



# EAST WINDSOR

REGIONAL SCHOOL DISTRICT

Hightstown, New Jersey  
County of Mercer

*Annual Comprehensive Financial Report  
For the Fiscal Year Ended  
June 30, 2022*

# **East Windsor Regional School District**

## **Hightstown, New Jersey**

Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2022

Prepared by

Business Office

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## **Introductory Section**



"PRIDE IN PERFORMANCE"

# East Windsor Regional School District

March 9, 2023

Honorable President and  
Members of the Board of Education  
East Windsor Regional School District  
County of Mercer, New Jersey

Dear Board Members and Constituents:

We are pleased to submit the Annual Comprehensive Financial Report of the East Windsor Regional School District (hereafter the "District") for the fiscal year ending June 30, 2022. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the District. To the best of our knowledge, 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 the 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 annual comprehensive financial report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The Introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials, The Financial section includes the Independent Auditor's Report, Management Discussion and Analysis ("MD&A") and the basic financial statements including the government-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements, notes to the basic financial statements and required supplementary information (RSI) and other supplementary information. The Statistical section includes selected financial and demographic information presented on a multi-year basis and is unaudited. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), and the New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments. Information related to this single audit, including the auditors' report on internal control and compliance with applicable laws and regulations and findings and questioned costs, are included in the Single Audit section of this report.

**1) REPORTING ENTITY AND ITS SERVICES:** East Windsor Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB"). All funds and the government-wide financial statements of the District are included in this report. The East Windsor Regional School District and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational as well as special education for handicapped and preschool handicapped.

children. The District had 4,954 students enrolled on October 15, 2021. Enrollment is defined as students on roll (both full and shared time count as one) and students placed out of district including Mercer County Special Services School District. The following details the changes in the student enrollment of the District over the last ten years.

### ENROLLMENT

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2012-13	5,072	+0.06%
2013-14	5,106	+0.67%
2014-15	5,019	-1.70%
2015-16	5,139	+2.39%
2016-17	5,221	+0.15%
2017-18	5,129	-0.17%
2018-19	5,113	-0.04%
2019-20	5,178	+0.13%
2020-21	5,019	-3.00%
2021-22	4,954	-1.31%

**2) ECONOMIC CONDITION AND OUTLOOK:** New residential development has leveled off. Commercial development continues to increase and is helping to add to the tax base.

**3) MAJOR INITIATIVES:** Expenditures made during the 2021-2022 school year were designed to support the District's mission, goals and instructional action plans as well as the state's core curriculum standards. The 2021-22 goals were:

- Continuing a College and Career Readiness program with advisors to support struggling high school students, first time Honors students and extend to ELL students
- Curriculum revisions and rewrites in many curricular areas;
- Expansion of individualized staff development opportunities to all teachers;
- Laboratory Science equipment to support Next Gen Science Programs (grades 6 to 12)
- Summer Programs in K-12 to support student learning gaps due to the pandemic, to support students in advancing the a higher level
- Bringing in an outside vendor (Written Out Loud) to support students in writing and storytelling
- Exterior Renovation Phase I at Perry L. Drew ES.
- Partial HVAC Renovation at Perry L. Drew ES.
- Interior Renovation of Grace N. Rogers ESV
- Window Replacement Phase II at Melvin Hi Kreps MS.
- Interior Renovation Phase III of Melvin H. Kreps.
- Installation of New Tennis Courts at Hightstown HS.
- Implementation of \$2.6m technology refresh program.

**4. INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining internal control designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the

preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

**5. BUDGETARY CONTROLS:** In addition to internal controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. The legal level of budgetary controls is established at the line item accounts within each fund. Annual appropriated budgets are adopted for the general fund, the special revenue fund and 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 either are canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as assigned fund balance at June 30, 2022.

**6. ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles as promulgated by the GASB. The accounting system of the District is organized based on funds and government-wide financial statements. These funds and government-wide financial statements are explained in "Notes to the Basic Financial Statements," Note I.

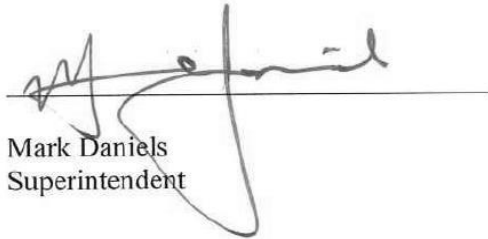
**7. CASH MANAGEMENT:** The investment policy of the District is regulated by state statute as detailed in "Notes to the Basic Financial Statements," Note 3. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

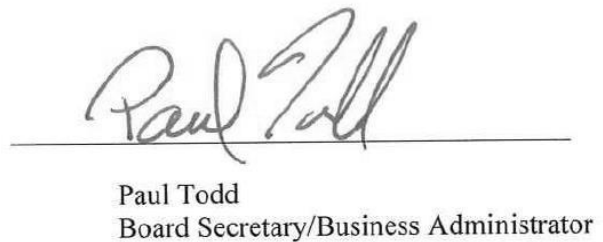
**9. OTHER INFORMATION:** Independent Audit— State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm, PIG O'Connor Davies, I-LP was selected by the Board of Education, In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996, the Uniform Guidance and New Jersey Treasury Circular OMB 15-08. The auditors' report on the basic financial statements, required supplementary information and other supplementary information are included in the financial section of this report. The auditors' reports, related specifically to the single audit are included in the single audit section of this report.

**10. ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the East Windsor Regional School District 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.

Respectfully submitted,



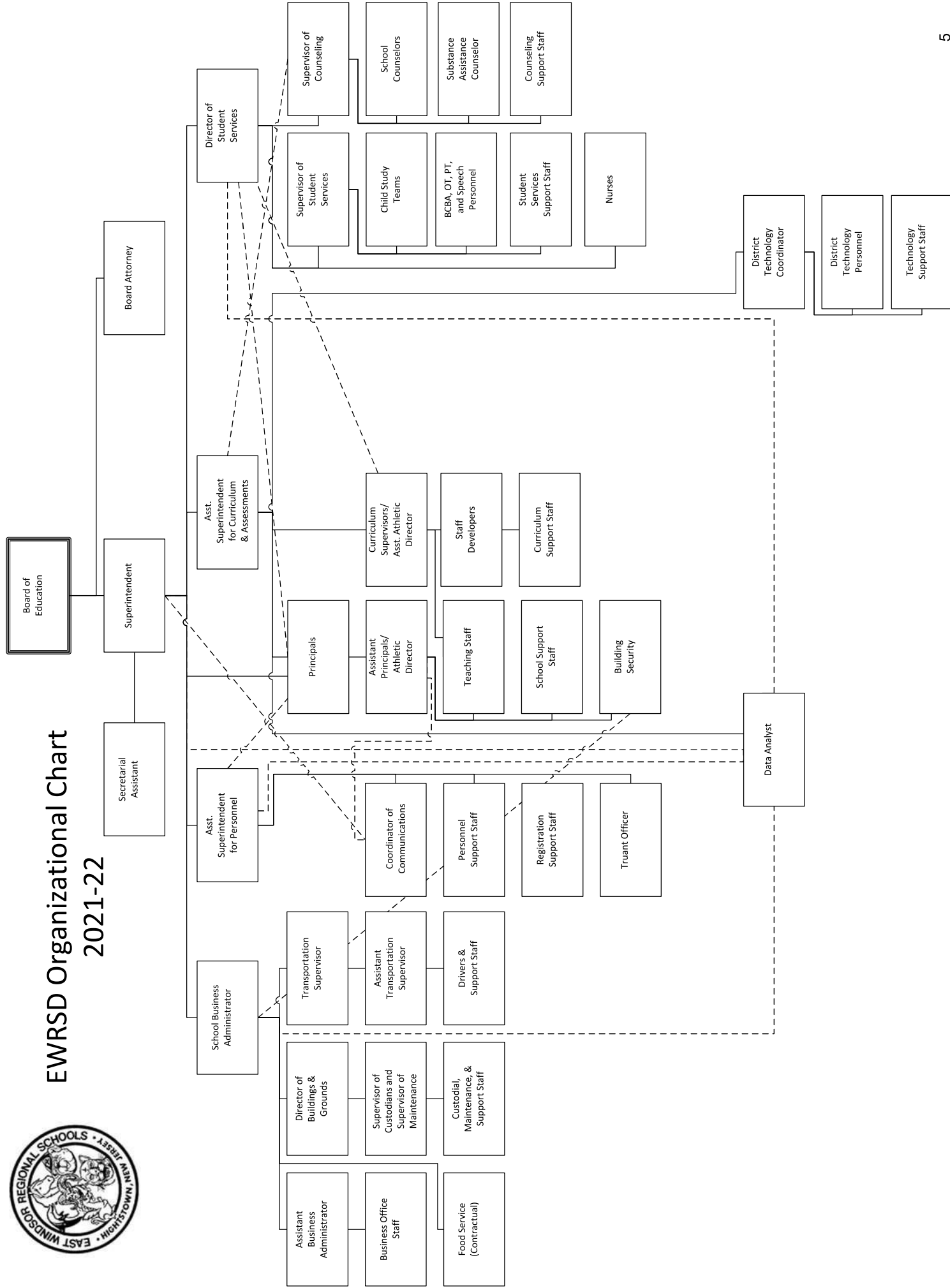
Mark Daniels  
Superintendent



Paul Todd  
Board Secretary/Business Administrator



# EWRSD Organizational Chart 2021-22



**East Windsor Regional School District  
Hightstown, New Jersey**

**Roster of Officials**

**June 30, 2022**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Robert Laverty, President	2023
Nicole LaRusso, Vice President	2022
Jeanne Bourjolly	2023
Jenna Drake	2024
Bertrand Fournies	2022
Christina "Tina" Lands	2024
Colleen Murphy	2024
Ram K. Ramachandran	2022
Michael Weeks	2023

**Other Officials**

Mark Daniels, Superintendent  
Sandy Small, Assistant Superintendent/Curriculum & Assessment Supervisor  
Erin Servillo, Assistant Superintendent/Human Resources  
Paul Todd, Business Administrator / Board Secretary  
Rosemary Della Sala, Assistant Business Administrator (until November 2021)  
Udaya Batchu, Assistant Business Administrator (started December 2021)  
David Roe, Director of Student Services  
David Rubin, Esq., Solicitor

**East Windsor Regional School District  
Hightstown, New Jersey**

**Independent Auditors and Advisors**

**Solicitor**

David Rubin, Esq.  
Busch Law Group, LLC  
450 Main Street  
Metuchen, NJ 08520

**Independent Auditors**

PKF O'Connor Davies, LLP  
20 Commerce Drive, Suite 301  
Cranford, NJ 07016

**Official Depository**

Provident Bank  
509 Rt. 130 North  
East Windsor, New Jersey 08520

## **Financial Section**





## **Independent Auditors' Report**

**Honorable President and Members  
of the Board of Education  
East Windsor Regional School District**  
Hightstown, New Jersey  
County of Mercer

### **Report on the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the East Windsor Regional School District, County of Mercer, New Jersey (the "District"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the District as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

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

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**Honorable President and Members  
of the Board of Education  
East Windsor Regional School District**

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***Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

**Honorable President and Members  
of the Board of Education  
East Windsor Regional School District**

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the schedules included under Required Supplementary Information in the accompanying table of contents to be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements, long-term debt schedules, the schedules of expenditures of federal awards and state financial assistance, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are presented for additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and

**Honorable President and Members  
of the Board of Education  
East Windsor Regional School District**

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certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements, long-term debt schedules and the schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the Annual Comprehensive Financial Report for the year ended June 30, 2022. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' opinion thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated March 9, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

Cranford, New Jersey  
March 9, 2023

*Scott A. Clelland*

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

**Required Supplementary Information – Part I**  
**Management's Discussion and Analysis**

**East Windsor Regional School District**  
**Hightstown, New Jersey**

Management's Discussion and Analysis  
Year Ended June 30, 2022

As management of the East Windsor Regional School District ("District"), we offer readers of the District's financial statements this narrative discussion, overview, and analysis of the financial activities of the District for the year ended June 30, 2022. We encourage readers to consider the information presented, in conjunction with additional information that we have furnished in our letter of transmittal.

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

### **Financial Highlights**

Key financial highlights for fiscal 2022 are as follows:

- Total net position of the governmental activities and business-type activities is \$87,088,550 at June 30, 2022. It is comprised of both current and capital assets and deferred outflows of resources less deferred inflows of resources and current and outstanding long-term liabilities (Schedule A-1).
- General revenues accounted for \$125,042,267 of total revenue or 93.6 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$8,461,232 or 6.4 percent of total revenues of \$133,503,499 (Schedule A-2).
- The District had \$131,412,407 in governmental fund expenditures (Schedule B-2). Of that amount, the General Fund expenditures totaled \$124,749,413, including \$22,841,484 in State on-behalf TPAF pension, medical, and disability and social security contributions. Grant-related, scholarship and student activity expenditures in the special revenue fund totaled \$3,807,649. Business-type activities expenses were \$2,624,308 (Schedule B-5).
- The District maintains internal service funds to provide service and fuel for the District's vehicles as well as health insurance costs for the District's employees. The internal service fund – fueling facility fund had \$571,169 in revenues and \$560,030 in expenses for supplies, fuel costs, and depreciation. The internal service fund – self-insurance fund had \$14,711,647 in revenues and \$15,352,620 in expenses for insurance claims and other objects (Schedule B-5).
- The District transferred unrestricted funds during the year into restricted capital reserves in the amount of \$3,000,000 to fund future capital projects and \$981,711 into the maintenance reserve.

## Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the East Windsor Regional School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

### Overview of the Financial Statements

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

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

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

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

The government-wide financial statements are Schedules A-1 and A-2.

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

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to

facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, capital projects fund and debt service fund, all of which are considered to be major funds.

The District adopts an annual appropriated budget for its general fund, special revenue fund and debt service fund. Budgetary comparison statements have been provided as required supplementary information for the general fund and the special revenue fund and as supplementary information for the debt service fund to demonstrate compliance with this budget.

The basic governmental fund financial statements are Schedules B-1, B-2, and B-3.

**Proprietary funds.** The District maintains proprietary fund types in the form of enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses enterprise funds to account for the operations of its food service and Kid Care, each of which are considered major funds of the District. Enterprise funds provide the same type of information as the government-wide financial statements, only in more detail. The internal service funds provides services and fuel to the District's vehicles and limited other districts and accounts for its self-insured health insurance costs for the District's employees.

The proprietary fund financial statements are Schedules B-4, B-5, and B-6.

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

**Other information.** The required supplementary information and combining statements referred to earlier in connection with governmental funds and proprietary funds are presented immediately following the notes to the basic financial statements.

### **The School District as a Whole**

The Statement of Net Position provides the perspective of the District as a whole. Net position may serve as an indicator of a government's financial position. However, as noted earlier, net position is not the primary basis for decision making for each budget cycle.

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.



The following table provides a summary of net position relating to the District's governmental and business-type activities as of June 30, 2022 and 2021:

East Windsor Regional School District						
Net Position						
June 30,						
	2022			2021		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
<b>Assets:</b>						
Current and other assets	\$ 28,136,533	\$ 3,862,555	\$ 31,999,088	\$ 24,867,959	\$ 2,386,290	\$ 27,254,249
Restricted cash	435,918		435,918	1,965,000		1,965,000
Capital assets, net	101,123,093	113,880	101,236,973	100,322,419	125,340	100,447,759
Total assets	<u>129,695,544</u>	<u>3,976,435</u>	<u>133,671,979</u>	<u>127,155,378</u>	<u>2,511,630</u>	<u>129,667,008</u>
<b>Deferred Outflows of Resources:</b>						
Deferred loss on refunding of debt	8,288		8,288	16,244		16,244
Pension deferrals	2,577,393		2,577,393	4,424,872		4,424,872
Total deferred outflows	<u>2,585,681</u>		<u>2,585,681</u>	<u>4,441,116</u>		<u>4,441,116</u>
<b>Liabilities:</b>						
Current liabilities	3,447,760	132,875	3,580,635	5,968,850		5,968,850
Net pension liability	14,538,208		14,538,208	20,191,858		20,191,858
Unearned revenue	110,027	43,188	153,215	92,925	63,165	156,090
Long-term liabilities outstanding	21,338,627		21,338,627	21,383,158		21,383,158
Total liabilities	<u>39,434,622</u>	<u>176,063</u>	<u>39,610,685</u>	<u>47,636,791</u>	<u>63,165</u>	<u>47,699,956</u>
<b>Deferred Inflows of Resources:</b>						
Deferred gain on refunding of debt	173,475		173,475	201,606		201,606
Pension deferrals	9,384,950		9,384,950	8,780,321		8,780,321
Total deferred outflows	<u>9,558,425</u>	<u>-</u>	<u>9,558,425</u>	<u>8,981,927</u>	<u>-</u>	<u>8,981,927</u>
<b>Net Position:</b>						
Net investment in capital assets	83,988,713	113,880	84,102,593	81,933,434	125,340	82,058,774
Restricted	14,692,249		14,692,249	12,553,088		12,553,088
Unrestricted (deficit)	(15,392,784)	3,686,492	(11,706,292)	(19,498,746)	2,323,125	(17,175,621)
Total net position	<u>\$ 83,288,178</u>	<u>\$ 3,800,372</u>	<u>\$ 87,088,550</u>	<u>\$ 74,987,776</u>	<u>\$ 2,448,465</u>	<u>\$ 77,436,241</u>

The largest portion of the District's net position is its net investment in capital assets, e.g. land, construction in progress, buildings and improvements, and furniture and equipment, less any related debt (general obligation bonds payable and financed purchases) used to acquire those assets that are still outstanding, which amounts to \$84,102,593. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The net pension liability recorded as of June 30, 2022 is the result of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* and Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. The decrease of \$5,653,650 from the prior year relates to changes in the actuarial assumptions from the prior year and the pension funding status of the State of New Jersey.

Capital assets increased due to current year expenses that were capitalized relating to various capital projects exceeding depreciation.

An additional portion of the District's net position (restricted) represents resources that are subject to external restrictions on how they may be used, which total \$14,692,249 at June 30, 2022. The restricted net position increase is a result of additional funds being deposited into the capital reserve and maintenance reserve with balances of \$8,244,134 and \$2,627,910, respectively at June 30, 2022. Additionally, \$1,490,130 has been restricted for unemployment claims, \$322,910 was restricted for student activities, and \$79,493 was restricted for scholarships. Furthermore, \$832,477 was restricted for subsequent year's expenditures from prior year excess fund balance, and \$800,000 was recognized as current year excess surplus to be utilized in the 2023-2024 budget. Lastly, \$285,195 is restricted for capital projects within the Capital Projects fund. The remaining balance of unrestricted net position may be used to meet the District's ongoing obligations to citizens and creditors.

Business-type assets increased from the prior year. Overall, the activity within the business-type activities increased approximately \$1,350,000, mainly due to the increase in operating grants and capital contributions. The increase in net position in the food service enterprise fund is attributed to the increased grant and operating revenues from the prior year. The increase in net position in the Kid Care Enterprise Fund was directly related to the District's increase in revenue for the year ended June 30, 2022.

**District activities.** The key elements of the District's changes in net position for the years ended June 30, 2022 and 2021 are as follows:

	2022			2021		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program Revenues:						
Charges for services	\$ 727,701	\$ 608,808	\$ 1,336,509	\$ 734,046	\$ 125,910	\$ 859,956
Operating and capital grants and contributions	3,762,731	3,361,992	7,124,723	4,169,514	795,246	4,964,760
General revenues:						
Property taxes	70,951,381		70,951,381	70,060,848		70,060,848
Grants and contributions not restricted to specific programs	53,693,146		53,693,146	57,728,140		57,728,140
Other	392,325	5,415	397,740	485,295	8,797	494,092
<b>Total Revenues</b>	<b>129,527,284</b>	<b>3,976,215</b>	<b>133,503,499</b>	<b>133,177,843</b>	<b>929,953</b>	<b>134,107,796</b>
Expenses:						
Instructional services	75,811,053		75,811,053	80,581,332		80,581,332
Support services	45,011,772		45,011,772	46,594,327		46,594,327
Special schools	195,678		195,678	144,746		144,746
Interest and other charges on long-term debt	208,379		208,379	641,801		641,801
Food Service		2,115,796	2,115,796		592,415	592,415
Kid Care		508,512	508,512		537,525	537,525
<b>Total Expenses</b>	<b>121,226,882</b>	<b>2,624,308</b>	<b>123,851,190</b>	<b>127,962,206</b>	<b>1,129,940</b>	<b>129,092,146</b>
Change in net position	8,300,402	1,351,907	9,652,309	5,215,637	(199,987)	5,015,650
Net position-beginning of year	74,987,776	2,448,465	77,436,241	69,772,139	2,648,452	72,420,591
<b>Net position-end of year</b>	<b>\$ 83,288,178</b>	<b>\$ 3,800,372</b>	<b>\$ 87,088,550</b>	<b>\$ 74,987,776</b>	<b>\$ 2,448,465</b>	<b>\$ 77,436,241</b>

The decrease in governmental activities revenues of approximately \$3 million is attributed to the decrease in revenue related to GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which required the District to record revenue of \$7.9 million, which were contributions made on behalf of the District by the State for post-employment health benefits, which was a decrease of approximately \$3.7 million.

The decrease in instructional services expenses is mainly the result of the increase in expenses related to GASB 75. The decrease in support services expenses is mainly the result of decreased grant funding in the current year.

The activity in the business-type funds increased during the 2022 fiscal year mostly due to resuming activities subsequent to the COVID-19 pandemic.

### Financial Analysis of the District's Funds

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

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

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the General Fund, Special Revenue Fund and Debt Service Fund revenues for the fiscal year ended June 30, 2022, and the increases and decreases in relation to the prior year:

<b>Revenues</b>				
<b>Year Ended June 30, 2022</b>				
<b>Revenue</b>	<b>Amount</b>	<b>Percent of Total</b>	<b>Increase (Decrease) from 2021</b>	<b>Percent of Increase (Decrease)</b>
Local sources	\$ 72,620,704	54.6%	\$ 1,084,697	1.5%
State sources	57,079,765	42.9%	11,199,315	24.4%
Federal sources	3,410,597	2.5%	(626,612)	-15.5%
<b>Total</b>	<b>\$ 133,111,066</b>	<b>100.0%</b>	<b>\$ 11,657,400</b>	<b>9.6%</b>

The increase in state sources is mainly due to the increase in TPAF pension contributions made by the State on behalf of the District.

