (38,329.00)            |  |                     |                  |                |
|   |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |
|   |                     |                               |                     |              |                   |           |  | 41,767.00     | (41,767.00)            |  |                     |                  |                |
|   |                     |                               |                     |              |                   |           | (98,311.51)                              | 297,581.51    | (293,914.51)           |  | (91,394.00)         |                  |                |
|   |                     |                               |                     |              |                   |           | (93,449.86)                              | 355,310.69    | (354,582.22)           |  | (220,171.59)        | 700.71           |                |
|   |                     |                               |                     |              |                   |           |  |               | 3,250.51               |  |                     |                  |                |
| <b>Total Federal Financial Assistance</b>           |                     |                               |                     |              |                   |           |  |               |                        |  |                     |                  |                |

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, 2021

| STATE GRANTOR/PROGRAM TITLE<br>General Funds:                             | GRANT OR STATE PROJECT NUMBER | AWARD AMOUNT | GRANT PERIOD FROM | GRANT PERIOD TO | BALANCE                                     |  | CARRYOVER (WALKOVER) AMOUNT | CASH RECEIVED  | BUDGETARY EXPENDITURES | ADJUSTMENTS    | MEMO                 |                               |
|---|-------------------------------|--------------|-------------------|-----------------|---|--|-----------------------------|----------------|------------------------|----------------|----------------------|-------------------------------|
|   |                               |              |                   |                 | BALANCE AT JUNE 30, 2020 (ACCT. RECEIVABLE) | BALANCE AT JUNE 30, 2021 (ACCOUNTS RECEIVABLE) |                             |                |                        |                | BUDGETARY RECEIVABLE | CUMULATIVE TOTAL EXPENDITURES |
| State Department of Education   |                               |              |                   |                 |   |  |                             |                |                        |                |                      |                               |
| State Aid Cluster:  |                               |              |                   |                 |   |  |                             |                |                        |                |                      |                               |
| Categorical Special Education Aid   | 21-495-034-5120-089           | \$928,901.00 | 7/1/2020          | 6/30/2021       |   |  |                             | \$840,654.00   | (928,901.00)           | (\$88,247.00)  | (\$88,247.00)        | \$928,901.00                  |
| Categorical Security Aid  | 21-495-034-5120-084           | 48,339.00    | 7/1/2020          | 6/30/2021       |   |  |                             | 43,747.00      | (48,339.00)            | (4,592.00)     | (4,592.00)           | 48,339.00                     |
| Total State Aid Cluster:  |                               |              |                   |                 |   |  | 884,401.00                  |                | (977,240.00)           | (92,839.00)    | (92,839.00)          | 977,240.00                    |
| Categorical Transportation Aid  | 21-495-034-5120-014           | 289,595.00   | 7/1/2020          | 6/30/2021       |   |  |                             | 262,083.00     | (289,595.00)           | (27,512.00)    | (27,512.00)          | 289,595.00                    |
| Non-Public Transportation Aid   | 21-495-034-5120-014           | 17,690.00    | 7/1/2020          | 6/30/2021       |   |  |                             |                | (17,690.00)            | (\$17,690.00)  | (\$17,690.00)        | 17,690.00                     |
| 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                    |
| Extraordinary Aid   | 21-495-034-5094-044           | 597,001.00   | 7/1/2020          | 6/30/2021       |   |  |                             |                | (597,001.00)           | (597,001.00)   | (597,001.00)         | 597,001.00                    |
| On-behalf TPAF Contributions  | 21-495-034-5094-002           | 1,871,565.00 | 7/1/2020          | 6/30/2021       |   |  |                             | 1,871,565.00   | (1,871,565.00)         |                |                      | 1,871,565.00                  |
| Non-Contribution Group Insurance  | 21-495-034-5094-004           | 35,609.00    | 7/1/2020          | 6/30/2021       |   |  |                             | 35,609.00      |                        |                |                      | 35,609.00                     |
| Long-Term Disability Insurance  | 21-495-034-5094-004           | 1,162.00     | 7/1/2020          | 6/30/2021       |   |  |                             | 1,162.00       |                        |                |                      | 1,162.00                      |
| Post Retirement Medical   | 21-495-034-5094-001           | 597,679.00   | 7/1/2020          | 6/30/2021       |   |  |                             | 597,679.00     | (597,679.00)           |                |                      | 597,679.00                    |