The decrease in federal sources is mainly due to fewer grant funds being expended in the 2022 fiscal year when compared to the prior year.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2022 and the increases and decreases in relation to the prior year:

**Expenditures**  
**Year Ended June 30, 2022**

<b>Expenditures</b>	<b>Amount</b>	<b>Percent of Total</b>	<b>Increase (Decrease) from 2021</b>	<b>Percent of Increase (Decrease)</b>
Current expenditures:				
Instruction	\$ 46,541,289	35.4%	\$ 2,774,413	6.3%
Support services	76,519,579	58.2%	9,690,302	14.5%
Capital outlay	5,496,194	4.2%	(1,047,656)	-16.0%
Debt service	2,855,345	2.2%	(338,640)	-10.6%
<b>Total</b>	<b>\$131,412,407</b>	<b>100.0%</b>	<b>\$ 11,078,419</b>	<b>9.2%</b>

Support services increased due to the needs of the District. Capital outlay decreased due to the purchase of equipment due to the ongoing pandemic in the prior year. Debt service decreased due to the reduction of outstanding debt and no additional debt being issued in the current year. All other fluctuations are less than 10% and are considered immaterial.

**General Fund Budgetary Highlights**

The District budget is prepared according to New Jersey Statutes. The most significant budgeted fund is the general fund. During the fiscal year, there were several differences between the original budget and the final amended budget as a result of transfers being applied to certain line items. These transfers were made between line items as part of the normal process as permitted by State guidelines. Readers should refer to Section C of the financial report for comparisons between the actual and budgeted amounts.

State sources exceeded anticipated revenues by \$23,511,763 as a result of the District not anticipating revenues related to Extraordinary Aid, Non-public transportation aid, State on-behalf TPAF pension, medical and disability contributions, and State reimbursed TPAF social security contributions.

**Capital Assets and Debt Administration**

Capital Assets. At June 30, 2022, the District's governmental activities and business-type activities had capital assets of \$101,236,973 (net of accumulated depreciation), including land, construction in progress, school buildings and improvements, site and site improvements, machinery, equipment and vehicles.

The District's governmental activities and business-type activities capital assets, net of accumulated depreciation consisted of the following at June 30, 2022 and 2021:

	<b>June 30</b>	
	<b>2022</b>	<b>2021</b>
Land	\$ 149,550	\$ 149,550
Construction in progress	6,141,455	1,510,075
Buildings and improvements	88,297,745	92,493,394
Site and site improvements	2,094,345	2,299,251
Machinery, equipment and vehicles	4,439,998	3,880,149
Business-type	113,880	125,340
Total capital assets, net	<u>\$ 101,236,973</u>	<u>\$ 100,457,759</u>

More detailed information about the District's capital assets can be found in Note 4 to the basic financial statements.

**Debt Administration and Long-term Liabilities.** During the 2022 fiscal year, the District's governmental activities had outstanding long-term liabilities of \$35,876,835, of which \$6,535,151 was classified as the current portion.

At June 30, 2022 and 2021, the District's long-term liabilities consisted of:

	<b>June 30</b>	
	<b>2022</b>	<b>2021</b>
Bonds payable	\$ 15,815,000	\$ 18,370,000
Net pension liability	14,538,208	20,191,585
Financed Purchases	1,133,921	1,768,888
Compensated absences payable	1,367,215	1,204,535
IBNR Liability	3,002,219	
Unamortized bond premium	20,273	39,735
Total long-term liabilities	<u>\$ 35,876,836</u>	<u>\$ 41,574,743</u>

More detailed information about the District's long-term liabilities and outstanding debt can be found in Note 5 to the basic financial statements.

### **Requests for Information**

This financial report is designed to provide a general overview of the East Windsor Regional School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the School Business Administrator, 25A Leshin Lane, Hightstown, NJ, 08520.

## **Basic Financial Statements**

## **Government-wide Financial Statements**

The government-wide financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all governmental activities and business-type activities as of and for the year ended June 30, 2022.

## East Windsor Regional School District

### Statement of Net Position

June 30, 2022

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 25,764,243	\$ 3,533,753	\$ 29,297,996
Accounts receivable	2,296,800	256,805	2,553,605
Inventories	75,490	71,997	147,487
Restricted assets:			
Cash held by fiscal agent	435,918		435,918
Capital assets, non-depreciable	6,291,005		6,291,005
Capital assets, depreciable, net	94,832,088	113,880	94,945,968
Total assets	<u>129,695,544</u>	<u>3,976,435</u>	<u>133,671,979</u>
<b>Deferred Outflows of Resources</b>			
Deferred loss on refunding of debt	8,288		8,288
Pension deferrals	2,577,393		2,577,393
Total deferred outflows of resources	<u>2,585,681</u>		<u>2,585,681</u>
<b>Liabilities</b>			
Accounts payable and accrued expenses	3,268,191	132,875	3,401,066
Payroll deductions and withholdings payable	54,097		54,097
Unemployment claims payable	65,338		65,338
Accrued interest payable	60,134		60,134
Unearned revenue	110,027	43,188	153,215
Net pension liability	14,538,208		14,538,208
Current portion of long-term obligations	6,535,151		6,535,151
Noncurrent portion of long-term obligations	14,803,476		14,803,476
Total liabilities	<u>39,434,622</u>	<u>176,063</u>	<u>39,610,685</u>
<b>Deferred Inflows of Resources</b>			
Deferred gain on refunding of debt	173,475		173,475
Pension deferrals	9,384,950		9,384,950
Total deferred inflows of resources	<u>9,558,425</u>		<u>9,558,425</u>
<b>Net Position</b>			
Net investment in capital assets	83,988,713	113,880	84,102,593
Restricted for:			
Capital projects	285,195		285,195
Capital reserve	8,244,134		8,244,134
Maintenance reserve	2,627,910		2,627,910
Unemployment claims reserve	1,490,130		1,490,130
Student activity reserve	332,910		332,910
Scholarship reserve	79,493		79,493
Excess surplus	1,632,477		1,632,477
Unrestricted (deficit)	<u>(15,392,784)</u>	<u>3,686,492</u>	<u>(11,706,292)</u>
Total net position	<u>\$ 83,288,178</u>	<u>\$ 3,800,372</u>	<u>\$ 87,088,550</u>

*See accompanying notes to basic financial statements.*



East Windsor Regional School District

Statement of Activities

Year ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities
<b>Governmental activities</b>					
Instruction	\$ 48,544,655	\$ 656,259	\$ 1,159,528	\$ (46,728,868)	\$ (46,728,868)
Regular Instruction	18,197,488		1,684,849	(16,512,639)	(16,512,639)
Special Education Instruction	7,130,027			(7,130,027)	(7,130,027)
Other Special Education Instruction	1,938,883			(1,938,883)	(1,938,883)
Other Instruction					
Support Services					
Student and Instruction Related Services	17,077,635		918,354	(16,159,281)	(16,159,281)
School Administration	6,089,212			(6,089,212)	(6,089,212)
Other Administration Services	3,559,290			(3,559,290)	(3,559,290)
Plant Operation and Maintenance	11,599,043			(11,599,043)	(11,599,043)
Pupil Transportation	6,622,369	71,442		(6,550,927)	(6,550,927)
Charter Schools	64,223			(64,223)	(64,223)
Special Schools	195,678			(195,678)	(195,678)
Interest on long-term debt	208,379			(208,379)	(208,379)
Total governmental activities	<u>121,226,882</u>	<u>727,701</u>	<u>3,762,731</u>	<u>(116,736,450)</u>	<u>(116,736,450)</u>
<b>Business-type activities</b>					
Food service	2,115,796	91,064	3,361,992	\$ 1,337,260	1,337,260
Kid Care	508,512	517,744		9,232	9,232
Total business-type activities	<u>2,624,308</u>	<u>608,808</u>	<u>3,361,992</u>	<u>1,346,492</u>	<u>1,346,492</u>
Total primary government	<u>\$ 123,851,190</u>	<u>\$ 1,336,509</u>	<u>\$ 7,124,723</u>	<u>(116,736,450)</u>	<u>(115,389,958)</u>
<b>General revenues:</b>					
Taxes:					
Property taxes, levied for general purposes				68,194,614	68,194,614
Property taxes, levied for debt service				2,756,767	2,756,767
Federal sources				137,389	137,389
State sources—unrestricted				53,555,757	53,555,757
Investment income				40,961	46,376
Miscellaneous				351,364	351,364
Total general revenues				<u>125,036,852</u>	<u>125,042,267</u>
Change in net position				8,300,402	9,652,309
Net Position—beginning				74,987,776	77,436,241
Net Position—ending				<u>\$ 83,288,178</u>	<u>\$ 87,088,550</u>

See accompanying notes to basic financial statements.

## **Fund Financial Statements**

## **Governmental Funds**

East Windsor Regional School District  
Governmental Funds

## Balance Sheet

June 30, 2022

	Major Funds			Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	
<b>Assets</b>				
Cash and cash equivalents	\$ 23,030,644	\$ 362,350	\$ 71,559	\$ 23,464,553
Accounts receivable:				
State	1,043,120	734	213,636	1,257,490
Federal	35,465	687,992		723,457
Other	251,841			251,841
Interfund	545,021			545,021
Restricted assets:				
Cash held by fiscal agent		50,053		50,053
<b>Total assets</b>	<u>\$ 24,906,091</u>	<u>\$ 1,101,129</u>	<u>\$ 285,195</u>	<u>\$ 26,292,415</u>
<b>Liabilities and Fund Balances</b>				
Liabilities:				
Accounts payable and accrued expenses	\$ 1,501,587	\$ 114,439		\$ 1,616,026
Payroll deductions and withholdings payable	54,097			54,097
Unemployment claims payable	65,338			65,338
Intergovernmental payables:				
State		8,373		8,373
Interfunds payable		455,887		455,887
Unearned revenue		110,027		110,027
<b>Total liabilities</b>	<u>1,621,022</u>	<u>688,726</u>		<u>2,309,748</u>
Fund balances:				
Restricted for:				
Excess surplus - current year	800,000			800,000
Excess surplus - prior year - designated for subsequent year's expenditures	832,477			832,477
Unemployment claims	1,490,130			1,490,130
Student activities		332,910		332,910
Scholarships		79,493		79,493
Capital reserve	8,244,134			8,244,134
Maintenance reserve	2,627,910			2,627,910
Capital projects			\$ 285,195	285,195
Assigned to:				
Designated for subsequent year's expenditures	74,907			74,907
Other purposes	7,580,068			7,580,068
Unassigned	1,635,443			1,635,443
<b>Total fund balances</b>	<u>23,285,069</u>	<u>412,403</u>	<u>285,195</u>	<u>23,982,667</u>
<b>Total liabilities and fund balances</b>	<u>\$ 24,906,091</u>	<u>\$ 1,101,129</u>	<u>\$ 285,195</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$185,243,813 and the accumulated depreciation is \$84,120,720.	101,123,093
Internal service funds are used by the District to charge the costs of the District's fuel facility fund and self-insurance fund to the individual funds. The assets and liabilities of the internal service funds are included with governmental activities.	(469,588)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(60,134)
Gains (Losses) arising from the issuance of refunding bonds that are a result of the difference in the carrying value of refunded bonds and the new bonds are deferred and amortized over the life of the bonds.	(165,187)
Deferred pension costs in governmental activities are not financial resources and therefore are not reported in the	(6,807,557)
Accrued pension contributions for the June 30, 2022 plan year end are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position	(1,440,500)
Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the funds.	(14,538,208)
Long-term liabilities, including bonds payable, financed purchases and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(18,336,408)
<b>Net position of governmental activities (A-1)</b>	<u>\$ 83,288,178</u>

See accompanying notes to basic financial statements.

East Windsor Regional School District  
Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2022

	<b>Major Funds</b>				<b>Total Governmental Funds</b>
	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Capital Projects Fund</b>	<b>Debt Service Fund</b>	
<b>Revenues</b>					
Local sources:					
Local tax levy	\$ 68,194,614			\$ 2,756,767	\$ 70,951,381
Transportation fees	71,442				71,442
Tuition	656,259				656,259
Rents and royalties	10,598				10,598
Interest on investments	40,961				40,961
Miscellaneous	340,766	\$ 549,297			890,063
Total local sources	69,314,640	549,297		2,756,767	72,620,704
State sources	56,951,025	30,162		98,578	57,079,765
Federal sources	137,389	3,273,208			3,410,597
Total revenues	126,403,054	3,852,667		2,855,345	133,111,066
<b>Expenditures</b>					
Instruction:					
Regular instruction	30,396,042	1,159,528			31,555,570
Special education instruction	7,648,995	1,684,849			9,333,844
Other special instruction	4,405,549				4,405,549
Other instruction	1,246,326				1,246,326
Support services:					
Tuition	4,828,163				4,828,163
Student and instruction related services	10,521,956	963,272			11,485,228
School administration services	3,795,449				3,795,449
Other administration services	2,528,219				2,528,219
Plant operations and maintenance	8,859,474				8,859,474
Pupil transportation	4,891,315				4,891,315
Employee benefits	17,077,574				17,077,574
On-behalf pension, medical and disability contributions	19,503,735				19,503,735
On-behalf TPAF social security contributions	3,337,749				3,337,749
Capital outlay	5,496,194				5,496,194
Special schools	148,450				148,450
Debt service:					
Principal				2,555,000	2,555,000
Interest				300,345	300,345
Contribution to charter schools	64,223				64,223
Total expenditures	124,749,413	3,807,649		2,855,345	131,412,407
Excess of revenues over expenditures	1,653,641	45,018		-	1,698,659
Fund balances, July 1	21,631,428	367,385	\$ 285,195	-	22,284,008
Fund balances, June 30	\$ 23,285,069	\$ 412,403	\$ 285,195	\$ -	\$ 23,982,667

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

East Windsor Regional School District  
Governmental Funds

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

Year Ended June 30, 2022

**Total net change in fund balances - governmental funds (from B-2)** \$ 1,698,659

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

Capital additions are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital asset additions exceeded depreciation expense in the period.

	Depreciation expense	\$ (4,890,362)	
	Capital asset additions	<u>5,751,412</u>	
			861,050

Loss on disposal of capital assets (70,375)

In the statement of activities, interest on long-term debt is accrued, regardless of when due.

In the governmental funds, interest is reported when due. This represents the change from the prior year. 52,329

Governmental Funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

The net effect of these transactions is as follows:

	Amortization of premium on bonds	19,462	
	Amortization of deferred loss on defeasance	<u>20,175</u>	
			39,637

The Internal Service Fund is used by the District to service and charge the cost of fuel to other funds. The activity of this fund is included in the Statement of Activities.

	Change in net position	(535,513)	
	Depreciation, included above	<u>2,366</u>	
			(533,147)

Financed purchases payable and the repayment of the principal on long-term debt consumes the current financial resources of governmental funds. These transactions, however, have no effect on net position.

	Repayment of long-term debt	2,555,000	
	Payments on financed purchases	<u>634,967</u>	
			3,189,967

In the statement of activities, certain operating expenses, e.g., compensated absences (sick and vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). (162,680)

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

	Pension expense	<u>3,224,962</u>	
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**Change in net position of governmental activities (A-2)** \$ 8,300,402

*See accompanying notes to basic financial statements.*

## **Proprietary Funds**

East Windsor Regional School District  
Proprietary Funds

Statement of Net Position

June 30, 2022

	<b>Major Funds</b>			<b>Governmental</b>		
	<b>Business-Type Activities - Enterprise Funds</b>			<b>Activities</b>		
	<b>Food Service</b>	<b>Kid Care</b>	<b>Totals</b>	<b>Fueling Facility</b>	<b>Self Insurance</b>	<b>Totals</b>
<b>Assets</b>						
Current assets:						
Cash and cash equivalents	\$ 2,920,455	\$ 613,298	\$ 3,533,753		\$ 2,299,690	\$ 2,299,690
Accounts receivable:						
State	4,783		4,783			
Federal	249,789		249,789			
Other		2,233	2,233	\$ 64,000	12	64,012
Inventories	71,997		71,997	75,490		75,490
Restricted assets:						
Cash held by fiscal agent					385,865	385,865
Total current assets	3,247,024	615,531	3,862,555	139,490	2,685,567	2,825,057
Noncurrent assets:						
Equipment	1,123,626		1,123,626	67,380		67,380
Accumulated depreciation	(1,009,746)		(1,009,746)	(40,672)		(40,672)
Total capital assets, net	113,880	-	113,880	26,708		26,708
Total assets	3,360,904	615,531	3,976,435	166,198	2,685,567	2,851,765
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	132,875		132,875		230,000	230,000
Accrued liability for insurance claims					3,002,219	3,002,219
Interfund payable				89,134		89,134
Unearned revenue	42,213	975	43,188			
Total current liabilities	175,088	975	176,063	89,134	3,232,219	3,321,353
Total liabilities	175,088	975	176,063	89,134	3,232,219	3,321,353
<b>Net Position</b>						
Investment in capital assets	113,880		113,880	26,708		26,708
Unrestricted (deficit)	3,071,936	614,556	3,686,492	50,356	(546,652)	(496,296)
Total net position	\$ 3,185,816	\$ 614,556	\$ 3,800,372	\$ 77,064	\$ (546,652)	\$ (469,588)

See accompanying notes to basic financial statements.



East Windsor Regional School District  
Proprietary Funds

Statements of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2022

	<b>Major Funds</b>			<b>Governmental</b>		
	<b>Business-Type Activities -</b>			<b>Activities</b>		
	<b>Food</b>	<b>Enterprise Funds</b>		<b>Fueling</b>	<b>Self</b>	<b>Totals</b>
<b>Service</b>	<b>Kid Care</b>	<b>Totals</b>	<b>Facility</b>	<b>Insurance</b>		
Operating revenues:						
Local sources:						
Daily sales non-reimbursable programs	\$ 91,064		\$ 91,064			
Tuition		\$ 517,744	517,744		\$ 12,300,000	\$ 12,300,000
Charges for services - district contributions					2,411,647	2,411,647
Charges for services - employee contributions						
Charges for services				\$ 571,169		571,169
<b>Total operating revenues</b>	<b>91,064</b>	<b>517,744</b>	<b>608,808</b>	<b>571,169</b>	<b>14,711,647</b>	<b>15,282,816</b>
Operating expenses						
Salaries	601,907	436,371	1,038,278			
Employee benefits	171,441	32,884	204,325			
Purchased professional services		21,949	21,949	9,666		9,666
Management and admin services	209,282		209,282			
Supplies and materials	169,734	17,308	187,042	547,998		547,998
Depreciation	11,460		11,460	2,366		2,366
Cost of sales - non-reimbursable programs	20,445		20,445			
Cost of sales - reimbursable programs	917,495		917,495			
Insurance claims					13,968,015	13,968,015
Other objects					1,384,605	1,384,605
Miscellaneous	14,032		14,032			
<b>Total operating expenses</b>	<b>2,115,796</b>	<b>508,512</b>	<b>2,624,308</b>	<b>560,030</b>	<b>15,352,620</b>	<b>15,912,650</b>
Operating (loss) income	(2,024,732)	9,232	(2,015,500)	11,139	(640,973)	(629,834)
Non-operating revenues:						
Interest and investment revenue	5,415		5,415		5,121	5,121
Stop loss reimbursements					89,200	89,200
State sources:						
State school lunch program	61,800		61,800			
Federal sources:						
School breakfast program	432,676		432,676			
National school lunch program	2,626,643		2,626,643			
COVID-19 Pandemic electronic benefit transfer	3,135		3,135			
Food donation program	237,738		237,738			
<b>Total nonoperating revenues</b>	<b>3,367,407</b>		<b>3,367,407</b>		<b>94,321</b>	<b>94,321</b>
Change in net position	1,342,675	9,232	1,351,907	11,139	(546,652)	(535,513)
Total net position-beginning	1,843,141	605,324	2,448,465	65,925		65,925
Total net position (deficit)-ending	<u>\$ 3,185,816</u>	<u>\$ 614,556</u>	<u>\$ 3,800,372</u>	<u>\$ 77,064</u>	<u>\$ (546,652)</u>	<u>\$ (469,588)</u>

See accompanying notes to basic financial statements.

East Windsor Regional School District  
Proprietary Funds

Statement of Cash Flows

Year Ended June 30, 2022

	<b>Major Funds</b>			<b>Governmental</b>		
	<b>Business-Type Activities -</b>			<b>Activities</b>		
	<b>Enterprise Funds</b>			<b>Self Insurance</b>		
	<b>Food Service</b>	<b>Kid Care</b>	<b>Total</b>	<b>Fueling Facility</b>	<b>Self Insurance</b>	<b>Total</b>
<b>Cash flows from operating activities:</b>						
Receipts from customers	\$ 76,412	\$ 512,419	\$ 588,831	\$ 550,749		\$ 550,749
Receipts from services provided					\$ 14,711,635	14,711,635
Payments for insurance claims					(11,301,661)	(11,301,661)
Payments to employees	(601,907)	(469,256)	(1,071,163)			
Payments for benefits	(171,441)	(39,256)	(210,697)			
Payments to suppliers	(1,219,728)		(1,219,728)	(597,465)	(1,204,605)	(1,802,070)
Net cash (used in) provided by operating activities	(1,916,664)	3,907	(1,912,757)	(46,716)	2,205,369	2,158,653
<b>Cash flows from noncapital financing activities:</b>						
Cash received from state and federal sources	3,296,619		3,296,619			
Stop loss insurance proceeds					89,200	89,200
Transfer from other funds				46,716		46,716
Net cash provided by noncapital financing activities	3,296,619		3,296,619	46,716	89,200	135,916
<b>Cash flows from investing activity:</b>						
Interest received	5,415		5,415		5,121	5,121
Net cash provided by investing activity	5,415		5,415		5,121	5,121
Net increase in cash and cash equivalents	1,385,370	3,907	1,389,277	-	2,299,690	2,299,690
Cash and cash equivalents, beginning of year	1,535,085	609,391	2,144,476	-	-	-
Cash and cash equivalents, end of year	<u>\$ 2,920,455</u>	<u>\$ 613,298</u>	<u>\$ 3,533,753</u>	<u>\$ -</u>	<u>\$ 2,299,690</u>	<u>\$ 2,299,690</u>
<b>Reconciliation of operating (loss) income to net cash (used in) provided by operating activities:</b>						
Operating (loss) income	\$ (2,024,732)	\$ 9,232	\$ (2,015,500)	\$ 11,139	\$ (640,973)	\$ (629,834)
Adjustments to reconcile operating (loss) income to net cash						
(used in) provided by operating activities:						
Depreciation	11,460		11,460	2,366		2,366
Change in assets and liabilities:						
(Increase) in other accounts receivable				(20,420)	(12)	(20,432)
(Increase) in inventory	(36,197)		(36,197)	(39,801)		(39,801)
Increase in accounts payable	132,875		132,875		230,000	230,000
Increase in accrued liability for insurance claims					3,002,219	3,002,219
(Increase) in restricted cash					(385,865)	(385,865)
(Decrease) in unearned revenue	(70)	(5,325)	(5,395)			
Net cash (used in) provided by operating activities	<u>\$ (1,916,664)</u>	<u>\$ 3,907</u>	<u>\$ (1,912,757)</u>	<u>\$ (46,716)</u>	<u>\$ 2,205,369</u>	<u>\$ 2,158,653</u>

**Noncash noncapital financing activities:**

The District received \$230,447 of food commodities from the U.S. Department of Agriculture for the year ended June 30, 2022.