| TPAF Social Security Aid  | 20-495-034-5094-003           | 495,944.53   | 7/1/2019          | 6/30/2020       |   | (1,956.94)                                     |                             | 1,956.94       |                        |                |                      | 495,944.53                    |
| TPAF Social Security Aid  | 21-495-034-5094-003           | 497,691.79   | 7/1/2020          | 6/30/2021       |   |  |                             | 497,691.79     | (497,691.79)           |                |                      | 497,691.79                    |
| Total General Fund  |                               |              |                   |                 | (449,395.94)                                |  | 4,599,586.73                |                | (4,885,232.79)         | (120,351.00)   | (120,351.00)         | 6,805,656.32                  |
| Enterprise Fund:  |                               |              |                   |                 |   |  |                             |                |                        |                |                      |                               |
| State School Lunch Program  | 20-100-010-3350-023           | 2,825.01     | 7/1/2019          | 6/30/2020       |   | (735.95)                                       |                             | 735.95         |                        |                |                      | 2,825.01                      |
| State School Lunch Program  | 21-100-010-3350-023           | 3,327.26     | 7/1/2020          | 6/30/2021       |   |  |                             | 2,530.13       | (3,327.26)             | (797.13)       | (797.13)             | 3,327.26                      |
| Total Enterprise Fund   |                               |              |                   |                 | (735.95)                                    |  | 3,266.08                    |                | (3,327.26)             | (797.13)       | (797.13)             | 6,152.27                      |
| Total State Financial Assistance  |                               |              |                   |                 | (\$450,131.89)                              |  | \$4,602,852.81              |                | (\$4,888,560.05)       | (\$120,351.00) | (\$120,351.00)       | \$8,954,221.05                |
| Less: On-Behalf amounts not utilized for determination of Major Programs: |                               |              |                   |                 |   |  |                             |                |                        |                |                      |                               |
| On-behalf TPAF Contributions  | 21-495-034-5094-002           | 1,871,565.00 | 7/1/2020          | 6/30/2021       |   |  |                             | \$1,871,565.00 | (1,871,565.00)         |                |                      |                               |
| NCEI  | 21-495-034-5094-004           | 35,609.00    | 7/1/2020          | 6/30/2021       |   |  |                             | 35,609.00      | (35,609.00)            |                |                      |                               |
| Long-Term Disability Insurance  | 21-495-034-5094-004           | 1,162.00     | 7/1/2020          | 6/30/2021       |   |  |                             | 1,162.00       | (1,162.00)             |                |                      |                               |
| Post Retirement Medical   | 21-495-034-5094-001           | 597,679.00   | 7/1/2020          | 6/30/2021       |   |  |                             | 597,679.00     | (597,679.00)           |                |                      |                               |
| Total State Financial Assistance Subject to Single Audit                  |                               |              |                   |                 |   |  | \$2,096,837.81              |                | (\$2,362,545.05)       |                |                      |                               |

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, 2021**

**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. The special



**Township of Green Brook School District**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2021**

**NOTE 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

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                           |                     | \$4,881,070.79        | \$4,881,070.79        |
| Special Revenue Fund                   | \$293,239.51        |                       | 293,239.51            |
| Food Service Fund                      | <u>90,667.71</u>    | <u>3,327.26</u>       | <u>93,994.97</u>      |
| Total Awards &<br>Financial Assistance | <u>\$383,907.22</u> | <u>\$4,884,398.05</u> | <u>\$5,268,305.27</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, 2021. 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, 2021.

**Township of Green Brook School District**  
**Somerset County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2021**

**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   | 21-495-034-5120-089 |
|     | Categorical Security Aid  | 21-495-034-5120-084 |
| (5) | Program Threshold Determination:<br>Type A State Program Threshold > \$750,000.00<br>Type B State Program Threshold <= \$750,000.00 |                     |
| (6) | Auditee qualified as a low-risk auditee under OMB Circular 15-08?   | Yes                 |

**Township of Green Brook School District**  
**Somerset County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2021**

**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