See accompanying notes to basic financial statements.

East Windsor Regional School District

Notes to the Basic Financial Statements

Year ended June 30, 2022

**1. Summary of Significant Accounting Policies**

The financial statements of the East Windsor Regional School District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (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 District's accounting policies are disclosed below:

**A. Reporting Entity**

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

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

The District, as the primary government for financial reporting entity purposes, has oversight responsibility and control over all activities related to the East Windsor Regional School District. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

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

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

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

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

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

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

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

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

The District has reported the following major governmental funds:

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

*Special Revenue Fund:* The District maintains one special revenue fund, which includes the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes, other than debt service or capital projects.

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

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

The District reports the following major proprietary funds:

*Food Service Enterprise Fund:* The food service enterprise fund accounts for all revenues and expenses pertaining to cafeteria operations. This 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 or other entities on a continuing basis are financed or recovered primarily through user charges.

*Kid Care Enterprise Fund:* This fund accounts for the revenues and expenses pertaining to the District's extended day care program.

*Fueling Facility Internal Service Fund:* The District's internal service fund provides services and fuel for the District's vehicles, and certain limited outside parties through shared service agreements.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

*Self-Insurance Internal Service Fund:* The self-insurance fund is used to record the activity of the District's self insured health insurance program expenses.

As a general rule the effect of internal activity has been eliminated from the government-wide financial statements.

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

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

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

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 moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable."

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

**D. Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds and submitted to the county office. Budgets are prepared using the modified accrual basis of accounting and the special revenue fund uses a non-GAAP budget (budgetary basis). The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referred in N.J.A.C. 6A:23.

All budget amendments must be approved by School Board resolution and certain others require approval by the County Superintendent of Schools. Budgetary transfers were made during the current year in accordance with statutory guidelines. The amendments made by the District were part of the normal course of operations.

The over-expenditures related to on-behalf payments in the general fund are due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition in the general fund of the last state aid payments for budgetary purposes and the treatment of encumbrances in 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.

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

**E. Cash, Cash Equivalents and Investments**

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

Investments are stated at fair value in accordance with the GASB. The District classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

from the date of purchase, as investments and are stated at cost. All other investments are stated at fair value.

**F. Interfund Receivables/Payables**

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

**G. Inventories**

Inventories that benefit future periods, other than those recorded in the proprietary fund, are recorded as an expenditure during the year of purchase.

Proprietary funds inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. At June 30, 2022, the unused Food Donation Program commodities of \$15,213 are reported as unearned revenue in the food service enterprise fund.

**H. Capital Assets**

Capital assets, which include land, construction in progress, site and site improvements, buildings and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their acquisition value on the date of acquisition.

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend the assets lives are not capitalized.

Capital assets, being depreciated, of the District are depreciated using the straight-line method. The following estimated useful lives are used to compute depreciation:

	<u>Years</u>
Machinery and equipment	2-20
Buildings	40
Building improvements	20
Vehicles	5-10



## East Windsor Regional School District

### Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

#### **I. Compensated Absences**

A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits. The District uses the “vesting method” for estimating its accrued sick and vacation leave liability.

District employees earn vacation and sick leave in varying amounts under the District’s existing collective bargaining agreements. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after one year of service.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2022, a liability existed for compensated absences in the government-wide financial statements in the amount of \$1,367,215 and no liability existed for compensated absences in the proprietary fund types.

#### **J. Deferred Outflows/Inflows of Resources**

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

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

#### **K. Long-Term Obligations**

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

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

**L. Deferred Gain/Loss on Defeasance of Debt**

Deferred gains and losses on defeasance of debt arising from the issuance of refunding bonds are recorded as a deferred outflows and inflows of resources. They are amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. As of June 30, 2022, the District has reported an unamortized loss on the refunding of debt balance of \$8,288 as a deferred outflow of resources and \$173,475 gain on the refunding of debt as a deferred inflow of resources. Amortization expense for the year ended June 30, 2022 was \$20,175.

**M. Unearned Revenue**

Unearned revenue in the general fund and special revenue fund represents cash which has been received but not yet earned. Unearned revenue in the food service enterprise fund represents unused food donation commodities and student deposits made for the use of purchasing food in a future period. Unearned revenue in the Kid Care Enterprise Fund represents cash which has been received but not yet earned.

**N. Net Position**

Net Position represents the difference between assets, deferred outflows of resources, deferred inflows of resources, and liabilities in the Government-wide financial statements. Net investment in capital assets is reported net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net positions are reported as restricted in the Government-wide and fund financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

**O. Fund Balances**

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

- 1) Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.
- 2) Restricted - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- 3) Committed - includes amounts that can be used only for the specific purposes imposed by a formal action of the government's highest level of decision-making authority. The District's highest level of decision-making authority is the Board of Education (the "Board") and formal action is taken by resolution of the Board at publicly held meetings. Once committed, amounts cannot be used for other purposes unless the Board revises or changes the specified use by taking the same action (resolution) taken to originally commit these funds.
- 4) Assigned – amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Interest is expressed by either the Board or Business Administrator, to whom the Board has delegated the authority to assign amounts to be used for specific purposes, including the encumbering of funds.
- 5) Unassigned - includes all spendable amounts not contained in the other classifications in the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In the other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

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

Of the \$23,285,069 of fund balances in the General Fund, \$7,580,068 of encumbrances which is assigned to other purposes, \$832,477 has been classified as restricted excess surplus – prior year – designated for subsequent year's expenditures, \$800,000 has been classified as restricted excess surplus – current year, \$10,872,044 has been classified as restricted for maintenance reserve and capital reserve in the amounts of \$2,627,910 and \$8,244,134, respectively, \$1,490,130 has been classified as restricted for unemployment claims, \$74,907 is assigned to designated for subsequent year's expenditures, \$1,635,443 is unassigned.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

Of the \$412,403 of fund balances in the Special Revenue Fund, \$332,910 is classified as restricted for student activities and \$79,493 is classified as restricted for scholarships.

All of the fund balance in the Capital Projects Fund of \$285,195 is restricted for capital projects.

**P. 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.

**Q. On-Behalf Payments**

Revenues and expenditures of the general fund include payments made or reimbursed by the State of New Jersey for social security and post-retirement medical and pension contributions for certified teachers and other members of the New Jersey Teachers Pension and Annuity Fund. Additionally, revenues and expenses related to on-behalf pension contributions in the government-wide financial statements have been decreased by \$11,635,268 to adjust for the full accrual basis expense incurred by the State of New Jersey during the most recent measurement period. The amounts are not required to be included in the District's annual budget.

**R. Calculation of Excess Surplus**

The designation for restricted fund balance - excess surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve fund balance of the General Fund 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 District has excess fund balance at June 30, 2022 in the amount of \$1,632,477. Of this amount, \$832,477 has been appropriated in the 2022/23 budget and the remaining \$800,000, which was generated during the 2022 fiscal year, will be appropriated in the 2023/24 budget.

**S. GASB Pronouncements**

The GASB issued Statement No. 87, *Leases* in June 2017. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement were implemented during the fiscal year ended June 30, 2022. Management has reviewed the Statement and deemed the impact immaterial to the financial statements.

## East Windsor Regional School District

### Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* in May 2020. This Statement provides guidance on accounting and financial reporting for subscription-based information technology arrangements. The requirements of this Statement are effective for periods beginning after June 15, 2022. Management has not determined the impact of the Statement on the financial statements.

The GASB issued Statement No. 99, *Omnibus 2022* in April 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective for periods beginning after June 15, 2022. Management has not yet determined the impact of the Statement on the financial statements.

The GASB issued Statement No. 101, *Compensated Absences* in June 2022. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for periods beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has not determined the impact of the Statement on the financial statements.

#### **T. Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and March 9, 2023, the date that the financial statements were available for issuance. The effect of those events and transactions that provide additional pertinent information about conditions that existed at the balance sheet and statement of net position date, have been recognized in the accompanying financial statements. In addition, on July 1, 2022, the District entered into a financed purchase in the amount of \$8,000,000 to lease equipment.

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

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

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds payable, unamortized premiums, financed purchases payable and compensated absences payable are not due and payable in the current period and therefore are not reported in the funds.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

The details of this \$18,336,408 difference are as follows:

Bonds payable	\$	15,815,000
Premium on bonds		20,273
Financed purchases payable		1,133,920
Compensated absences payable		1,367,215
Net adjustment to reduce fund balance-total governmental funds to arrive at net position - governmental activities	\$	<u>18,336,408</u>

**3. Deposits and Investments**

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

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include savings and loan institutions, banks (both state and national banks) and savings banks, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

**Deposits**

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

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

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

## East Windsor Regional School District

### Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

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

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

The District's cash and cash equivalents are classified below to inform financial statement users about the extent to which the District's deposits and investments are exposed to custodial credit risk.

At June 30, 2022 the carrying amount of the District's deposits was \$29,297,996 and the bank balance was \$32,804,414 (not including mutual funds). Of the bank balance, \$250,000 of the District's cash deposits on June 30, 2022 was secured by federal depository insurance. The New Jersey Governmental Unit Deposit Protection Act (GUDPA) covered the bank balance of \$31,810,129. \$744,285 held in the District's agency accounts are not covered by GUDPA. The District also has \$435,918 of funds held with fiscal agent at June 30, 2022 related to scholarship funds held by the State of New Jersey and advance deposits held by the insurance carrier on behalf of the District.

Pursuant to GASB Statement No. 40, *Deposit and Investment Risk Disclosures* ("GASB 40"), the District's operating cash accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the District would not be able to recover the value of its deposits and investments). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized (securities not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. The District does not have a policy for the management of custodial credit risk, other than depositing all of its funds in banks covered by GUDPA. At least five percent of the District's deposits were fully collateralized by funds held by financial institutions, but not in the name of the District. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

#### Investments

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

- a. Bonds and other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank, which have a maturity date not greater than twelve months from the date of purchase.
- c. New Jersey Cash Management Fund and New Jersey Asset and Rebate Management Fund.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

*Custodial Credit Risk:* All of the District's investments are uncollateralized. Pursuant to GASB 40, the NJCMF, which is a pooled investment, is exempt from custodial credit risk exposure. The District does not have a policy for custodial credit risk for its investment.

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

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

*Interest Rate Risk:* The District does not have a policy to limit interest rate risk, however, its practice is typically to invest in investments with short maturities.

The District had no investments at June 30, 2022.



East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**4. Capital Assets**

The following is a summarization of the governmental activities changes in capital assets for the fiscal year ended June 30, 2022:

	<b>Beginning Balance</b>		<b>Increases</b>		<b>Transfers/ Dispositions</b>		<b>Ending Balance</b>
<b>Governmental activities</b>							
Capital assets, not being depreciated							
Land	\$ 149,550						\$ 149,550
Construction in progress	1,510,074	\$	4,687,969	\$	(56,588)		6,141,455
Total capital assets, not being depreciated	1,659,624		4,687,969		(56,588)		6,291,005
Capital assets, being depreciated							
Site and site improvements	5,909,082				69,070		5,978,152
Buildings and building improvements	158,900,704		24,780		(242,728)		158,682,756
Machinery, equipment, and vehicles	13,680,215		1,038,663		(494,358)		14,224,520
Machinery, equipment - Internal Service	67,380						67,380
Total capital assets being depreciated	178,557,381		1,063,443		(668,016)		178,952,808
Less accumulated depreciation for:							
Site and site improvements	3,609,831		273,976				3,883,807
Buildings and building improvements	66,407,310		3,979,786		(2,085)		70,385,011
Machinery, equipment, and vehicles	9,829,140		634,234		(652,144)		9,811,230
Machinery, equipment - Internal Service	38,306		2,366				40,672
Total accumulated depreciation	79,884,587		4,890,362		(654,229)		84,120,720
Total capital assets being depreciated, net	98,672,794		(3,826,919)		(13,787)		94,832,088
Governmental activities capital assets, net	\$ 100,332,418	\$	861,050	\$	(70,375)	\$	101,123,093

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**4. Capital Assets (continued)**

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$	1,975,880
Special Education Instruction		584,447
Other Special Instruction		275,857
Other Instruction		78,040
Student and Instruction Related Services		719,158
School Administration Services		237,655
Other Administration Services		158,307
Plant Operations and Maintenance		554,744
Pupil Transportation		306,274
	<u>\$</u>	<u>4,890,362</u>

The following is a summarization of the business-type activities changes in capital assets for the fiscal year ended June 30, 2022:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Ending Balance</b>
<b>Business-type activities</b>			
Capital assets, being depreciated:			
Equipment	\$ 1,123,626		\$ 1,123,626
Less accumulated depreciation for:			
Equipment	998,286	\$ 11,460	1,009,746
Total business-type activities			
capital assets, net	<u>\$ 125,340</u>	<u>\$ (11,460)</u>	<u>\$ 113,880</u>

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**5. Long-Term Liabilities**

During the fiscal year ended June 30, 2022, the following changes occurred in long-term liabilities:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due within One Year</b>
Governmental activities:					
Compensated absences payable	\$ 1,204,535	\$ 436,615	\$ 273,935	\$ 1,367,215	\$ 193,717
Bonds payable	18,370,000		2,555,000	15,815,000	2,680,000
Premium on bonds	39,735		19,462	20,273	19,462
Financed purchases payable	1,768,888		634,967	1,133,921	639,753
Subtotal	21,383,158	436,615	3,483,364	18,336,409	3,532,932
Net pension liability	20,191,585		5,653,377	14,538,208	
IBNR liability		11,182,473	8,180,254	3,002,219	3,002,219
Total governmental activities long-term liabilities	<u>\$ 41,574,743</u>	<u>\$ 11,619,088</u>	<u>\$ 17,316,995</u>	<u>\$ 35,876,836</u>	<u>\$ 6,535,151</u>

The District expects to liquidate the balance in compensated absences with payments made from the District's general fund. Financed purchases payable will be liquidated with payments from the general fund. Bonds payable will be liquidated with payments from the debt service fund. The net pension liability will be liquidated with payments from the general fund. The IBNR liability will be liquidated with payments from the self-insurance internal service fund.

**Bonds Payable**

Bonds are authorized in accordance with State law or by the voters of the municipalities through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds. The principal and interest of these bonds will be paid from the debt service fund as required by New Jersey statutes.

Bonds payable at June 30, 2022 are comprised of the following issues:

\$3,280,000, 2015 refunding bonds, due in annual installments ranging from \$375,000 to \$390,000 through July 15, 2023 at an interest rate of 3.00%. These bonds were issued to provide resources to refund a portion of the District's outstanding debt. As of June 30, 2022, none of the defeased debt remains outstanding.

\$15,320,000, 2021 refunding bonds, due in annual installments ranging from \$1,970,000 to \$2,290,000 through March 1, 2029 at interest rates ranging from 0.60% to 1.80%. These bonds were issued to provide resources to refund a portion of the District's outstanding debt. As of June 30, 2022, none of the defeased debt remains outstanding.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

Principal and interest due on all bonds outstanding at June 30, 2022 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal year ending June 30:			
2023	\$ 2,680,000	\$ 189,336	\$ 2,869,336
2024	2,640,000	164,281	2,804,281
2025	2,235,000	141,419	2,376,419
2026	2,155,000	119,405	2,274,405
2027	2,105,000	95,592	2,200,592
2028-2029	4,000,000	101,870	4,101,870
	<u>\$ 15,815,000</u>	<u>\$ 811,903</u>	<u>\$ 16,626,903</u>

**Financed Purchases**

*Governmental Funds*

During the 2021 fiscal year, the District entered into a financed purchase with TD Equipment Finance, Inc., in the amount of \$1,965,000 with an interest rate of 0.10%.

During the 2020 fiscal year, the District entered into a financed purchase with Apple Financial Services, in the amount of \$500,786 with an interest rate of 0%.

The following is a schedule of the future payments at June 30, 2022:

<u>Fiscal Year</u>	<u>Amounts</u>
Year Ending June 30:	
2023	\$ 649,465
2024	499,048
Total minimum payment	<u>1,148,513</u>
Less amount representing interest	<u>14,593</u>
Present value of net future minimum payments	<u>\$ 1,133,920</u>

**Bonds Authorized But Not Issued**

As of June 30, 2022, the District does not have any authorized but not issued bonds.

## East Windsor Regional School District

### Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

#### **6. Pension Plans**

##### **Description of Systems**

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

##### **Teachers' Pension and Annuity Fund**

The Teachers' Pension and Annuity Fund was established in January 1955 under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full-time public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for health care coverage. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60, and 62, respectively, with an annual benefit generally determined to be 1/55<sup>th</sup> of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively, with an annual benefit generally determined to be 1/60<sup>th</sup> of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

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

The Public Employees' Retirement System was established in January 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full-time employees of the State or any county, municipality, school Board or public agency provided the employee is not a member of another State-administered retirement system. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60, and 62, respectively with an annual benefit generally determined to be 1/55<sup>th</sup> of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively with an annual benefit generally determined to be 1/60<sup>th</sup> of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as

## East Windsor Regional School District

### Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

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

calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

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

#### **Funding Policy**

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

During the year ended June 30, 2022, the State of New Jersey contributed \$19,503,735 to the TPAF for post-retirement medical benefits and other pension costs on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$4,807,749 during the year ended June 30, 2022 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the government-wide and fund financial statements.

The Board's actuarially determined contributions to PERS for each of the years ended June 30, 2022, 2021, and 2020 were \$1,437,212, \$1,354,533, and \$1,182,892, respectively, equal to the required contributions for each year.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For 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.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**6. Pension Plans (continued)**

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

Public Employees' Retirement System (PERS)

At June 30, 2022, the District reported a liability of \$14,538,208 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation July 1, 2020, which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2021, the District's proportion was 0.1227215514 percent, which was a decrease of 0.0010987824 from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized full accrual pension benefit of \$1,787,750 in the government-wide financial statements. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes of assumptions	\$ 75,715	\$ 5,175,696
Difference between expected and actual experience	229,286	104,076
Net difference between projected and actual earnings on pension plan investments		3,829,746
Changes in proportion and differences between District contributions and proportionate share of contributions	858,600	275,432
District contributions subsequent to the measurement date	1,413,792	
	<u>\$ 2,577,393</u>	<u>\$ 9,384,950</u>

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**6. Pension Plans (continued)**

\$1,413,792 is reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$ (3,118,706)
2024	(2,170,599)
2025	(1,586,518)
2026	(1,197,771)
2027	(147,755)
	<u>\$ (8,221,349)</u>

*Actuarial Assumptions*

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	2.00 - 6.00%
	based on years of service
Thereafter	3.00 - 7.00%
	based on years of service
Investment rate of return	7.00%

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.



East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**6. Pension Plans (continued)**

*Mortality Rates*

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

*Long-Term Rate of Return*

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expecting future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	27.00%	8.09%
Non-U.S. developed markets equity	13.50%	8.71%
Emerging markets equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	100.00%	

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**6. Pension Plans (continued)**

*Discount rate*

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected and 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.

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

The following presents the District's proportionate share of the net pension liability as of June 30, 2021 calculated using the discount rate as disclosed on the previous page as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	At 1% decrease (6.00%)	At current discount rate (7.00%)	At 1% increase (8.00%)
	<hr/>	<hr/>	<hr/>
State's proportionate share of the net pension liability associated with the District	\$ 19,798,091	\$ 14,538,208	\$ 10,074,452

*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.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**6. Pension Plans (continued)**

*Additional Information*

Collective balances of the local group at June 30, 2021 are as follows:

Deferred outflows of resources	\$ 1,164,738,169
Deferred inflows of resources	\$ 8,339,123,762
Net pension liability	\$ 11,972,782,878
District's Proportion	0.1227215514%

Collective pension (benefit) for the Local Group for the measurement period ended June 30, 2021 is (\$1,599,674,464).

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined July 1, 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014 is 5.13, 5.16, 5.21, 5.63, 5.48, 5.57, 5.72, and 6.44 years, respectively.

*Teachers Pensions and Annuity Fund (TPAF) – Special Funding Situation*

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. The State's proportionate share of the TPAF net pension liability associated with the District as of June 30, 2021 was \$177,110,564. The District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021.

The State's proportionate share of the net pension liability associated with the District was based on a projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State's proportionate share of the TPAF net pension liability associated with the District was 0.3684032643 percent, which was a decrease of 0.0014434546 from its proportion measured as of June 30, 2020.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**6. Pension Plans (continued)**

For the year ended June 30, 2022, the District recognized on-behalf pension expense and revenue in the government wide financial statements of \$19,503,735 for contributions incurred by the State.

*Actuarial assumptions*

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	1.55 - 4.45%
	based on years of service
Thereafter	2.75 - 5.65%
	based on years of service
Investment rate of return	7.00%

*Mortality Rates*

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

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

*Long-Term Expected Rate of Return*

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Divisions 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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**6. Pension Plans (continued)**

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 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, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	27.00%	8.09%
Non-U.S. developed markets equity	13.50%	8.71%
Emerging markets equity	5.50%	10.96%
Private equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real estate	8.00%	9.15%
High yield	2.00%	3.75%
Private credit	8.00%	7.60%
Investment grade credit	8.00%	1.68%
Cash equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	100.00%	

*Discount Rate*

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

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

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2021 calculated using the discount rate as disclosed above as well as

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**6. Pension Plans (continued)**

what the State's proportionate share of the net pension liability associated with the District would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	At 1% decrease (6.00%)	At current discount rate (7.00%)	At 1% increase (8.00%)
State's proportionate share of the net pension liability associated with the District	\$ 209,551,381	\$ 177,110,564	\$ 149,862,316

*Pension plan fiduciary net position*

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

**Additional Information**

Collective balances of the local group at June 30, 2021 are as follows:

Deferred outflows of resources	\$ 6,356,228,800
Deferred inflows of resources	\$ 27,175,330,929
Net pension liability	\$ 48,075,188,642
District's Proportion	0.3684032643%

Collective pension expense-Local Group for the plan for the measurement period ended June 30, 2021 is \$1,159,039,411.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2021, 2020, 2019, 2018, 2017, 2016, 2015, and 2014 is 7.93, 7.99, 8.04, 8.29, 8.30, 8.30, 8.30, and 8.50 years, respectively.

## East Windsor Regional School District

### Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

#### **7. Post-Retirement Benefits**

##### ***General Information about the OPEB Plan***

The State Health Benefit State Retired Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan 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. The State Retired OPEB Plan covers the State, State colleges and universities, the Palisades Interstate Park Commission, and the New Jersey Building Authority (referred to collectively as “the employers”) for which the State is legally obligated to pay for benefits. The State Retired OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

In accordance with N.J.S.A. 52:14-17.32, the State is required to pay the premiums or periodic charges for health benefits of State employees who retire with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Judicial Retirement System (JRS), the State Police Retirement System (SPRS), the Teachers’ Pension and Annuity Fund (TPAF), the Public Employees’ Retirement System (PERS), the Police and Firemen’s Retirement System (PFRS), and the Alternate Benefit Program (ABP). In addition, N.J.S.A. 15:14-17.26 provides that for purposes of the State Retired OPEB Plan, an employee of Rutgers, the State University of New Jersey, and New Jersey Institute of Technology shall be deemed to be an employee of the State. Further, P.L. 1966, c.302, addresses the other State colleges and universities, whereas while these institutions were provided autonomy from the State, their employees retained any and all rights to health benefits within the State Retired OPEB Plan and are therefore classified as State employees.

The State Health Benefit Local Education Retired Employees Plan (Local Education Retired OPEB Plan) is a multiple-employer defined benefit OPEB plan with a special funding situation. The Local Education Retired OPEB Plan 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. The Local Education Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of local education employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

The employer contributions for the participating local education employers are legally required to be funded by the State in accordance with N.J.S.A. 52:14-17.32f. According to this law, 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: TPAF, PERS, PFRS, or ABP.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**7. Post-Retirement Benefits (continued)**

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

The State is legally required to pay for the OPEB benefit coverage for participating local education employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No 75 and the State is treated as a non-employer contributing entity. The State, as a non-employer contributing entity, reported a Fiscal Year 2021 total OPEB liability of \$60,007,650,970 for this special funding situation.

The State’s contributions to the SHBP Fund for TPAF retirees’ post-retirement benefits on behalf of the District for the years ended June 30, 2022, 2021 and 2020 were \$3,692,163, \$3,419,898, and \$3,063,402, respectively, which equaled the required contributions for each year.

In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments.

Additional information on Pensions and OPEB can be accessed at [state.nj.us/treasury/pensions/financial-reports.shtml](http://state.nj.us/treasury/pensions/financial-reports.shtml).

*Changes in Total Non-employee OPEB Liability*

Below represents the changes in the District’s total OPEB liability for the year ended June 30, 2022:

	<u>Total OPEB Liability</u>
Beginning Total OPEB Liability, June 30, 2020	\$ 238,206,080
Charges for the year:	
Service cost	11,156,831
Interest	5,505,497
Changes of benefit terms	(225,894)
Difference between actual and expected	(38,424,810)
Changes in assumptions or other inputs	209,382
Member contributions	140,749
Benefit payments	(4,336,789)
Net changes	<u>(25,975,034)</u>
Ending Total OPEB Liability, June 30, 2021	<u>\$ 212,231,046</u>



East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**7. Post-Retirement Benefits (continued)**

*Employees covered by benefit terms*

The following employees were covered by the benefit terms:

Local Education Group	June 30, 2021
Active Plan Members	213,901
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	150,427
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	-
Total Plan Members	364,328

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective total OPEB liability on the Statement of Net Position. The State's proportionate share of the total OPEB liability associated with the District as of June 30, 2021 was \$212,231,046. Additional information can be obtained from the State of New Jersey's annual comprehensive financial report.

*Actuarial assumptions and other inputs*

The total non-employer OPEB liability in the June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021 and included in the June 30, 2021 audited financial statements of the State Health Benefit Local Education Retired Employees Plan. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	TPAF	PERS
Inflation rate	2.50%	2.50%
Salary increases:		
Through 2026	1.55 - 4.45%	2.00 - 6.00%
	based on years of service	based on years of service
Thereafter	2.75 - 5.65%	3.00 - 7.00%
	based on years of service	based on years of service

*Mortality Rates*

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP) and "General" (PERS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**7. Post-Retirement Benefits (continued)**

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of the actual experience studies for the periods July 1, 2015 – June 30, 2018 and July 1, 2014 – June 30, 2018 for TPAF and PERS, respectively.

*Discount Rate*

The discount rate for June 30, 2021 was 2.16%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

*Health Care Trend Assumptions*

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.50% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

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

The following presents the total non-employer OPEB liability associated with the District as of June 30, 2021 calculated using a discount rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

	At 1% decrease (1.16%)	At current discount rate (2.16%)	At 1% increase (3.16%)
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 254,219,476	\$ 212,231,046	\$ 179,167,678

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**7. Post-Retirement Benefits (continued)**

The following presents the total non-employer OPEB liability associated with the District as of June 30, 2021 calculated using a healthcare cost trend rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	At 1% decrease	At Healthcare Cost Trend Rates	At 1% increase
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 171,801,721	\$ 212,231,046	\$ 266,524,641

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

For the year ended June 30, 2022, the District recognized on-behalf OPEB expense and revenue in the government-wide financial statements of \$11,649,335 for OPEB expenses incurred by the State.

Collective balances of the Local Education Group at June 30, 2021 are as follows:

Deferred outflows of resources	\$ 21,546,947,255
Deferred inflows of resources	\$ 26,769,148,209
Collective OPEB Expense	\$ 3,527,672,060
District's Proportion	0.35%

*Special Funding Situation*

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**8. Interfund Receivables and Payables**

The total interfund accounts receivable and payable for the District at June 30, 2022 are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 545,021	
Special Revenue Fund		\$ 455,887
Internal Service Fund - Fueling Facility		89,134
	<u>\$ 545,021</u>	<u>\$ 545,021</u>

The interfund receivable in the General Fund of \$545,021 is comprised of an interfund payable from the special revenue fund in the amount of \$455,887 and internal service fund – fueling facility in the amount of \$89,134, which represent short-term loans to provide the funds with sufficient cash flow until cash is received for accounts receivable. All interfunds are expected to be repaid within one year.

**9. Economic Dependency**

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

**10. Contingent Liabilities**

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2022 may be impaired. As a result of the impact of COVID-19, the District has received funding under the Elementary and Secondary School Emergency Relief (ESSER) Fund, American Rescue Plan Act (ARP) and the Coronavirus Relief Fund (CRF). To the extent that the District has not complied with the rules and regulations governing the ESSER and CRF funds, money may be required to be returned. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations or final eligible cost requirements governing the respective grants or funding; therefore, no provisions have been recorded in the accompanying basic financial statements for such contingencies.

In addition, the District received funding from the New Jersey Schools Development Authority (NJSDA), in connection with certain approved projects. The costs associated with the funding received from the NJSDA are subject to a final review of eligible costs and compliance by the New Jersey Department of Education and the NJSDA. To the extent that the District has not complied with the rules and regulations governing the NJSDA funds or has not met the final eligible costs requirement, refunds of any money received may be required.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**10. Contingent Liabilities (continued)**

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

**11. Risk Management**

The District is exposed to various risks of loss related to torts; theft, damage, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters.

**Property and Liability Insurance**

The District maintains commercial insurance coverage for property, liability, and student accident and surety bonds and does not retain risk of loss. There have been no significant reductions in insurance coverage from the prior year and no settlements have exceeded insurance coverages over the past three years. A complete schedule of insurance coverage can be found in the statistical section of this report.

The District participates in the NJSBA Insurance Group and public entity risk pool. The risk pool provides its members with the following coverages:

Property – Blanket Building & Grounds Boiler and Machinery School Board Legal Liability	General and Automobile Liability Workers' Compensation Crime Coverage
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**Self-Insurance**

The District is self-insured for medical, prescription and dental benefits and has established an internal service fund to account for its self-insurance activities. At June 30, 2022, the accrued liability for unpaid medical, prescription and dental claims of \$3,002,219 has been recorded in the internal service fund financial statements for Incurred But Not Reported Claims (IBNR), which is subject to modification and/or assessment of existing or additional claims. The medical, prescription, and dental benefits IBNR liability has been calculated by an actuary contracted by the District's claims administrator. The actuary utilized a 21% margin to estimate the liabilities.

Changes in the Incurred But Not Reported claims liability amount for the current year was:

Fiscal Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
2021-2022	\$ -	\$ 11,182,473	\$ 8,180,254	\$ 3,002,219

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**11. Risk Management (continued)**

**New Jersey Unemployment Compensation Insurance**

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The District's withholdings are recorded in the Unemployment Compensation Reserve in the general fund.

**12. Deferred Compensation Plans**

The Board offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts unearned under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Aetna/ING Direc	American Century	Ameriprise Financial	AIMInvestments
AXA Equitable	H.C. Copeland/Metlife #64	Fidelity	Valic
Janus Group	Lincoln Financial	Lincoln Investment	Prudential
NEA/Security Benefit	Oppenheimer	Metlife Annuity #78	Putnam
Travelers/Metlife #79	United Way	USAA Life	Vanguard
Great American/Galic			

Participant's rights under the plans are equal to those of general creditors in an amount equal to the fair market value of the deferred account of each participant. The District has no liability for losses under the plan.

**13. Maintenance Reserve Account**

A maintenance reserve account was established by the District by way of a Board approved resolution on June 8, 2009 for the accumulation of funds for use as maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget. Funds placed in the maintenance reserve account are restricted to maintenance projects in the District's approved Comprehensive Maintenance Plan (CMP).

Upon submission of the CMP to the New Jersey Department of Education, the District may increase the balance in the maintenance reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line – item appropriation amounts, or both. The District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**13. Maintenance Reserve Account (continued)**

The activity of the maintenance reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

Beginning balance July 1, 2021	\$ 1,646,099
Deposits:	
Interest earned	100
Deposit into Maintenance Reserve (June 2022 Board Resolution)	981,711
Ending balance, June 30, 2022	\$ 2,627,910

The balance in the maintenance reserve does not exceed four percent of the replacement cost of the school district's school facilities for the current year at June 30, 2022. The District has not budgeted any of the June 30, 2022 maintenance reserve balance in its 2022-23 fiscal year budget.

**14. Capital Reserve Account**

A capital reserve account was established by the District in July 1, 2001, by way of a Board resolution, and issued for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

The activity of the capital reserve for July 1, 2021 to June 30, 2022 fiscal year is as follows:

Beginning balance July 1, 2021	\$ 7,244,034
Withdrawals:	
Capital Outlay – Budgeted Withdrawal	(2,000,000)
Deposits:	
Interest earned on capital reserve funds	100
Deposit into Capital Reserve (June 2022 Board Resolution)	3,000,000
Ending balance, June 30, 2022	\$ 8,244,134

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**14. Capital Reserve Account (continued)**

The June 30, 2022 long-range facility plan (LRFP) balance of local support costs of uncompleted projects exceeds the amount set aside in the capital reserve. The District has budgeted \$2,000,000 of the June 30, 2022 capital reserve balance in its 2022-23 fiscal year budget.

**15. Commitments**

The District has contracts with several vendors for goods and services that have not been received as of June 30, 2022. These encumbrances, in the amount of \$7,580,068, are recorded as part of the assigned to other purposes on the general fund balance sheet.

During the 2022 fiscal year, the New Jersey Department of Labor has been delayed in issuing bills to New Jersey governmental units and as such the District has not been billed for any quarters during the fiscal year. Unemployment claims for the fiscal year cannot be estimated, however, it is expected that the Federal Government, through the CARES Act will reimburse the State of New Jersey between 50 and 75 percent of all claims incurred. Since the District has not received a bill related to fiscal year 2022, and the amounts due are not known, no provision has been made in the District's financial statements for any liability.

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

Net investment in capital assets, Governmental Activities, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. The net investment in capital assets of \$83,988,713 indicated as part of the Governmental Activities net position is calculated as follows:

Capital assets, net of depreciation	\$ 101,123,093
Bonds payable (used to build or acquire capital assets)	(15,815,000)
Unamortized premium	(20,273)
Financed purchases payable	(1,133,921)
Deferred gain on defeasance of debt	(165,186)
Total net investment in capital assets	<u>\$ 83,988,713</u>

**17. Tax Abatements**

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



East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2022

**17. Tax Abatements (continued)**

directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

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

East Windsor Township recognized revenue of \$999,737 from the annual service charge in lieu of payment of taxes in 2021 and taxes in 2021 that otherwise would have been due on these long-term tax exemptions amount to \$2,229,858, based upon the assessed valuations of the long-term tax exemptions properties. A portion of the \$1,230,121 abatement would have been allocated to the District. Hightstown Borough does not currently have any such long-term tax exemptions in place.

**18. Deficit Fund Balance**

The District had a deficit net position of \$546,652 in the Self-Insurance Internal Service Fund as of June 30, 2022 as reported in the fund financial statements. The District has instituted a plan to fund this deficit from the General Fund budget over the next year.

**Required Supplementary Information – Part II**

**Schedules Related to Accounting and Reporting for  
Pensions (GASB 68) and Other Post-Employment  
Benefits Other Than Pensions (GASB 75)**

East Windsor Regional School District  
 Schedule of the District's Proportionate Share of the Net Pension Liability  
 Public Employees' Retirement System  
 Required Supplementary Information

Last Ten Fiscal Years

	Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset) - Local Group	0.1227215514%	0.1238203338%	0.1219957017%	0.1189222327%	0.1144046609%	0.1187251190%	0.1176476520%	0.1180527689%	0.1139395185%	n/a
District's proportionate share of the net pension liability (asset)	\$ 14,538,208	\$ 20,191,858	\$ 21,909,701	\$ 23,415,195	\$ 26,631,576	\$ 35,162,975	\$ 26,409,585	\$ 22,102,707	\$ 21,776,106	n/a
District's covered-employee payroll	\$ 8,517,539	\$ 8,874,466	\$ 8,696,143	\$ 8,291,053	\$ 8,047,029	\$ 7,900,026	\$ 8,106,472	\$ 8,075,037	\$ 7,919,559	\$ 7,668,007
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	170.69%	227.53%	251.95%	282.42%	330.95%	445.10%	325.78%	273.72%	274.97%	n/a
Plan fiduciary net position as a percentage of the total pension liability - Local Group	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%	n/a

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

See accompanying notes to required supplementary information

East Windsor Regional School District  
 Schedule of District Contributions  
 Public Employees' Retirement System  
 Required Supplementary Information

Last Ten Fiscal Years

	Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 1,437,212	\$ 1,354,533	\$ 1,182,892	\$ 1,059,837	\$ 1,054,737	\$ 1,046,372	\$ 1,021,477	\$ 983,231	\$ 868,532	\$ 934,611
Contributions in relation to the contractually required contribution	(1,437,212)	(1,354,533)	(1,182,892)	(1,059,837)	(1,054,737)	(1,046,372)	(1,021,477)	(983,231)	(868,532)	(934,611)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 8,089,639	\$ 8,517,539	\$ 8,874,466	\$ 8,696,143	\$ 8,291,053	\$ 8,047,029	\$ 7,900,026	\$ 8,106,472	\$ 8,075,037	\$ 7,919,569
Contributions as a percentage of covered-employee payroll	17.77%	15.90%	13.33%	12.19%	12.72%	13.00%	12.83%	12.13%	10.76%	11.80%

See accompanying notes to required supplementary information.

East Windsor Regional School District  
 Schedule of the State's Proportionate Share of the Net Pension  
 Liability Associated with the District  
 Teachers' Pension and Annuity Fund  
 Required Supplementary Information

Last Ten Fiscal Years\*

	Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	
State's proportion of the net pension liability (asset) associated with the District - Local Group	0.3664032643%	0.3698467189%	0.3605261060%	0.3553317756%	0.3697162402%	0.3616411567%	0.3588673050%	0.3524449084%	0.3442334350%	
District's proportionate share of the net pension liability (asset)	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	
State's proportionate share of the net pension liability (asset) associated with the District	\$ 177,110,564	\$ 243,539,614	\$ 221,258,274	\$ 226,054,443	\$ 249,276,021	\$ 284,489,960	\$ 226,819,461	\$ 188,370,333	\$ 173,972,871	
Total proportionate share of the net pension liability (asset) associated with the District	\$ 177,110,564	\$ 243,539,614	\$ 221,258,274	\$ 226,054,443	\$ 249,276,021	\$ 284,489,960	\$ 226,819,461	\$ 188,370,333	\$ 173,972,871	
Plan fiduciary net position as a percentage of the total pension liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%	

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

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

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

East Windsor Regional School District  
 Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the District  
 and Changes in the Total OPEB Liability and Related Ratios  
 Public Employee's Retirement System and Teachers' Pension and Annuity Fund  
 Required Supplementary Information

Last Ten Fiscal Years\*

	Year Ended, June 30.					
	2022	2021	2020	2019	2018	2017
State's proportion of the net OPEB liability (asset) associated with the District	0.35%	0.35%	0.36%	0.36%	0.35%	0.36%
District's proportionate share of the net OPEB liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability (asset) associated with the District	\$ 212,231,046	\$ 238,206,080	\$ 149,521,614	\$ 164,014,658	\$ 190,341,937	\$ 206,215,591
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 212,231,046</u>	<u>\$ 238,206,080</u>	<u>\$ 149,521,614</u>	<u>\$ 164,014,658</u>	<u>\$ 190,341,937</u>	<u>\$ 206,215,591</u>

Plan fiduciary net position as a percentage of the total OPEB liability -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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	2022	2021	2020	2019	2018	2017**
<b>Total OPEB Liability</b>						
Service cost	\$ 11,156,831	\$ 6,173,234	\$ 5,428,315	\$ 5,976,104	\$ 7,223,585	
Interest cost	5,505,497	5,379,553	6,472,080	6,953,062	6,022,931	
Changes of assumptions and experience and other inputs	(38,441,322)	81,152,956	(21,939,627)	(35,022,328)	(24,873,787)	
Member contributions	140,749	125,695	136,056	151,577	162,340	
Gross benefit payments	(4,336,789)	(4,146,972)	(4,589,866)	(4,385,694)	(4,408,723)	
Net change in total OPEB liability	<u>(25,975,034)</u>	<u>88,684,466</u>	<u>(14,493,044)</u>	<u>(26,327,279)</u>	<u>(15,873,654)</u>	
Total OPEB liability - beginning		149,521,614	164,014,658	190,341,937	206,215,591	
Total OPEB liability - ending	<u>\$ 212,231,046</u>	<u>\$ 238,206,080</u>	<u>\$ 149,521,614</u>	<u>\$ 164,014,658</u>	<u>\$ 190,341,937</u>	
Covered-employee payroll	\$ 51,016,309	\$ 50,438,549	\$ 48,450,339	\$ 47,091,773	\$ 45,239,473	
Total OPEB liability as a percentage of covered-employee payroll	416.01%	472.27%	308.61%	348.29%	420.74%	

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

\*\* Information not available.

**East Windsor Regional School District**

**Notes to Required Supplementary Information  
Year Ended June 30, 2022**

**1. PENSION - PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

Benefit Changes

There were none.

Changes of Assumptions

There were none.

**2. PENSION – TEACHERS' PENSION AND ANNUITY FUND**

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 5.40% as of June 30, 2020 to 7.00% as of June 30, 2021.

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

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 2.21% as of June 30, 2020 to 2.16% as of June 30, 2021.

**Required Supplementary Information – Part III**  
**Budgetary Comparison Schedules**



East Windsor Regional School District  
General Fund  
Budgetary Comparison Schedule  
(Budgetary Basis)  
Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 68,194,614		\$ 68,194,614	\$ 68,194,614	
Tuition from other LEAs within the State	378,843		378,843	656,259	\$ 277,416
Transportation fees from other LEAs within the State	60,000		60,000	71,442	11,442
Rents and Royalties	250,000		250,000	10,598	(239,402)
Interest Earned on Investments	200		200	40,961	40,761
Miscellaneous	152,510		152,510	340,766	188,256
Total - Local Sources	69,036,167		69,036,167	69,314,640	278,473
State Sources:					
Equalization Aid	26,005,194		26,005,194	26,005,194	
Categorical Special Education Aid	2,095,914		2,095,914	2,095,914	
Transportation Aid	4,472,603		4,472,603	4,472,603	
Security Aid	1,255,961		1,255,961	1,255,961	
Additional Non-Public Transportation Aid				44,370	44,370
Extraordinary Aid	210,000		210,000	835,909	625,909
TPAF Pension (On-Behalf - Non-Budgeted)				15,802,757	15,802,757
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				3,692,163	3,692,163
TPAF Non-contributory Insurance (On-Behalf - Non-Budgeted)				8,815	8,815
TPAF Social Security (Reimbursed - Non-Budgeted)				3,337,749	3,337,749
Total - State Sources	34,039,672		34,039,672	57,551,435	23,511,763
Federal Sources:					
Medical Assistance Program	115,179		115,179	137,389	22,210
Total - Federal Sources	115,179		115,179	137,389	22,210
<b>Total Revenues</b>	<b>103,191,018</b>		<b>103,191,018</b>	<b>127,003,464</b>	<b>23,812,446</b>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
<b>Regular Programs - Instruction</b>					
Kindergarten - Salaries of Teachers	1,323,045	\$ 17,775	1,340,820	1,105,301	235,519
Grades 1-5 - Salaries of Teachers	9,000,980	(137,176)	8,863,804	8,748,058	115,746
Grades 6-8 - Salaries of Teachers	6,381,225	(12,083)	6,369,142	6,306,794	62,348
Grades 9-12 - Salaries of Teachers	9,117,485	(525,916)	8,591,569	8,217,269	374,300
<b>Regular Programs - Home Instruction</b>					
Salaries of Teachers	23,000	800	23,800	23,794	6
Purchased Professional-Educational Services	92,500	18,470	110,970	93,287	17,683
<b>Regular Programs - Undistributed Instruction</b>					
Purchased Professional-Educational Services	1,274,723	30,689	1,305,412	1,138,564	166,848
Purchased Technical Services	937,045	20,138	957,183	896,020	61,163
Other Purchased Services	2,700		2,700	88	2,612
General Supplies	1,540,273	1,824,210	3,364,483	2,835,593	528,890
Textbooks	586,221	444,604	1,030,825	1,016,994	13,831
Other Objects	8,850	8,210	17,060	14,280	2,780
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<b>30,288,047</b>	<b>1,689,721</b>	<b>31,977,768</b>	<b>30,396,042</b>	<b>1,581,726</b>
<b>SPECIAL EDUCATION - INSTRUCTION</b>					
<b>Learning and/or Language Disabilities</b>					
Salaries of Teachers	733,025	3,100	736,125	568,773	167,352
Other Salaries for Instruction	202,767	5,113	207,880	177,452	30,428
General Supplies	5,000		5,000	4,362	638
<b>Total Learning and/or Language Disabilities</b>	<b>940,792</b>	<b>8,213</b>	<b>949,005</b>	<b>750,587</b>	<b>198,418</b>
<b>Multiple Disabilities</b>					
Salaries of Teachers	323,767	47,049	370,816	369,848	968
Other Salaries for Instruction	133,696	31,904	165,600	165,600	
Purchased Professional-Educational Services		40,596	40,596	40,596	
General Supplies	5,000	(3,300)	1,700	1,647	53
Other Objects		1,300	1,300	521	779
<b>Total Multiple Disabilities</b>	<b>462,463</b>	<b>117,549</b>	<b>580,012</b>	<b>578,212</b>	<b>1,800</b>

East Windsor Regional School District  
General Fund  
Budgetary Comparison Schedule  
(Budgetary Basis)  
Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Resource Room/Resource Center</b>					
Salaries of Teachers	\$ 4,737,700	\$ (4,010)	\$ 4,733,690	\$ 4,653,817	\$ 79,873
Other Salaries for Instruction	263,694	7,425	271,119	268,009	3,110
Purchased Professional-Educational Services	270,000	(29,450)	240,550	63,324	177,226
General Supplies	5,000		5,000	4,929	71
<b>Total Resource Room/Resource Center</b>	<b>5,276,394</b>	<b>(26,035)</b>	<b>5,250,359</b>	<b>4,990,079</b>	<b>260,280</b>
<b>Autism</b>					
Salaries of Teachers	536,490	(10,075)	526,415	398,754	127,661
Other Salaries for Instruction	422,276	12,237	434,513	434,492	21
Purchased Professional-Educational Services		200	200	133	67
General Supplies	10,000	(2,000)	8,000	6,869	1,131
<b>Total Autism</b>	<b>968,766</b>	<b>362</b>	<b>969,128</b>	<b>840,248</b>	<b>128,880</b>
<b>Preschool Disabilities - Part-Time</b>					
Salaries of Teachers	389,400	375	389,775	389,775	
Other Salaries for Instruction	87,244	7,715	94,959	94,910	49
Purchased Professional-Educational Services		320	320	317	3
General Supplies	5,000		5,000	4,867	133
<b>Total Preschool Disabilities - Part-Time</b>	<b>481,644</b>	<b>8,410</b>	<b>490,054</b>	<b>489,869</b>	<b>185</b>
<b>TOTAL SPECIAL EDUCATION - INSTRUCTION</b>	<b>8,130,059</b>	<b>108,499</b>	<b>8,238,558</b>	<b>7,648,995</b>	<b>589,563</b>
<b>Basic Skills/Remedial - Instruction</b>					
Salaries of Teachers	1,179,490	8,280	1,187,770	984,726	203,044
Purchased Professional-Educational Services		1,300	1,300	954	346
<b>Total Basic Skills/Remedial - Instruction</b>	<b>1,179,490</b>	<b>9,580</b>	<b>1,189,070</b>	<b>985,680</b>	<b>203,390</b>
<b>Bilingual Education - Instruction</b>					
Salaries of Teachers	3,367,210	53,376	3,420,586	3,378,547	42,039
Other Salaries for Instruction	36,192	1,020	37,212	36,134	1,078
Purchased Professional-Educational Services	7,500		7,500	1,822	5,678
General Supplies	43,170	(41,678)	1,492	1,238	254
Textbooks	88,100	(85,972)	2,128	2,128	
<b>Total Bilingual Education - Instruction</b>	<b>3,542,172</b>	<b>(73,254)</b>	<b>3,468,918</b>	<b>3,419,869</b>	<b>49,049</b>
<b>School-Spon. Cocurricular Actvts. - Inst.</b>					
Salaries	365,756	1,933	367,689	328,196	39,493
Purchased Services	5,500	(5,500)			
Supplies and Materials	56,250	(27,750)	28,500	25,135	3,365
Other Objects	36,350	(19,259)	17,091	12,932	4,159
<b>Total School-Spon. Cocurricular Actvts. - Inst.</b>	<b>463,856</b>	<b>(50,576)</b>	<b>413,280</b>	<b>366,263</b>	<b>47,017</b>
<b>School-Spon. Athletics</b>					
Salaries	679,459	(3,640)	675,819	641,169	34,650
Purchased Services	88,400	15,654	104,054	101,496	2,558
Supplies and Materials	66,868	71,292	138,160	113,909	24,251
Other Objects	15,555	(929)	14,626	14,626	
<b>Total School-Spon. Athletics</b>	<b>850,282</b>	<b>82,377</b>	<b>932,659</b>	<b>871,200</b>	<b>61,459</b>
<b>Other Supplementary/At-Risk Program- Instruction</b>					
Salaries of Teachers	70,000	(48,757)	21,243	8,862	12,381
General Supplies	10,000	(10,000)			
<b>Total Other Supplementary/At-Risk Program- Instruction</b>	<b>80,000</b>	<b>(58,757)</b>	<b>21,243</b>	<b>8,862</b>	<b>12,381</b>
<b>TOTAL INSTRUCTION</b>	<b>44,533,906</b>	<b>1,707,590</b>	<b>46,241,496</b>	<b>43,696,911</b>	<b>2,544,585</b>

East Windsor Regional School District  
General Fund  
Budgetary Comparison Schedule  
(Budgetary Basis)  
Year Ended June 30, 2022

	Original <u>Budget</u>	Budget <u>Transfers</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Final to <u>Actual</u>
<b>Undistributed Expenditures - Instruction</b>					
Tuition to County Voc. School Dist. - Regular	\$ 735,585	\$ (50,955)	\$ 684,630	\$ 674,730	\$ 9,900
Tuition to CSSD and Regional Day Schools	2,725,435	169,863	2,895,298	2,762,750	132,548
Tuition to Private Schools for the Disabled - Within State	1,152,732	(126,030)	1,026,702	1,012,378	14,324
Tuition - State Facilities	199,360		199,360	199,360	
Tuition - Other	173,635	5,310	178,945	178,945	
<b>Total Undistributed Expenditures - Instruction</b>	<b>4,986,747</b>	<b>(1,812)</b>	<b>4,984,935</b>	<b>4,828,163</b>	<b>156,772</b>
<b>Undistributed Expend. - Attend. and Social Work</b>					
Salaries	156,128	4,430	160,558	116,810	43,748
Purchased Professional and Technical Services	6,800		6,800	1,952	4,848
Supplies and Materials	12,800		12,800	401	12,399
<b>Total Undistributed Expend. - Attend. and Social Work</b>	<b>175,728</b>	<b>4,430</b>	<b>180,158</b>	<b>119,163</b>	<b>60,995</b>
<b>Undist. Expend. - Health Services</b>					
Salaries	823,836	318	824,154	754,170	69,984
Purchased Professional and Technical Services	44,530	(5,480)	39,050	37,225	1,825
Supplies and Materials	20,800	190	20,990	14,736	6,254
<b>Total Undistributed Expenditures - Health Services</b>	<b>889,166</b>	<b>(4,972)</b>	<b>884,194</b>	<b>806,131</b>	<b>78,063</b>
<b>Undist. Expend. - Other Supp. Serv. Students - Related Serv.</b>					
Salaries	913,072	(150,000)	763,072	751,303	11,769
Purchased Professional - Educational Services	14,500	17,600	32,100	17,600	14,500
Supplies and Materials	5,000		5,000	5,000	
<b>Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.</b>	<b>932,572</b>	<b>(132,400)</b>	<b>800,172</b>	<b>773,903</b>	<b>26,269</b>
<b>Undist. Expend. - Other Supp. Serv. Students - Extra Serv.</b>					
Salaries	389,585	14,856	404,441	394,274	10,167
<b>Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.</b>	<b>389,585</b>	<b>14,856</b>	<b>404,441</b>	<b>394,274</b>	<b>10,167</b>
<b>Undist. Expend. - Guidance</b>					
Salaries of Other Professional Staff	1,941,840	1,027	1,942,867	1,910,421	32,446
Salaries of Secretarial and Clerical Assistants	85,630	2,413	88,043	86,835	1,208
Other Purchased Prof. and Tech. Services	25,000	(7,536)	17,464	13,358	4,106
Other Purchased Services	2,600	(2,600)			
Supplies and Materials	64,175	44,281	108,456	75,553	32,903
Other Objects	1,200		1,200	260	940
<b>Total Undist. Expend. - Guidance</b>	<b>2,120,445</b>	<b>37,585</b>	<b>2,158,030</b>	<b>2,086,427</b>	<b>71,603</b>
<b>Undist. Expend. - Child Study Teams</b>					
Salaries of Other Professional Staff	2,309,725	18,900	2,328,625	2,227,290	101,335
Salaries of Secretarial and Clerical Assistants	180,073	2,915	182,988	160,559	22,429
Purchased Prof. - Educational Services	940,000	181,029	1,121,029	1,081,183	39,846
Other Purchased Prof. and Tech. Services	44,000	(8,300)	35,700	35,638	62
Other Purchased Services	12,000	1,000	13,000	10,034	2,966
Supplies and Materials	57,500	53,025	110,525	77,030	33,495
Other Objects	7,000	1,000	8,000	7,021	979
<b>Total Undist. Expend. - Child Study Teams</b>	<b>3,550,298</b>	<b>249,569</b>	<b>3,799,867</b>	<b>3,598,755</b>	<b>201,112</b>
<b>Undist. Expend. - Improvement of Inst. Serv.</b>					
Salaries of Supervisors of Instruction	924,454	(170,000)	754,454	745,518	8,936
Salaries of Secretarial and Clerical Assistants	65,366	3,523	68,889	68,865	24
Other Salaries	53,070	851	53,921	29,462	24,459
Purchased Prof. - Educational Services	135,000	2,799	137,799	65,418	72,381
Other Purchased Services	1,200		1,200	584	616
Supplies and Materials	14,450	(7,926)	6,524	3,054	3,470
Other Objects	15,477		15,477	10,459	5,018
<b>Total Undist. Expend. - Improvement of Inst. Serv.</b>	<b>1,209,017</b>	<b>(170,753)</b>	<b>1,038,264</b>	<b>923,360</b>	<b>114,904</b>

East Windsor Regional School District  
General Fund  
Budgetary Comparison Schedule  
(Budgetary Basis)  
Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Undist. Expend. - Edu. Media Serv./Sch. Library</b>					
Salaries	\$ 1,245,686	\$ 168,013	\$ 1,413,699	\$ 1,395,235	\$ 18,464
Purchased Professional and Technical Services	350,200	(107,686)	242,514	113,322	129,192
Supplies and Materials	32,600	781	33,381	32,338	1,043
<b>Total Undist. Expend. - Edu. Media Serv./Sch. Library</b>	<b>1,628,486</b>	<b>61,108</b>	<b>1,689,594</b>	<b>1,540,895</b>	<b>148,699</b>
<b>Undist. Expend. - Instructional Staff Training Serv.</b>					
Salaries of Supervisors of Instruction	225,222	1,900	227,122	227,065	57
Purchased Professional - Educational Services	19,200	118	19,318	10,914	8,404
Other Purchased Services	174,500	(90,823)	83,677	41,069	42,608
<b>Total Undist. Expend. - Instructional Staff Training Serv.</b>	<b>418,922</b>	<b>(88,805)</b>	<b>330,117</b>	<b>279,048</b>	<b>51,069</b>
<b>Undist. Expend. - Supp. Serv. - General Admin.</b>					
Salaries	289,757	24,625	314,382	313,743	639
Legal Services	90,000	15,475	105,475	71,497	33,978
Audit Fees	70,100		70,100	69,950	150
Architectural/Engineering Services	55,000	36,331	91,331	49,460	41,871
Other Purchased Professional Services	28,600	27,344	55,944	48,359	7,585
Communications/Telephone	260,000	168,368	428,368	383,180	45,188
Board of Education Other Purchased Services	10,500		10,500	1,439	9,061
Miscellaneous Purchased Services	301,976	(73,667)	228,309	228,046	263
General Supplies	8,000	(3,905)	4,095	3,846	249
Miscellaneous Expenditures	18,000	(9,539)	8,461	7,956	505
Board of Education Dues and Fees	26,700		26,700	26,662	38
<b>Total Undist. Expend. - Supp. Serv. - General Admin.</b>	<b>1,158,633</b>	<b>185,032</b>	<b>1,343,665</b>	<b>1,204,138</b>	<b>139,527</b>
<b>Undist. Expend. - Support Serv. - School Admin.</b>					
Salaries of Principals/Assistant Principals	2,481,555	58,010	2,539,565	2,539,011	554
Salaries - Other Professional Staff	124,688	(10)	124,678	122,290	2,388
Salaries of Secretarial and Clerical Assistants	1,011,113	37,510	1,048,623	1,048,506	117
Purchased Prof. and Tech. Services	73,500	(44,476)	29,024	27,657	1,367
Other Purchased Services	8,500	(5,065)	3,435	435	3,000
Supplies and Materials	16,500	(5,623)	10,877	8,842	2,035
Other Objects	65,344	(8,449)	56,895	48,708	8,187
<b>Total Undist. Expend. - Support Serv. - School Admin.</b>	<b>3,781,200</b>	<b>31,897</b>	<b>3,813,097</b>	<b>3,795,449</b>	<b>17,648</b>
<b>Undist. Expend. - Central Services</b>					
Salaries	1,078,425	10,053	1,088,478	1,063,881	24,597
Purchased Professional Services	35,800	(800)	35,000	23,970	11,030
Purchased Technical Services	200,500	(52,065)	148,435	109,267	39,168
Misc Purchased Services	13,000		13,000	8,157	4,843
Supplies and Materials	55,150	800	55,950	49,242	6,708
Interest on Lease Purchase Agreements	15,000		15,000		15,000
Miscellaneous Expenditures	8,500		8,500	6,324	2,176
<b>Total Undist. Expend. - Central Services</b>	<b>1,406,375</b>	<b>(42,012)</b>	<b>1,364,363</b>	<b>1,260,841</b>	<b>103,522</b>
<b>Undist. Expend. - Technology Admin.</b>					
Salaries	179,374	1,466	180,840	61,427	119,413
Purchased Technical Services	10,000	(6,000)	4,000		4,000
Other Purchased Services	3,000		3,000	1,814	1,186
<b>Total Undist. Expend. - Technology Admin.</b>	<b>192,374</b>	<b>(4,534)</b>	<b>187,840</b>	<b>63,241</b>	<b>124,599</b>
<b>Undist. Expend. - Required Maint. for Sch. Facil.</b>					
Salaries	1,745,886	(32,160)	1,713,726	1,507,857	205,869
Cleaning, Repair and Maintenance Services	498,990	1,534,600	2,033,590	1,494,833	538,757
General Supplies	435,950	(11,449)	424,501	360,729	63,772
Other Objects	16,200	11,248	27,448	25,999	1,449
<b>Total Undist. Expend. - Required Maint. for Sch. Facil.</b>	<b>2,697,026</b>	<b>1,502,239</b>	<b>4,199,265</b>	<b>3,389,418</b>	<b>809,847</b>

East Windsor Regional School District  
General Fund  
Budgetary Comparison Schedule  
(Budgetary Basis)  
Year Ended June 30, 2022

	Original <u>Budget</u>	Budget <u>Transfers</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Final to <u>Actual</u>
<b>Undist. Expend. - Custodial Services</b>					
Salaries	\$ 2,336,805	\$ 83,193	\$ 2,419,998	\$ 2,359,114	\$ 60,884
Unused Vacation Payment to Terminated/Retired Staff		605	605	598	7
Purchased Professional - Technical Services		20,000	20,000	14,063	5,937
Cleaning, Repair and Maintenance Services	68,200	(52,673)	15,527	11,042	4,485
Other Purchased Property Services	92,000	1,454	93,454	82,764	10,690
Insurance	417,786	(5,282)	412,504	409,749	2,755
Travel	8,500	(1,281)	7,219	7,219	
General Supplies	385,016	(48,746)	336,270	254,130	82,140
Natural Gas	350,000	156,000	506,000	481,273	24,727
Electricity	1,210,000	(150,300)	1,059,700	1,059,507	193
Gasoline	20,000	27,300	47,300	34,156	13,144
<b>Total Undist. Expend. - Custodial Services</b>	<b>4,888,307</b>	<b>30,270</b>	<b>4,918,577</b>	<b>4,713,615</b>	<b>204,962</b>
<b>Undist. Expend. - Care and Upkeep of Grounds</b>					
Cleaning, Repair and Maintenance Services	23,600	84,208	107,808	46,719	61,089
General Supplies	131,400	(48,471)	82,929	65,751	17,178
<b>Total Undist. Expend. - Care and Upkeep of Grounds</b>	<b>155,000</b>	<b>35,737</b>	<b>190,737</b>	<b>112,470</b>	<b>78,267</b>
<b>Undist. Expend. - Security</b>					
Salaries	625,807	(2,929)	622,878	611,059	11,819
Purchased Professional and Technical Services	22,000	11,800	33,800	32,912	888
General Supplies	3,000	(348)	2,652		2,652
<b>Total Undist. Expend. - Security</b>	<b>650,807</b>	<b>8,523</b>	<b>659,330</b>	<b>643,971</b>	<b>15,359</b>
<b>Undist. Expend. - Student Transportation Serv.</b>					
Salaries for Non-Instructional Aids	222,812	27,522	250,334	248,038	2,296
Salaries for Pupil Trans. (Between Home and School) - Regular	1,638,235	248,764	1,886,999	1,870,185	16,814
Salaries for Pupil Trans. (Between Home and School) - Sp. Ed.	338,045	20,567	358,612	319,368	39,244
Salaries for Pupil Trans. (Other than Between Home and School)	515,622	(135,759)	379,863	356,524	23,339
Other Purchased Professional and Technical Services	30,250	33,625	63,875	60,942	2,933
Cleaning, Repair and Maintenance Services	15,500	9,000	24,500	21,802	2,698
Contracted Services Aid In Lieu of Payment for Non-public School Students	180,000	(3,500)	176,500	174,256	2,244
Contracted Services (Sp. Ed.) - Joint Agreements	1,279,000	189,035	1,468,035	1,397,371	70,664
Contracted Services (Regular Students) - ESCs	250,000	(178,535)	71,465	71,000	465
Travel	5,000	(4,000)	1,000		1,000
Miscellaneous Purchased Services - Transportation	86,500	(86,000)	500		500
General Supplies	213,000	54,300	267,300	262,665	4,635
Transportation Supplies	191,700	(20,340)	171,360	94,448	76,912
Other Objects	9,501	5,998	15,499	14,716	783
<b>Total Undist. Expend. - Student Transportation Serv.</b>	<b>4,975,165</b>	<b>160,677</b>	<b>5,135,842</b>	<b>4,891,315</b>	<b>244,527</b>
<b>Unallocated Benefits</b>					
Group Insurance	5,000		5,000	4,659	341
Social Security Contributions	1,100,000	87,781	1,187,781	1,187,781	
TPAF Contributions ERIP	20,000	(15,766)	4,234	4,234	
Other Retirement Contributions - PERS	1,250,000	403,795	1,653,795	1,652,661	1,134
Other Retirement Contributions - ERIP	10,000		10,000	3,359	6,641
Other Retirement Contributions - Regular	66,000	4,614	70,614	70,614	
Worker's Compensation	401,159		401,159	358,301	42,858
Health Benefits	15,579,853	(1,963,181)	13,616,672	13,611,272	5,400
Tuition Reimbursement	123,000	(70,087)	52,913	52,913	
Other Employee Benefits	180,000	7,632	187,632	131,780	55,852
<b>Total Unallocated Benefits</b>	<b>18,735,012</b>	<b>(1,545,212)</b>	<b>17,189,800</b>	<b>17,077,574</b>	<b>112,226</b>
<b>On-behalf Contributions</b>					
TPAF Pension Contributions (On-behalf - Non-Budgeted)				15,802,757	(15,802,757)
TPAF Post Retirement Medical (On-behalf - Non-Budgeted)				3,692,163	(3,692,163)
TPAF Non-contributory Insurance (On-behalf - Non-Budgeted)				8,815	(8,815)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				3,337,749	(3,337,749)
<b>Total On-behalf Contributions</b>				<b>22,841,484</b>	<b>(22,841,484)</b>
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<b>54,940,865</b>	<b>331,423</b>	<b>55,272,288</b>	<b>75,343,635</b>	<b>(20,071,347)</b>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<b>99,474,771</b>	<b>2,039,013</b>	<b>101,513,784</b>	<b>119,040,546</b>	<b>(17,526,762)</b>

East Windsor Regional School District  
General Fund  
Budgetary Comparison Schedule  
(Budgetary Basis)  
Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>CAPITAL OUTLAY</b>					
<b>Equipment</b>					
<b>Regular Programs-Instruction</b>					
Grades 1-5	\$ 5,000	\$ 28,003	\$ 33,003	\$ 11,409	\$ 21,594
Grades 6-8		13,559	13,559	2,213	11,346
Grades 9-12		19,649	19,649	19,628	21
<b>Special Education-Instruction</b>					
School- Spons. and Other Instructional Programs		31,563	31,563	28,802	2,761
<b>Undistributed Expenditures</b>					
Support Services - Child Study Teams	15,000	(2,300)	12,700	7,198	5,502
Support Services - Instructional Staff		2,500	2,500	2,464	36
School Administration		5,306	5,306		5,306
Central Services		31,549	31,549		31,549
Admin Info Tech		4,348	4,348	2,102	2,246
Req. Maint. of School Facilities	200,000	326,084	526,084	112,622	413,462
Custodial Services		16,000	16,000	15,655	345
Undistributed Exp.-Security		5,000	5,000		5,000
<b>Undistributed Exp.-Non-Instructional Services</b>					
Non-Instructional Equipment		5,540	5,540	5,536	4
School buses-regular		1,154,592	1,554,592	855,817	698,775
<b>Total Equipment</b>	<u>620,000</u>	<u>1,641,393</u>	<u>2,261,393</u>	<u>1,063,446</u>	<u>1,197,947</u>
<b>Facilities Acquisition and Construction Services</b>					
Architectural/Engineering Services	400,000	329,899	729,899	466,630	263,269
Construction Services	3,759,414	4,984,240	8,743,654	3,762,472	4,981,182
Lease purchase agreements-principal	1,600,000	(1,600,000)			
Other Objects - Debt Service Assessment - SDA	203,645		203,645	203,645	
<b>Total Facilities Acquisition and Construction Services</b>	<u>5,963,059</u>	<u>3,714,139</u>	<u>9,677,198</u>	<u>4,432,747</u>	<u>5,244,451</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>6,583,059</u>	<u>5,355,532</u>	<u>11,938,591</u>	<u>5,496,193</u>	<u>6,442,398</u>
<b>SPECIAL SCHOOLS</b>					
<b>Summer School - Instruction</b>					
Salaries of Teachers		106,708	106,708	106,708	
Other Salaries of Instruction		41,743	41,743	41,743	
<b>Total Summer School Instruction</b>		<u>148,451</u>	<u>148,451</u>	<u>148,451</u>	
<b>TOTAL SPECIAL SCHOOLS</b>		<u>148,451</u>	<u>148,451</u>	<u>148,451</u>	
<b>Contribution to Charter Schools</b>	<u>93,979</u>		<u>93,979</u>	<u>64,223</u>	<u>29,756</u>
<b>TOTAL EXPENDITURES</b>	<u>106,151,809</u>	<u>7,542,996</u>	<u>113,694,805</u>	<u>124,749,413</u>	<u>(11,054,608)</u>
<b>(Deficiency) Excess of Revenues (Under) Over Expenditures</b>	<u>(2,960,791)</u>	<u>(7,542,996)</u>	<u>(10,503,787)</u>	<u>2,254,051</u>	<u>12,757,838</u>
<b>Fund Balance, July 1</b>	<u>24,142,171</u>		<u>24,142,171</u>	<u>24,142,171</u>	
<b>Fund Balance, June 30</b>	<u>\$ 21,181,380</u>	<u>\$ (7,542,996)</u>	<u>\$ 13,638,384</u>	<u>\$ 26,396,222</u>	<u>\$ 12,757,838</u>
<b>Recapitulation of (Deficiency) Excess of Revenues (Under) Over Expenditures:</b>					
Budgeted Fund Balance	\$ (960,791)		\$ (960,791)	\$ 9,015,321	\$ 9,976,112
Adjustment of Prior Year Purchase Orders		\$ 218,274	218,274		(218,274)
Adjustment for Prior Year Encumbrances, net cancellations		(7,761,270)	(7,761,270)	(7,761,270)	
Withdrawal Capital Reserve	(2,000,000)		(2,000,000)	(2,000,000)	
Deposit Capital Reserve				3,000,000	3,000,000
<b>Total</b>	<u>\$ (2,960,791)</u>	<u>\$ (7,542,996)</u>	<u>\$ (10,503,787)</u>	<u>\$ 2,254,051</u>	<u>\$ 12,757,838</u>
<b>Recapitulation of Fund Balance:</b>					
Restricted Fund Balance:					
Excess Surplus Designated for Subsequent Year's Expenditures				\$ 832,477	
Excess Surplus-current year				800,000	
Capital Reserve				8,244,134	
Maintenance Reserve				2,627,910	
Unemployment Compensation Claims				1,490,130	
Assigned to:					
Designated for Subsequent Year's Expenditures				74,907	
Year End Encumbrances				7,580,068	
Unassigned Fund Balance				<u>4,746,596</u>	
				<u>26,396,222</u>	
<b>Reconciliation of Budgetary Fund Balance to GAAP Fund Balance:</b>					
Final State Aid Payments Not Realized on GAAP Basis				<u>(3,111,153)</u>	
Fund balance per Government Funds (GAAP)				<u>\$ 23,285,069</u>	

**East Windsor Regional School District  
Special Revenue Fund**

**Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2022**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Revenues</b>					
Federal sources	\$ 9,309,527	\$ 48,444	\$ 9,357,971	\$ 3,974,811	\$ 5,383,160
State sources	34,410		34,410	30,542	3,868
Local sources	28,356	28,795	57,151	549,419	(492,268)
Total revenues	<u>9,372,293</u>	<u>77,239</u>	<u>9,449,532</u>	<u>4,554,772</u>	<u>4,894,760</u>
<b>Expenditures</b>					
Current expenditures:					
Instruction:					
Salaries:					
Salaries of teachers	1,133,938		1,133,938	475,902	658,036
Purchased professional services	468,761	(86,068)	382,693	135,045	247,648
Other purchased services	1,801,741		1,801,741	1,787,380	14,361
General supplies	1,310,012	(10,683)	1,299,329	384,255	915,074
Textbooks	605,162		605,162	575,028	30,134
Other objects	2,500		2,500	775	1,725
Total instruction	<u>5,322,114</u>	<u>(96,751)</u>	<u>5,225,363</u>	<u>3,358,385</u>	<u>1,866,978</u>
Support services:					
Salaries	56,162		56,162	34,162	22,000
Personal services—employee benefits	370,487		370,487	108,439	262,048
Purchased professional services	1,285,562		1,285,562	99,532	1,186,030
Other purchased professional services	95,427		95,427	75,553	19,874
Supplies and materials	2,242,541	163,493	2,406,034	335,493	2,070,541
Security		10,497	10,497	9,149	1,348
Scholarships awarded				454,646	(454,646)
Student activities				34,395	(34,395)
Total support services	<u>4,050,179</u>	<u>173,990</u>	<u>4,224,169</u>	<u>1,151,369</u>	<u>3,072,800</u>
Total expenditures	<u>9,372,293</u>	<u>77,239</u>	<u>9,449,532</u>	<u>4,509,754</u>	<u>4,939,778</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	45,018	<u>\$ (45,018)</u>
Fund Balance July 1, 2021				<u>367,385</u>	
Fund Balance, June 30, 2022				<u>\$ 412,403</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 79,493	
Student activities				332,910	
Total Fund Balance				<u>\$ 412,403</u>	

**East Windsor Regional School District  
Note to Required Supplementary Information**

**Budget to GAAP Reconciliation**

**Year ended June 30, 2022**

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-1, C-2)	\$ 127,003,464	\$ 4,554,772
 Differences - Budgetary to GAAP:		
 Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior year		14,706
Current year		(716,811)
 State aid payments recognized for budgetary purposes, not recognized for GAAP statements.		
Prior year	2,510,743	
Current year	(3,111,153)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds (B-2)	\$ 126,403,054	\$ 3,852,667
 <b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule (C-1, C-2)	\$ 124,749,413	\$ 4,509,754
 Differences - Budgetary to GAAP:		
 Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Prior year		14,706
Current year		(716,811)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	\$ 124,749,413	\$ 3,807,649



## **Supplementary Information**

## **Special Revenue Fund**

East Windsor Regional School District  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures  
Budgetary Basis  
Year ended June 30, 2022

	E.S.E.A. I.D.E.A. COVID-19 CARES Act										Coronavirus State and Local Fiscal Recovery Funds				
	Education Stabilization Fund										COVID-19				
	Title I Part A	Title II A	Title III Immigrant	Title IV	Part B Basic	Preschool	APP I.D.E.A. Basic	APP I.D.E.A. Preschool	Elementary and Secondary School Emergency Relief Fund I	Elementary and Secondary School Emergency Relief Fund II	CR Learning Acceleration	CR Mental Health	Elementary and Secondary School Emergency Relief Fund III	COVID-19 ACSERS	
Local sources															
Federal sources															
Total revenues	\$ 422,178	\$ 112,069	\$ 144,474	\$ 8,094	\$ 7,334	\$ 1,331,925	\$ 59,528	\$ 270,394	\$ 23,002	\$ 16,200	\$ 615,438	\$ 52,023	\$ 41,474	\$ 697,660	\$ 173,018
	\$ 422,178	\$ 112,069	\$ 144,474	\$ 8,094	\$ 7,334	\$ 1,331,925	\$ 59,528	\$ 270,394	\$ 23,002	\$ 16,200	\$ 615,438	\$ 52,023	\$ 41,474	\$ 697,660	\$ 173,018
Expenditures:															
Instructional:															
Salaries of teachers	\$ 238,093		\$ 8,908	\$ 8,094	\$ 6,559				\$ 220,807					\$ 124,887	\$ 102,531
Purchased professional services						\$ 1,331,925	\$ 59,528	\$ 270,394	\$ 23,002						
Other purchased services	72,132		125,013						143,239	\$ 23,348					
Instructional supplies															
Textbooks															
Other objects					775									572,773	
Total instruction	\$ 310,225		\$ 133,921	\$ 8,094	\$ 7,334	\$ 1,331,925	\$ 59,528	\$ 270,394	\$ 23,002	\$ 364,046	\$ 23,348			\$ 697,660	\$ 102,531
Undistributed:															
Support services:															
Salaries										28,675					5,487
Personal services-employee benefits															
Purchased professional services											\$ 41,474				
Other purchased professional service	\$ 108,439														
Supplies and materials	3,514		10,553												65,000
Security															
Student activities															
Scholarships awarded															
Total support services	\$ 111,953		\$ 10,553												
Total expenditures	\$ 422,178	\$ 112,069	\$ 144,474	\$ 8,094	\$ 7,334	\$ 1,331,925	\$ 59,528	\$ 270,394	\$ 23,002	\$ 364,046	\$ 23,348	\$ 41,474	\$ 41,474	\$ 697,660	\$ 173,018
Excess of Revenues															
Over Expenditures															
Fund Balance, July 1															
Fund Balance, June 30															

East Windsor Regional School District  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures  
Budgetary Basis

Year ended June 30, 2022

	Textbooks	Nursing	Nonpublic Aid Handicapped	Security	Technology	Student Activities	Scholarships	Other Local	Totals
Revenues:									
Local sources						\$ 489,756	\$ 44,303	\$ 15,360	\$ 549,419
State sources	\$ 2,255	\$ 9,856	\$ 1,114	\$ 14,051	\$ 3,266				\$ 30,542
Federal sources									\$ 3,974,811
Total revenues	\$ 2,255	\$ 9,856	\$ 1,114	\$ 14,051	\$ 3,266	\$ 489,756	\$ 44,303	\$ 15,360	\$ 4,554,772
Expenditures:									
Instruction:									
Salaries of teachers			\$ 1,114					\$ 2,485	\$ 475,902
Purchased professional services									135,045
Other purchased services				\$ 4,902	\$ 3,266			12,355	1,787,380
Instructional supplies									384,255
Textbooks	\$ 2,255								575,028
Other objects									775
Total instruction	2,255		1,114	4,902	3,266			14,840	3,358,385
Undistributed:									
Support services:									
Salaries									34,162
Personal services—employee benefits									108,439
Purchased professional services		\$ 9,856							99,532
Other purchased professional services									75,553
Supplies and materials								520	335,493
Security				9,149					9,149
Student activities						\$ 454,646			454,646
Scholarships awarded							\$ 34,395		34,395
Total support services		9,856		9,149		454,646	34,395	520	1,151,369
Total expenditures	\$ 2,255	\$ 9,856	\$ 1,114	\$ 14,051	\$ 3,266	\$ 454,646	\$ 34,395	\$ 15,360	\$ 4,509,754
Excess of Revenues Over Expenditures	-	-	-	-	-	35,110	9,908	-	45,018
Fund Balance, July 1	-	-	-	-	-	297,800	69,585	-	367,385
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 332,910	\$ 79,493	\$ -	\$ 412,403

## **Capital Projects Fund**

East Windsor Regional School District  
 Capital Projects Fund  
 Summary Schedule of Project Revenues, Expenditures,  
 Project Balance and Project Status  
 (Budgetary Basis)  
 Year ended June 30, 2022

Reconciliation of budgetary basis to GAAP basis:

Fund Balance, Budgetary Basis at June 30, 2022 and 2021	\$ 302,109
Less: Revenue not recognized on a GAAP basis	<u>(16,914)</u>
Fund Balance - June 30, 2022 GAAP Basis	<u><u>\$ 285,195</u></u>

East Windsor Regional School District  
Capital Projects Fund

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

From Inception and for the year ended June 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
<b>Revenues and Other Financing</b>				
State Sources - SDA Grant	\$ 1,612,185		\$ 1,612,185	\$ 1,612,185
Capital Lease Proceeds				
Transfer from Capital Reserve	2,574,589		2,574,589	2,574,589
Total Revenues	<u>4,186,774</u>	<u>-</u>	<u>4,186,774</u>	<u>4,186,774</u>
<b>Expenditures and Other Financing</b>				
Purchased Professional Services				
Construction Services	3,884,710		3,884,710	
Other Expense				
Transfers Out				
Total Expenditures	<u>3,884,710</u>	<u>-</u>	<u>3,884,710</u>	<u>-</u>
Excess (Deficiency) of Revenues (Under) Expenditures	<u>\$ 302,064</u>	<u>\$ -</u>	<u>\$ 302,064</u>	<u>\$ 4,186,774</u>
Other Revenue - 2016	45		45	
<b>Budgetary Fund Balance</b>	<u>\$ 302,109</u>		<u>\$ 302,109</u>	

East Windsor Regional School District  
Capital Projects Fund

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

Telecommunication Replacement for Various Schools

From Inception and for the year ended June 30, 2022

	Prior Periods	Current Year	Totals	Authorized Cost
<b>Revenues and Other Financing</b>				
State Sources - SDA Grant	\$ 226,679		\$ 226,679	\$ 226,679
Capital Lease Proceeds				
Transfer from Capital Reserve	340,872		340,872	340,872
Total Revenues	<u>567,551</u>	<u>-</u>	<u>567,551</u>	<u>567,551</u>
<b>Expenditures and Other Financing</b>				
Purchased Professional Services				
Construction Services	520,550		520,550	
Other Expense				
Transfer Out to Debt Service Fund				
Total Expenditures	<u>520,550</u>	<u>-</u>	<u>520,550</u>	<u>-</u>
Excess (Deficiency) of Revenues (Under) Expenditures	<u>\$ 47,001</u>	<u>\$ -</u>	<u>\$ 47,001</u>	<u>\$ 567,551</u>
<b>Additional project information</b>				
Project number	050-14-1001;055-14-1002;060-14-1003;070-14-1004;075-14-1005			
Grant date	January 6, 2014			
Bond authorization date	NA			
Bonds Authorized	NA			
Bonds Issued	NA			
Original Authorized Cost	\$ 578,390			
Additional Authorized Cost	\$ (10,839)			
Revised Authorized Cost	\$ 567,551			
Percentage Increase over Original Authorized Cost	-2%			
Percentage completion	100%			
Original target completion date	December 2016			
Revised target completion date	Complete			



East Windsor Regional School District  
Capital Projects Fund

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

Roof and Door Replacement for Various Schools

From Inception and for the year ended June 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
<b>Revenues and Other Financing</b>				
State Sources - SDA Grant	\$ 1,385,506		\$ 1,385,506	\$ 1,385,506
Capital Lease Proceeds				
Transfer from Capital Reserve	2,233,717		2,233,717	2,233,717
Total Revenues	<u>3,619,223</u>	<u>-</u>	<u>3,619,223</u>	<u>3,619,223</u>
<b>Expenditures and Other Financing</b>				
Purchased Professional Services				
Construction Services	3,364,160		3,364,160	
Other Expense				
Transfer Out to Debt Service Fund				
Total Expenditures	<u>3,364,160</u>	<u>-</u>	<u>3,364,160</u>	<u>-</u>
Excess (Deficiency) of Revenues (Under) Expenditures	<u>\$ 255,063</u>	<u>\$ -</u>	<u>\$ 255,063</u>	<u>\$ 3,619,223</u>
<b>Additional project information</b>				
Project number	050-14-1007;055-14-1008;070-14-1010;075-14-1011			
Grant date	2/24/2014			
Bond authorization date	12/10/2014			
Bonds Authorized	NA			
Bonds Issued	NA			
Original Authorized Cost	\$ 3,619,223			
Additional Authorized Cost				
Revised Authorized Cost	\$ 3,619,223			
Percentage Increase over Original Authorized Cost	0%			
Percentage completion	100%			
Original target completion date	June 2016			
Revised target completion date	Complete			

East Windsor Regional School District  
Capital Projects Fund

Summary Schedule of Project Expenditures

Year ended June 30, 2022

<u>Issue/Project Title</u>	<u>Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>	
			<u>Prior Year</u>	<u>Unexpended Balance</u>
Telecommunication Replacement for Various Schoo	1/27/14	\$ 567,551	\$ 520,550	\$ 47,001
Roof Replacement for Various Schools	5/12/14	3,619,223	3,364,160	255,063
		<u>\$ 4,186,774</u>	<u>\$ 3,884,710</u>	302,064
Other				<u>45</u>
				<u>\$ 302,109</u>

## **Long-Term Debt**

East Windsor Regional School District  
Long-Term Debt

Schedule of Serial Bonds Payable

Year ended June 30, 2022

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2021	Retired	Balance June 30, 2022
			Date	Amount				
2012 Refunding Bonds	2/7/2012	\$ 29,900,000				\$ 1,890,000	\$ 1,890,000	
2015 Refunding Bonds	3/18/2015	3,280,000	7/15/2022	\$ 390,000	3.00%	1,160,000	395,000	\$ 765,000
			7/15/2023	375,000	3.00%			
2021 Refunding Bonds	2/24/2021	15,320,000	3/1/2023	2,290,000	0.60%	15,320,000	270,000	15,050,000
			3/1/2024	2,265,000	0.80%			
			3/1/2025	2,235,000	1.00%			
			3/1/2026	2,155,000	1.10%			
			3/1/2027	2,105,000	1.40%			
			3/1/2028	2,030,000	1.50%			
			3/1/2029	1,970,000	1.80%			
						<u>\$ 18,370,000</u>	<u>\$ 2,555,000</u>	<u>\$ 15,815,000</u>

East Windsor Regional School District  
Long-Term Debt

Schedule of Financed Purchases Payable

Year ended June 30, 2022

	<b>Interest Rate</b>	<b>Amount of Original Issue</b>	<b>Balance July 1, 2021</b>	<b>Retired</b>	<b>Balance June 30, 2022</b>
Apple Financial Services - Education Finance	0.00%	\$ 500,786	\$ 300,834	\$ 150,417	\$ 150,417
TD Equipment Finance	0.10%	1,965,000	1,468,054	484,551	983,503
			<u>\$ 1,768,888</u>	<u>\$ 634,968</u>	<u>\$ 1,133,920</u>

East Windsor Regional School District  
Debt Service Fund

Budgetary Comparison Schedule

Year ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:					
Local sources:					
Local tax levy	\$ 2,756,767		\$ 2,756,767	\$ 2,756,767	
State sources:					
Debt Service Aid Type II	98,578		98,578	98,578	
Total revenues	<u>2,855,345</u>		<u>2,855,345</u>	<u>2,855,345</u>	
Expenditures:					
Principal on bonds	2,555,000		2,555,000	2,555,000	
Interest on bonds	300,345		300,345	300,345	
Total expenditures	<u>2,855,345</u>		<u>2,855,345</u>	<u>2,855,345</u>	
Net change in fund balances	-		-	-	
Fund balance, July 1	-		-	-	
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Statistical Section  
(Unaudited)**

**Statistical Section**  
**Unaudited**

**Contents**

**Financial Trends**

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

**Revenue Capacity**

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

**Debt Capacity**

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

**Demographic and Economic Information**

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

**Operating Information**

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

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



East Windsor Regional School District  
 Net Position by Component  
 Last Ten Fiscal Years  
 (Accrual Basis of Accounting)  
 Unaudited

	2013	2014	2015 (As restated)	2016	2017	2018	2019	2020	2021	2022
<b>Governmental activities</b>										
Net investment in capital assets	\$ 64,359,111	\$ 63,790,253	\$ 66,115,732	\$ 69,467,999	\$ 72,406,375	\$ 72,810,331	\$ 75,373,950	\$ 78,784,906	\$ 81,933,434	\$ 83,988,713
Restricted	1,197,379	12,504,920	9,808,188	10,665,161	11,385,023	28,407,639	10,937,962	11,004,607	12,553,088	14,682,249
Unrestricted (deficit)	11,961,799	1,321,990	(17,505,642)	(20,297,232)	(23,932,469)	(24,778,738)	(24,538,403)	(21,829,520)	(19,498,746)	(15,392,784)
Total governmental activities net position	\$ 77,518,289	\$ 77,617,163	\$ 58,418,278	\$ 59,835,928	\$ 59,858,929	\$ 76,439,232	\$ 61,773,499	\$ 67,959,993	\$ 74,987,776	\$ 83,288,178
<b>Business-type activities</b>										
Investment in capital assets	\$ 374,041	\$ 32,670	\$ 278,395	\$ 237,717	\$ 255,267	\$ 216,040	\$ 181,316	\$ 146,261	\$ 125,340	\$ 113,880
Unrestricted	1,234,892	1,338,750	1,223,267	1,517,967	1,794,993	1,993,734	2,382,596	2,502,191	2,323,125	3,686,492
Total business-type activities net position	\$ 1,608,933	\$ 1,371,420	\$ 1,501,662	\$ 1,755,684	\$ 2,050,260	\$ 2,209,774	\$ 2,563,912	\$ 2,648,452	\$ 2,448,465	\$ 3,800,372
<b>Government-wide</b>										
Net investment in capital assets	\$ 64,733,152	\$ 64,111,923	\$ 66,394,127	\$ 69,705,716	\$ 72,661,642	\$ 73,026,371	\$ 75,555,266	\$ 78,931,167	\$ 82,058,774	\$ 84,102,593
Restricted	1,197,379	12,504,920	9,808,188	10,665,161	11,385,023	28,407,639	10,937,962	11,004,607	12,553,088	14,682,249
Unrestricted (deficit)	13,196,691	2,660,740	(16,282,375)	(18,179,265)	(22,137,476)	(22,785,004)	(22,165,807)	(19,327,329)	(17,179,621)	(11,706,292)
Total government-wide net position	\$ 79,127,222	\$ 79,277,583	\$ 59,919,940	\$ 61,591,612	\$ 61,909,189	\$ 78,649,006	\$ 64,337,411	\$ 70,608,445	\$ 77,436,241	\$ 87,088,550

Source: ACFR Schedule A-1 and District records.

GASB 68 was implemented during the 2015 fiscal year, which required the restatement of beginning net position in the amount of \$22,102,707. This amount is not reflected in the June 30, 2014 Net Position, above.

GASB 84 was implemented during the 2021 fiscal year, which required a retroactive adjustment of beginning net position in the amount of \$1,399,107. This amount is not reflected in the June 30, 2020 Net Position, above.

East Windsor Regional School District  
Changes in Net Position  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)  
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
<b>Governmental activities</b>										
Instruction										
Regular	\$ 25,042,178	\$ 25,711,382	\$ 25,670,386	\$ 43,048,737	\$ 48,218,048	\$ 49,708,064	\$ 46,264,449	\$ 44,153,643	\$ 51,771,380	\$ 48,544,655
Special Education	5,889,788	6,190,211	6,096,653	18,572,594	17,694,893	18,895,740	18,269,286	23,687,122	27,071,401	25,327,515
Other Instruction	2,881,786	2,965,778	2,992,569	6,747,736	7,808,512	8,499,028	7,962,224	1,966,362	1,738,551	1,938,883
Adult/Continuing Education Programs	1,062,581	1,127,451	1,197,485	27,184	2,197	3,473				
Support services:										
Tuition	5,534,737	6,103,650	6,491,066	13,487,234	15,681,851	17,371,718	15,418,777	16,037,004	18,184,520	17,077,635
Student and Instruction Related Services	7,619,049	7,643,146	7,829,405	6,227,047	6,460,488	6,823,317	6,365,761	5,880,643	6,626,438	6,089,212
School Administrative Services	2,746,109	2,916,851	3,042,989	2,505,451	3,718,895	3,664,616	3,328,359	3,215,601	3,892,060	3,559,290
General and Business Administrative Services	642,886	808,864	987,075	979,006						
Capital Services	1,216,913	1,030,751	979,006							
Administrative Information Technology	8,650	197,839	235,688							
Plant Operations and Maintenance	7,540,292	7,498,827	7,230,915	9,715,746	10,536,268	10,937,635	10,835,855	10,282,857	11,855,706	11,599,043
Pupil Transportation	3,345,266	3,717,215	3,491,546	4,153,905	5,892,631	6,266,659	6,312,275	5,931,103	5,978,881	6,622,369
Other Support Services	6,500									
Transfers to Charter Schools	35,589	11,137		9,751	46,778	59,443	50,430	48,568	56,722	64,223
Special Schools	33,247	38,685	42,676	48,765	115,976	108,738	100,065	104,872	144,746	195,678
Interest on Long-Term Debt	1,443,522	1,557,907	1,532,276	1,124,003	1,005,821	926,240	845,734	787,111	641,801	208,379
Unallocated Employee Benefits	19,902,244	19,412,671	29,249,738							
Unallocated Amortization of Bond Costs	(95,599)	(119,974)	(119,329)							
Unallocated Depreciation	3,668,597	3,816,984	3,842,200							
Unallocated Compensated Absences	665,839	(55,173)	(237,384)							
Loss/Adjustment to Fixed Assets		1,283,869	2,509,568							
Total governmental activities	89,390,174	91,860,071	103,064,518	105,668,153	117,182,358	123,264,671	115,753,215	112,074,886	127,962,206	121,226,882
Business-type activities:										
Food service	2,089,683	1,655,075	1,681,029	1,776,459	1,868,803	1,855,771	1,860,931	1,496,245	592,410	2,115,796
Kid Care	525,226	714,803	753,458	737,167	526,130	565,697	555,112	548,797	537,525	508,512
Total business-type activities expense	2,614,909	2,369,878	2,434,487	2,515,626	2,394,933	2,421,668	2,406,043	2,045,042	1,129,935	2,624,308
Total district expenses	92,005,083	94,229,949	105,499,005	108,183,779	119,567,291	125,686,339	118,159,258	114,119,928	129,092,141	123,851,190
<b>Program Revenues</b>										
Governmental activities:										
Charges for services	1,386,295	1,289,218	1,146,167	525,533	618,167	553,987	613,972	799,128	734,046	727,701
Operating grants and contributions	2,269,808	2,100,542	18,026,976	2,021,464	2,113,637	2,277,674	2,137,277	2,097,632	4,169,514	3,162,731
Capital grants and contributions				751,239	903,611					
Total governmental activities program revenues	3,656,103	3,389,760	19,173,143	3,298,256	3,635,415	2,831,661	2,751,249	2,896,760	4,903,560	4,490,432
Business-type activities:										
Charges for services	794,854	816,347	736,272	751,380	781,171	821,284	881,280	626,563	32,247	91,064
Food service	727,527	847,004	866,156	841,422	638,994	603,502	645,438	451,769	93,663	517,744
Kid Care	912,859	988,014	1,073,302	1,174,301	1,259,396	1,156,396	1,233,463	1,051,250	795,241	3,361,992
Operating grants and contributions	2,635,240	2,651,365	2,675,730	2,767,103	2,679,509	2,681,182	2,760,181	2,139,682	921,151	3,970,800
Total business-type activities program revenues	6,093,343	6,041,125	21,848,873	6,065,389	6,314,924	5,472,643	5,511,430	5,026,342	5,824,711	8,461,232
<b>Net (Expense)/Revenue</b>										
Governmental activities	(85,732,071)	(88,470,311)	(83,891,375)	(102,369,897)	(113,546,943)	(120,433,010)	(113,001,966)	(109,178,126)	(123,058,646)	(116,736,450)
Business-type activities	(179,659)	281,487	241,243	251,477	284,576	159,514	354,138	84,540	(208,784)	1,346,492
Total government-wide net expense	\$ (85,911,740)	\$ (88,188,824)	\$ (83,650,132)	\$ (102,118,420)	\$ (113,262,367)	\$ (120,273,496)	\$ (112,647,828)	\$ (109,093,586)	\$ (123,267,430)	\$ (115,389,958)

East Windsor Regional School District  
Changes in Net Position  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)  
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes	\$ 57,937,456	\$ 59,096,205	\$ 60,278,129	\$ 61,483,682	\$ 62,713,366	\$ 63,717,633	\$ 64,741,986	\$ 65,796,826	\$ 67,102,563	\$ 68,194,614
Property taxes levied for debt service	3,364,921	3,231,356	3,201,658	3,167,898	3,124,874	3,054,895	3,045,318	3,003,784	2,958,285	2,756,767
Unrestricted grants and contributions	26,214,282	25,840,199	20,526,963	38,936,163	46,732,774	55,216,894	46,762,945	46,035,664	57,726,140	53,695,146
Investment earnings	47,851	4,698	19,457	33,883	52,598	108,526	253,906	361,548	164,539	40,961
Miscellaneous income	1,747,468	458,385	318,898	165,911	946,332	265,265	181,078	176,798	320,756	351,364
Transfers	342,288	230,000	400,000							
Total governmental activities	89,654,266	88,860,845	84,745,105	103,787,547	113,569,944	120,363,313	114,986,233	115,364,620	128,274,283	125,036,852
Business-type activities:										
Investment income				2,545					8,797	5,415
Transfers	(342,288)	(230,000)	(400,000)							
Total business-type activities	(342,288)	(230,000)	(400,000)	2,545					8,797	5,415
Total government-wide	89,311,978	88,630,845	84,345,105	103,790,092	113,569,944	120,363,313	114,986,233	115,364,620	128,283,080	125,042,267
<b>Change in Net Position</b>										
Governmental activities	3,922,195	390,534	853,730	1,417,650	23,001	(69,697)	1,984,267	6,186,494	5,215,637	8,300,402
Business-type activities	(521,957)	51,487	(158,757)	254,022	294,576	159,514	354,138	84,540	(199,987)	1,351,907
Total district	3,400,238	442,021	694,973	1,671,672	317,577	89,817	2,338,405	6,271,034	5,015,650	9,652,309

Source: ACFR Schedules A-2 and District records

GASB No. 75 was implemented in the 2018 fiscal year, which increased the unrestricted grants and contributions and various expense lines from the previous year. This required presentation did not impact any of the balances from prior years.

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

East Windsor Regional School District  
Fund Balances - Governmental Funds  
Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)  
Unaudited

	As of June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Restricted	\$ 10,866,901	\$ 10,139,379	\$ 9,848,926	\$ 8,831,520	\$ 10,836,908	\$ 11,472,444	\$ 10,652,757	\$ 10,719,412	\$ 11,900,508	\$ 13,994,651
Assigned to	3,891,165	2,651,497	4,313,306	3,732,985	2,479,687	2,776,584	3,438,211	6,249,392	7,920,684	7,654,975
Unassigned	367,106	489,774	238,946	318,702	254,557	243,346			1,810,236	1,635,443
Total general fund	\$ 15,125,172	\$ 13,280,650	\$ 14,401,178	\$ 12,883,207	\$ 13,571,152	\$ 14,492,374	\$ 14,090,968	\$ 16,968,804	\$ 21,631,428	\$ 23,285,069
All Other Governmental Funds										
Restricted for:										
Special revenue fund *		\$ 2,836,234	\$ 364,249	\$ 1,833,641	\$ 536,629	\$ 285,195	\$ 285,195	\$ 285,195	\$ 367,385	\$ 412,403
Capital projects fund		489,774	1	25,968	25,967				285,195	285,195
Debt service fund										
Total all other governmental funds	\$ -	\$ 3,326,008	\$ 364,250	\$ 1,859,609	\$ 562,596	\$ 285,195	\$ 285,195	\$ 285,195	\$ 652,580	\$ 697,598

Source: ACFR Schedule B-1 and District records.

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

East Windsor Regional School District  
Changes in Fund Balances - Governmental Funds  
Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)  
Unaudited

	Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Tax Levy	\$ 61,302,377	\$ 62,327,563	\$ 63,479,787	\$ 64,651,590	\$ 65,838,240	\$ 66,772,528	\$ 67,788,304	\$ 68,790,610	\$ 70,060,848	\$ 70,951,381
Transportation Fees	79,835	61,721,000	43,521,24	83,599	146,570	111,460	98,967	51,412	37,176	71,442
Tuition Charges	633,498	541,580	560,407	441,934	471,597	442,527	515,005	747,716	696,870	656,259
Interest on Investments	4,806	4,698		33,883	52,598	108,526	253,906	361,548	164,539	40,961
Rents & Royalties				23,011	36,469	66,758	51,722	13,460	151,350	10,698
Miscellaneous	1,807,862	485,027	375,525	1,375,584	961,561	226,041	164,677	204,611	425,224	890,063
State Sources	26,347,826	25,843,624	28,221,958	28,646,863	30,302,752	32,266,716	37,546,928	41,221,554	45,880,450	57,079,765
Federal Sources	2,118,915	2,070,475	2,098,887	2,048,759	2,176,690	2,329,762	2,207,442	2,153,081	4,037,209	3,410,597
Total revenue	92,295,119	91,334,668	94,780,086	97,305,223	99,988,477	102,324,318	108,626,851	113,543,992	121,453,666	133,111,066
<b>Expenditures</b>										
Instruction										
Regular Instruction	25,042,178	25,711,382	25,670,386	25,349,163	25,946,098	26,259,020	27,354,545	27,380,721	29,731,941	31,555,570
Special Education Instruction	5,889,788	6,190,211	6,096,653	7,875,334	7,450,145	7,780,064	8,225,324	8,382,494	8,937,870	9,333,844
Other Special Instruction				2,727,763	2,851,959	3,195,190	3,265,287	3,666,783	4,184,472	4,405,549
Other Instruction	2,881,786	2,965,778	2,992,569	1,100,372	1,185,551	1,137,566	1,187,644	1,143,738	912,593	1,246,326
Community Svc Program/Operations	1,062,581	1,127,451	1,197,485	15,899	2,057	3,250				
Support Services:										
Tuition	5,534,737	6,103,650	6,491,066	5,652,013	5,163,274	5,495,412	5,754,332	5,497,365	4,792,165	4,828,163
Student and Instruction Related Services	7,619,049	7,643,146	7,829,405	7,949,697	8,655,610	9,023,052	9,299,784	10,262,079	10,875,470	11,485,228
General administration	892,886	1,056,864	1,487,075	2,851,959	2,851,959	3,195,190	3,265,287	3,666,783	4,184,472	4,405,549
School Administration Services	2,746,109	2,916,851	3,042,989	3,062,994	3,342,918	3,502,028	3,618,698	3,562,179	3,605,471	3,795,449
Central services	1,216,913	1,034,212	979,006	2,210,539	2,335,736	2,324,464	2,281,641	2,295,407	2,544,884	2,528,219
Other Admin Services										
Admin. Information Technology	8,650	197,839	235,688							
Plant Operations and maintenance	6,271,234	6,809,832	6,699,051	6,749,160	6,616,091	6,650,372	7,267,385	7,475,062	7,546,228	8,859,474
Pupil transportation	3,345,266	3,717,215	3,491,546	3,782,275	3,564,618	3,797,700	4,282,557	4,283,391	3,802,196	4,891,315
Business and Other Support Services	6,500									
Employee Benefits	19,933,593	19,446,606	20,805,829	22,452,902	24,860,569	25,768,632	28,278,639	28,143,033	33,525,531	39,919,058
Transfer to Charter School	35,589	11,317		9,751	46,778	59,443	50,430	48,568	56,722	64,223
Capital Outlay	1,871,098	4,461,944	8,513,481	5,067,632	5,274,048	3,430,388	4,945,610	5,346,253	6,543,850	5,496,194
Special Schools	33,247	38,685	42,676	48,765	60,978	56,091	58,556	65,633	80,650	148,450
Debt Service:										
Principal	1,525,903	1,367,153	2,020,000	2,065,000	2,070,000	2,105,000	2,145,000	2,180,000	2,230,000	2,555,000
Interest and other charges	1,985,000	2,005,000	1,394,335	1,208,585	1,171,125	1,092,825	1,013,025	931,450	963,985	300,345
Total expenditures	87,902,107	92,805,136	98,989,240	97,327,834	100,597,545	101,680,497	109,028,257	110,666,156	120,333,988	131,412,407
Excess (Deficiency) of revenues over (under) expenditures	4,393,012	(1,470,468)	(4,209,154)	(22,611)	(609,068)	643,821	(401,406)	2,877,836	1,119,678	1,698,659
<b>Other Financing sources (uses)</b>										
Lease proceeds										
Payment to bond refunding escrow agent		2,232,000	2,246,183	(3,366,301)					1,965,000	
Refunding bonds issued			3,442,184						(15,186,815)	
Transfers In			535,632	2,547,303		251,057			15,320,000	
Transfers Out			(2,574,589)	(2,547,303)		(251,057)				
Total other financing sources (uses)	342,288	2,462,000	2,857,698	-	-	-	-	-	2,098,185	-
Net change in fund balances	\$ 4,735,300	\$ 991,532	\$ (1,351,456)	\$ (22,611)	\$ (609,068)	\$ 643,821	\$ (401,406)	\$ 2,877,836	\$ 3,217,863	\$ 1,698,659
Debt service as a percentage of noncapital expenditures	4.08%	3.82%	3.77%	3.55%	3.40%	3.25%	3.03%	2.95%	2.81%	2.27%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

**EAST WINDSOR REGIONAL SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)  
Unaudited**

FISCAL YEAR ENDED JUNE 30,	PRIOR YEAR REFUNDS	RENTAL OF FACILITIES	TUITION	TRANSPORTATION FEES	INTEREST EARNINGS	MISCELLANEOUS	Annual Totals
2022	\$	10,598	656,259	71,442	40,961	340,766	1,120,026
2021		151,350	696,870	37,176	164,539	169,406	1,219,341
2020	\$	13,460	747,716	51,412	361,548	124,126	1,337,474
2019	39,212	44,172	422,463	98,967	253,906	105,526	925,034
2018		66,758	442,527	111,460	108,526	198,507	927,778
2017	499,994	38,469	471,597	146,570	52,598	407,869	1,617,097
2016		23,011	441,934	83,599	33,856	142,855	725,255
2015		19,457	560,407	43,521		318,898	942,283
2014	378,518	50,626	541,560	61,721	4,698	29,241	1,066,364
2013	1,397,230	43,045				355,044	1,795,319

Source: District records

East Windsor Regional School District  
Assessed Value and Actual Value of Taxable Property  
Last Ten Fiscal Years  
Unaudited

FISCAL YEAR ENDED JUNE 30	VACANT LAND	RESIDENTIAL	FARM REG.	OF FARM	COMMERCIAL	INDUSTRIAL	APARTMENT	PERS. PROP.	TOTAL ASSESSED VALUE	TAX EXEMPT PROPERTY	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE <sup>b</sup>	ACTUAL COUNTY EQUALIZED VALUE
<b>East Windsor</b>													
2022	\$ 35,998,700	\$ 2,019,600,600	\$ 10,115,300	\$ 1,216,700	\$ 400,361,500	\$ 213,613,500	\$ 172,391,500	\$ 4,289,845	\$ 2,857,587,645	\$ 240,502,600	\$ 2,657,587,645	\$ 2.16	\$ 3,162,000,493
2021	35,117,100	2,019,677,100	10,102,900	1,220,600	400,481,800	188,851,700	171,420,800	4,542,658	2,831,414,658	238,573,400	2,631,414,658	2.16	2,966,235,819
2020	29,514,800	2,015,661,800	10,806,800	1,279,900	401,985,050	186,547,700	169,996,300	4,443,663	2,821,108,003	244,492,800	2,821,108,003	2.14	3,047,818,651
2019	28,623,500	2,015,199,300	11,011,700	1,299,700	405,311,650	179,766,200	169,286,300	4,507,360	2,816,006,710	245,033,200	2,816,006,710	2.11	2,816,006,710
2018	38,039,700	2,014,170,300	10,542,400	1,324,700	420,630,150	151,970,200	169,889,900	4,591,136	2,811,058,486	199,219,200	2,811,058,486	2.09	2,862,184,819
2017	53,385,400	2,008,698,197	10,283,500	1,299,900	416,028,050	104,470,200	158,328,000	4,679,638	2,757,172,885	199,061,000	2,757,172,885	2.09	2,801,966,101
2016	40,292,200	2,004,509,297	10,264,300	1,327,800	418,307,250	103,107,300	158,328,000	4,537,469	2,740,673,616	193,193,200	2,740,673,616	2.07	2,700,842,361
2015	36,112,600	2,007,679,679	17,725,000	1,675,100	421,826,350	105,287,300	158,560,400	4,636,175	2,753,402,604	193,637,200	2,753,402,604	2.01	2,753,402,604
2014	33,339,600	2,009,223,487	15,666,700	1,844,800	427,125,450	105,284,500	158,844,400	4,913,771	2,756,162,718	187,119,800	2,756,162,718	1.97	2,668,935,776
2013	42,318,800	2,017,628,000	11,034,300	1,860,900	434,078,250	109,938,400	152,967,200	4,448,001	2,774,273,851	186,132,200	2,774,273,851	1.92	2,772,360,870
<b>Hightstown</b>													
2022	\$ 2,778,300	\$ 317,106,600	\$ 10,115,300	\$ 1,216,700	\$ 56,068,100	\$ 3,552,900	\$ 13,373,200	\$ 3,222,092	\$ 396,101,192	\$ 157,301,600	\$ 396,101,192	\$ 2.42	\$ 488,212,011
2021	2,516,700	316,255,000	10,102,900	1,220,600	56,615,600	4,012,900	13,373,200	3,594,397	396,172,397	156,451,300	396,172,397	2.34	486,086,505
2020	2,436,800	314,593,000	10,806,800	1,279,900	56,967,000	4,193,400	13,373,200	3,284,099	394,686,499	146,641,300	394,686,499	2.28	463,643,730
2019	2,529,900	314,070,100	11,011,700	1,299,700	54,258,400	3,167,900	13,373,200	3,361,420	393,687,620	146,638,200	393,687,620	2.21	408,925,687
2018	2,652,000	312,979,100	10,542,400	1,324,700	57,485,900	3,149,400	13,349,900	3,562,656	393,095,356	146,682,000	393,095,356	2.16	412,573,255
2017	3,121,500	312,988,100	10,264,300	1,327,800	57,330,600	3,149,400	13,043,900	3,416,396	392,180,396	146,885,100	392,180,396	2.20	414,616,885
2016	3,096,100	310,610,300	10,264,300	1,327,800	57,167,600	3,149,400	13,043,900	3,374,648	390,467,348	147,275,600	390,467,348	2.20	414,616,885
2015	2,562,400	311,352,900	17,725,000	1,675,100	57,030,300	3,149,400	13,043,900	2,963,474	389,531,874	193,367,200	389,531,874	2.19	414,636,477
2014	2,650,500	311,548,000	11,034,300	1,860,900	57,767,400	3,909,700	13,043,900	3,348,297	391,858,797	143,473,200	391,858,797	2.19	424,168,371
2013								3,647,607	392,567,107	143,249,900	392,567,107	2.13	422,747,231
<b>East Windsor &amp; Hightstown</b>													
2022	\$ 38,777,000	\$ 2,336,707,200	\$ 10,115,300	\$ 1,216,700	\$ 456,429,600	\$ 217,166,400	\$ 185,764,700	\$ 7,511,937	\$ 3,253,688,837	\$ 397,804,200	\$ 3,253,688,837	\$ 4.58	\$ 3,660,212,504
2021	37,435,800	2,335,935,100	10,102,900	1,220,600	457,029,400	192,864,200	184,794,000	8,137,055	3,227,587,055	395,024,700	3,227,587,055	4.50	3,422,322,324
2020	31,880,600	2,331,064,800	10,806,800	1,279,900	459,952,050	190,741,100	183,339,500	7,727,752	3,215,794,502	393,134,100	3,215,794,502	4.42	3,511,462,381
2019	32,060,300	2,329,288,400	11,011,700	1,299,700	459,570,050	182,934,100	183,339,500	7,868,780	3,209,694,330	391,671,400	3,209,694,330	4.32	3,209,694,330
2018	40,569,600	2,327,149,400	10,542,400	1,324,700	478,116,050	155,038,100	183,239,800	8,173,792	3,204,153,842	345,901,200	3,204,153,842	4.25	3,271,110,506
2017	56,037,400	2,321,286,297	10,283,500	1,299,900	473,358,650	107,619,600	171,371,900	8,096,034	3,149,353,281	345,946,100	3,149,353,281	4.29	3,214,539,356
2016	43,413,700	2,315,119,597	10,264,300	1,327,800	475,474,850	106,256,700	171,371,900	7,912,117	3,131,140,964	340,468,800	3,131,140,964	4.27	3,115,458,246
2015	39,208,700	2,317,928,379	17,725,000	1,675,100	478,856,650	108,436,700	171,604,300	7,499,649	3,142,934,478	387,004,400	3,142,934,478	4.20	3,169,039,081
2014	35,902,000	2,320,576,397	15,666,700	1,844,800	484,767,050	109,194,200	171,888,300	8,262,068	3,148,021,515	330,593,000	3,148,021,515	4.16	3,093,104,147
2013	44,969,300	2,329,176,000	11,034,300	1,860,900	491,845,650	113,948,100	166,011,100	8,095,608	3,166,940,958	329,382,100	3,166,940,958	4.05	3,195,128,101

Source: Municipal Tax Assessors

a. Taxable Value of Machinery, Implements and equipment of Telephone, Telegraph and Messenger System Companies  
b. Tax Rates are per \$100

**EAST WINDSOR REGIONAL SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**  
*(Rate per \$100 of Assessed Value)*  
*Unaudited*

EAST WINDSOR REGIONAL SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES		
FISCAL YEAR ENDED JUNE 30,	BASIC RATE	TOTAL DIRECT SCHOOL TAX RATE	BOROUGH OR TOWNSHIP	MERCER COUNTY	TOTAL DIRECT & OVERLAPPING TAX RATE
<b>East Windsor</b>					
2022	\$ 2.16	\$ 2.16	\$ 0.43	\$ 0.71	\$ 3.31
2021	2.16	2.16	0.43	0.71	3.28
2020	2.14	2.14	0.43	0.71	3.29
2019	2.11	2.11	0.43	0.71	3.25
2018	2.09	2.09	0.43	0.69	3.21
2017	2.09	2.09	0.43	0.60	3.12
2016	2.07	2.07	0.43	0.58	3.08
2015	2.01	2.01	0.43	0.57	3.02
2014	1.97	1.97	0.46	0.64	3.06
2013	1.92	1.92	0.55	0.65	3.12
<b>Hightstown</b>					
2022	\$ 2.42	\$ 2.42	\$ 1.47	\$ 0.80	\$ 4.69
2021	2.34	2.34	1.35	0.78	4.52
2020	2.28	2.28	1.35	0.78	4.41
2019	2.21	2.21	1.33	0.75	4.29
2018	2.16	2.16	1.29	0.71	4.16
2017	2.20	2.20	1.22	0.62	4.04
2016	2.20	2.20	1.18	0.71	4.09
2015	2.19	2.19	1.16	0.62	4.06
2014	2.19	2.19	1.18	0.71	4.09
2013	2.13	2.13	1.13	0.70	3.96

Source: Municipal Tax Collectors



**EAST WINDSOR REGIONAL SCHOOL DISTRICT  
 PRINCIPAL PROPERTY TAX PAYERS  
 CURRENT YEAR AND TEN YEARS AGO  
 Unaudited**

**NOT AVAILABLE**

**PROPERTY TAX LEVIES AND COLLECTIONS  
 LAST TEN FISCAL YEARS  
 Unaudited**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE TAX LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2022	\$ 70,951,381	\$ 70,951,381	100.00%	
2021	70,060,848	70,060,848	100.00%	
2020	68,790,610	68,790,610	100.00%	
2019	67,788,304	67,788,304	100.00%	
2018	66,772,528	66,772,528	100.00%	
2017	65,838,240	65,838,240	100.00%	
2016	64,651,590	64,651,590	100.00%	
2015	63,479,787	63,479,787	100.00%	
2014	62,327,563	62,327,563	100.00%	
2013	61,302,377	61,302,377	100.00%	

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

**EAST WINDSOR REGIONAL SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**  
*Unaudited*

YEAR ENDED JUNE 30,	GENERAL OBLIGATIONS BONDS	FINANCED PURCHASES	TOTAL DISTRICT	PER CAPITA INCOME	PERCENTAGE OF PERSONAL INCOME <sup>a</sup>	DISTRICT POPULATION	PER CAPITA <sup>a</sup>
2022	\$ 15,815,000	\$ 1,133,920	\$ 16,948,920	\$ 42,130	1.41%	29,823	\$ 594
2021	18,370,000	1,768,888	20,138,888	74,218	2.47%	30,045	1,833
2020	19,875,000	500,786	20,375,786	69,344	2.13%	32,592	1,477
2019	22,055,000	880,389	22,935,389	56,102	1.71%	32,757	959
2018	24,200,000	1,745,534	25,945,534	54,894	1.33%	33,025	733
2017	26,305,000	2,595,703	28,900,703	53,673	0.20%	32,933	799
2016	28,375,000		28,375,000	N/A	N/A	N/A	N/A
2015	30,440,000		30,440,000	N/A	N/A	N/A	N/A
2014	32,480,000		32,480,000	N/A	N/A	33,103	N/A
2013	34,485,000		34,485,000	56,906	1.83%	33,160	1,041

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

<sup>a</sup> See J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year

**EAST WINDSOR REGIONAL SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

*Unaudited*

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2022	\$ 15,815,000		\$ 15,815,000	0.486%	\$ 530
2021	18,370,000		18,370,000	0.569%	611
2020	19,875,000		19,875,000	0.618%	610
2019	22,050,000		22,050,000	0.687%	673
2018	24,200,000		24,200,000	0.755%	733
2017	26,305,000	\$ 25,967	26,279,033	0.835%	799
2016	28,375,000	25,968	28,349,032	0.905%	867
2015	30,440,000		30,440,000	1.873%	N/A
2014	32,480,000		32,480,000	1.690%	N/A
2013	34,485,000		34,485,000	2.122%	1,040

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

Source: Assessed valuations were provided by the Abstract of Ratables, County Board of Taxation.

**EAST WINDSOR REGIONAL SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

As of December 31, 2021

*Unaudited*

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Township of East Windsor	\$ 640,218,719	6.5275%	\$ 41,790,237
Borough of Hightstown		1.0285%	6,584,565
Other Debt: M.C.I.A.			
Township of East Windsor	53,576,127	6.5275%	3,497,178
Borough of Hightstown		1.0285%	551,023
Subtotal, Overlapping Debt			52,423,003
East Windsor Regional School District Direct Debt			15,815,000
Total Direct & Overlapping Debt			\$ 68,238,003

\* As of December 31, 2021

Sources: Assessed value data used to estimate applicable percentages provided by County of Mercer, Debt outstanding data provided by each governmental unit.

**EAST WINDSOR REGIONAL SCHOOL DISTRICT**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt limit	\$ 141,253,296	\$ 133,230,232	\$ 129,271,259	\$ 128,014,788	\$ 126,653,836	\$ 126,096,951	\$ 126,360,057	\$ 130,131,016	\$ 135,939,871
Total Net Debt Applicable to Limit	15,815,000	19,875,000	22,055,000	24,200,000	26,279,033	28,375,000	30,440,000	32,480,000	34,485,000
Legal Debt Margin	\$ 125,438,296	\$ 113,355,232	\$ 107,216,259	\$ 103,814,788	\$ 100,374,803	\$ 97,721,951	\$ 95,920,057	\$ 97,651,016	\$ 101,454,871
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	11.20%	14.92%	17.06%	18.90%	20.75%	22.50%	24.09%	24.96%	25.37%

**Legal Debt Margin Calculation for Fiscal Year 2022**

Equalized valuation basis		East Windsor	Hightstown	Total
2022		\$ 3,162,000,493	\$ 498,212,011	\$ 3,660,212,504
2021		2,966,235,819	456,086,505	3,422,322,324
2020		3,047,818,651	463,643,730	3,511,462,381
		\$ 9,176,054,963	\$ 1,417,942,246	\$ 10,593,997,209
Average Equalized Valuation of Taxable Property Value)		\$ 3,058,684,988	\$ 472,647,415	\$ 3,531,332,403
Net Bonded School Debt				\$ 141,253,296
Legal Debt Margin				15,815,000
				\$ 125,438,296

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.

**EAST WINDSOR REGIONAL SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**  
*Unaudited*

**EAST WINDSOR**

<u>YEAR</u>	<u>POPULATION (a)</u>	<u>PER CAPITA PERSONAL INCOME (b)</u>	<u>UNEMPLOYMENT RATE (c)</u>
2022	29,823	\$ 42,130	10.00%
2021	30,045	74,218	6.40%
2020	32,592	69,344	2.40%
2019	32,757	56,102	5.70%
2018	33,025	54,894	3.40%
2017	32,933	53,673	3.60%
2016	32,690	N/A	3.70%
2015	N/A	N/A	N/A
2014	33,103	N/A	4.60%
2013	33,160	56,906	5.11%

Source:

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development.

<sup>b</sup> Per capita information provided by US Dept of Commerce, Bureau of Economic Analysis

<sup>c</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development.

**EAST WINDSOR REGIONAL SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND TEN YEARS AGO**  
*Unaudited*

**NOT AVAILABLE**

**EAST WINDSOR REGIONAL SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

*Unaudited*

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Instruction:</b>										
Regular	378	371	328	353	356	346	335	320	339	333
Special Education	84	84	140	82	73	72	71	72	72	69
Other Special Education Aides	32	32	28	28	30	29	28	29	28	28
Other Instruction/ Nurse	8	8	9	9	9	9	8	8	8	6
Guidance	22	20	20	20	19	17	15	15	17	17
<b>Support Services:</b>										
Student & Instruction Related Services	53	50	47	47	44	42	46	39	41	41
General Administration	6	6	8	8	8	8	7	7	10	9
School Administrative Services	17	16	17	17	18	18	16	15	15	14
Other Administrative Services	12	12	10	9	8	10	9	10	9	8
Central Services	23	21	13	20	16	17	15	15	20	19
Administrative Information Technology	1	1	1	1	1	1	1	1	1	1
Plant Operations & Maintenance	56	55	59	53	51	53	53	53	54	55
Pupil Transportation	75	72	73	69	65	66	68	74	65	63
Other Support Services VA	31	31	36	31	34	34	34	34	30	25
Campus Monitor	6	7	7	7	6	6	6	6	6	6
Computer Technician	8	7	7	7	7	6	6	6	6	6
Courier	1	1	1	1	1	1	1	1	1	1
Duplicating Eq. Operator	1	1	1	1	1	1	1	1	1	1
Child Care	16	16	30	29	26	31	22	23	23	22
Custodial Supervisor	1	1	1	1	1	1	1	1	1	1
Director of Buildings & Grounds	1	1	1	1	1	1	1	1	1	1
Lunch Monitors	33	25	39	34	29	27	17	16	19	16
<b>Total</b>	<b>865</b>	<b>838</b>	<b>876</b>	<b>828</b>	<b>804</b>	<b>796</b>	<b>761</b>	<b>747</b>	<b>767</b>	<b>742</b>

**Source:** District Personnel Records

**EAST WINDSOR REGIONAL SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS**  
*Unaudited*

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE)(c)	AVERAGE DAILY ATTENDANCE (ADA)(c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY	MIDDLE SCHOOL	SENIOR HIGH SCHOOL				
2022	4,954	\$ 123,060,868	\$ 24,841	0.57%	462	10.3	10.7	11.5	4,962	4,691	-0.41%	94.10%
2021	5,019	110,596,153	22,035	9.10%	455	10.1	11.0	12.3	4,969	4,806	-3.42%	96.71%
2020	5,178	102,208,453	19,739	3.29%	483	9.8	11.7	11.3	5,139	4,979	0.41%	96.83%
2019	5,113	95,267,251	18,632	0.54%	435	11.4	11.5	11.8	5,101	4,960	1.60%	97.01%
2018	5,129	95,052,284	18,532	2.38%	429	10.1	10.8	10.8	5,094	4,882	0.04%	95.85%
2017	5,221	92,082,372	17,637	2.24%	418	14.8	12.2	12.4	5,160	4,947	1.67%	95.89%
2016	5,139	88,986,617	17,316	5.29%	411	14.8	12.2	12.4	5,075	5,022	-0.07%	97.00%
2015	5,019	85,139,792	16,963	1.00%	411	14.8	12.2	12.4	5,112	5,059	9.20%	97.00%
2014	5,106	82,520,106	16,161	-0.31%	411	14.6	11.1	11.7	5,091	4,892	0.61%	96.09%
2013	5,072	82,520,106	16,212	4.50%	402	16.5	13.6	12.4	5,060	4,840	1.83%	95.65%

**Sources:** District records

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

a Operating expenditures equal total expenditures 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).



**EAST WINDSOR REGIONAL SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**  
*Unaudited*

DISTRICT BUILDINGS	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b><u>Elementary Schools:</u></b>										
McKnight ES (1970):										
Square Feet	84,596	84,596	84,596	84,596	84,596	84,596	84,596	84,596	84,596	98,976
Capacity (Students)	660	660	660	660	660	660	660	660	660	660
Enrollment	562	539	555	521	521	521	521	508	644	695
Drew ES (1975):										
Square Feet	92,224	92,224	92,224	92,224	92,224	92,224	92,224	92,224	92,244	105,244
Capacity (Students)	728	728	728	728	728	728	728	728	728	728
Enrollment (a)	551	567	580	666	666	666	666	668	671	571
Walter C Black ES (1949):										
Square Feet	78,697	78,697	78,697	78,697	78,697	78,697	78,697	78,697	78,570	97,335
Capacity (Students)	615	615	615	615	615	615	615	615	615	615
Enrollment	472	491	521	539	539	539	539	541	488	485
Rogers ES (1924):										
Square Feet	103,470	103,470	103,470	103,470	103,470	103,470	103,470	103,470	107,908	105,091
Capacity (Students)	698	698	698	698	698	698	698	698	543	543
Enrollment	596	561	610	680	680	680	680	686	699	710
<b><u>Middle School:</u></b>										
Kreps Middle School (1968):										
Square Feet	205,021	205,021	205,021	205,021	205,021	205,021	205,021	205,021	205,021	205,021
Capacity (Students)	1,135	1,135	1,135	1,135	1,135	1,135	1,135	1,135	1,135	1,135
Enrollment	1,193	1,237	1,239	1,245	1,245	1,245	1,245	1,256	1,105	1,203
<b><u>High School:</u></b>										
Hightstown High School (1966):										
Square Feet	271,758	271,758	271,758	271,758	271,758	271,758	271,758	262,435	262,435	259,660
Capacity (Students)	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274
Enrollment	1,512	1,520	1,580	1,526	1,526	1,526	1,526	1,527	1,458	1,426
<b><u>Other Buildings:</u></b>										
Transportation (1979):										
Square Feet	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	200
Central Administration (1846):										
Square Feet	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	1,690
Maintenance (1986)										
Square Feet	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	1,575

Number of Schools at June 30, 2022:  
 Elementary = 4  
 Middle School = 1  
 Senior High School = 1  
 Other = 3

**Source:** District Facilities Office

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

**EAST WINDSOR REGIONAL SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS**

*Unaudited*

**UNDISTRIBUTED EXPENDITURES - REQUIRED  
MAINTENANCE FOR SCHOOL FACILITIES  
11-000-261-xxx**

FISCAL YEAR	BLACK ELEMENTARY SCHOOL	DREW ELEMENTARY SCHOOL	MC KNIGHT ELEMENTARY SCHOOL	ROGERS ELEMENTARY SCHOOL	KREPS ELEMENTARY SCHOOL	HIGHTSTOWN HIGH SCHOOL	TOTAL
2022	\$ 305,048	\$ 372,836	\$ 338,942	\$ 406,730	\$ 847,355	\$ 1,118,507	\$ 3,389,418
2021	262,722	307,881	282,415	345,424	684,442	907,237	2,790,121
2020	222,591	260,851	239,276	292,660	579,893	768,655	2,363,926
2019	214,415	251,325	230,487	281,910	558,592	740,423	2,277,152
2018	185,263	217,108	199,151	243,582	482,647	639,755	1,967,506
2017	174,446	204,806	187,825	239,584	455,200	603,372	1,865,233
2016	222,783	261,555	239,869	305,970	581,330	770,561	2,382,068
2015	219,651	187,368	204,248	167,112	609,527	722,102	2,110,008
2014	220,461	258,830	237,370	302,782	575,273	736,373	2,331,089
2013	158,520	186,108	170,678	217,711	413,643	523,880	1,670,540
<b>Total</b>	<b>\$ 2,293,208</b>	<b>\$ 2,634,050</b>	<b>\$ 2,445,477</b>	<b>\$ 2,952,309</b>	<b>\$ 6,068,034</b>	<b>\$ 8,019,756</b>	<b>\$ 24,412,834</b>

Source: District records and M-1

**EAST WINDSOR REGIONAL SCHOOL DISTRICT**  
**INSURANCE SCHEDULE**  
**JUNE 30, 2022**  
*Unaudited*

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
<b>Multiperil Package Policy:</b>		
Property - Blank Building & Contents	\$ 268,178,993	\$ 5,000
Demolition/Increase Cost of Construction	25,000,000	5,000
Extra Expense	50,000,000	5,000
Valuable Papers	10,000,000	5,000
Satellite Dishes	Included	5,000
Commercial General Liability		
Per Occurrence	31,000,000	
Policy Aggregate	31,000,000	
Commercial Crime Coverage		
Blkt Faithful Perf	500,000	1,000
Forgery, M&S, Comp	100,000/250,000	1,000
<b>Underground Storage Tank Liability:</b>		
Per Occurrence	1,000,000	10,000
Policy Aggregate	1,000,000	
<b>Computers and Schedule Equipment:</b>		
Data Processing Equipment	3,800,000	1,000
<b>Commercial Auto:</b>		
Liability	31,000,000	
Physical Damage	Actual Cash Value	1,000
<b>Boiler and Machinery</b>		
	268,012,967	5,000
<b>School Board Legal Liability:</b>		
Coverage A	31,000,000	30,000
Coverage B	100,000/300,000	30,000
<b>Professional Nurses Liability:</b>		
Per Occurrence	11,000,000	
Policy Aggregate	11,000,000	
<b>Public Employees' Faithful Performance Bonds:</b>		
Board Secretary- School Business Administrator	400,000	
<b>Workers Compensation Excess Liability</b>		
	Statutory	
<b>Group Accident</b>		
	5,000,000	Excess
	Each Accident	
<b>CAP Policy</b>		
	50,000,000	Excess

Source: District records

## **Single Audit Section**

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

**Independent Auditors' Report**

**Honorable President and  
Members of the Board of Education  
East Windsor Regional School District  
Hightstown, New Jersey  
County of Mercer**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of the East Windsor Regional School District, in the County of Mercer, New Jersey (the "District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 9, 2023.

**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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

**Honorable President and  
Members of the Board of Education  
East Windsor Regional School District**

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

**Report on Compliance and Other Matters**

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

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*PKF O'Connor Davies, LLP*

Cranford, New Jersey  
March 9, 2023

*Scott A. Clelland*

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

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

**Independent Auditors' Report**

**Honorable President and  
Members of the Board of Education  
East Windsor Regional School District  
Hightstown, New Jersey  
County of Mercer**

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

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

We have audited the East Windsor Regional School District's, in the County of Mercer, New Jersey (the "District") compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2022. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022.

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

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

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance

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**Honorable President and  
Members of the Board of Education  
East Windsor Regional School District**

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for each major federal and state program. Our audit does not provide a legal determination compliance for each major federal and state program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

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

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

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

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

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

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



**Honorable President and  
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East Windsor Regional School District**

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**Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the 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.

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

**Purpose of this Report**

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

*PKF O'Connor Davies, LLP*

Cranford, New Jersey  
March 9, 2023

*Scott A. Clelland*

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

**East Windsor Regional School District**  
**Schedule of Expenditures of Federal Awards**  
Year ended June 30, 2022

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Award Number	Federal FAN Number	Grant or Project Number	Program or Award Amount	Grant Period From To	Balance at June 30, 2021	Carryover/ (Waiver) Amount	Cash Received	Total Budgetary Expenditures	Adjustments	Balance at June 30, 2022		
											Accounts Receivable	Unearned Revenue	Amount Provided to Subgrantees
<b>U.S. Department of Health and Human Services</b> <b>Passed-through State Department of Education</b> General Fund: Medical Assistance Program (SEM) Total General Fund	93.778	2105NJSMP	N/A	\$ 137,389	7/1/21 6/30/22			\$ 101,924	\$ (137,389)		\$ (35,465)		
<b>Special Revenue Fund:</b>													
<b>U.S. Department of Education</b> <b>Passed-through State Department of Education</b> Special Revenue Fund: Title I, Part A Title I, Part A Title II, Part A Improving Teacher Quality Title II, Part A Improving Teacher Quality	84-010A 84-010A 84-367A 84-367A	S010A210030 S010A200030 S367A210029 S367A200029	N/A N/A N/A N/A	753,982 573,002 373,137 291,189	7/1/21 9/30/22 7/1/21 9/30/21 7/1/21 9/30/22 7/1/20 9/30/21	\$ (154,369) (16,115)		125,243 154,369 35,076 16,115	(422,178) (112,068)		(296,935) (76,993)		
Language Instruction for English Learners and Immigrant Students:													
Title III Title III Title III, Immigrant Title III, Immigrant Subtotal Language Instruction for English Learners and Immigrant Students:	84-365A 84-365A 84-365A 84-365A	S365A210030 S365A200030 S365A210030 S365A200030	N/A N/A N/A N/A	187,648 196,588 35,165 21,775	7/1/21 9/30/22 7/1/20 9/30/21 7/1/21 9/30/22 7/1/20 9/30/21	(44,490) (44,490) 7,511 (8,094)	129,493 44,490 7,511 8,094	(144,474) (14,481)			(14,981) (93)		
Title IV Title IV Subtotal Title IV	84-424A 84-424A	S424A210031 S424A200031	N/A N/A	97,919 57,516	7/1/21 9/30/22 7/1/20 9/30/21	(69) (89)	6,559 89	(7,334) (7,334)			(775) (775)		
Special Education Grant Cluster: Part B, Basic Regular Part B, Basic Regular L.D.E.A. Part B, Basic Regular L.D.E.A. Part B, Preschool ARP, Preschool L.D.E.A. Part B, Preschool Subtotal of Special Education Grant Cluster:	84-027A 84-027A 84-027A 84-173 84-173X 84-173	H027A210100 H027A210100 H027A200100 H173A210114 H173A210114 H173A200114	N/A N/A N/A N/A N/A N/A	1,331,625 270,394 1,412,859 59,528 23,002 109,162	7/1/21 9/30/22 7/1/21 9/30/21 7/1/20 9/30/21 7/1/21 9/30/22 7/1/21 9/30/22 7/1/20 9/30/21	(1,331,625) (270,394) (393,226) (59,528) (23,002) (33,292)	1,219,613 230,679 399,226 (59,528) 23,002 1,945,072	(12,312) (37,715) (20,268) (23,002) (1,684,849) (166,295)			(112,312) (37,715) (20,268) (23,002) (1,684,849) (166,295)		
Elementary and Secondary School Emergency Relief (ESSER) Cluster: COVID-19 ESSER III COVID-19 CR Learning Acceleration (ESSER II) COVID-19 CR Mental Health (ESSER II) COVID-19 ESSER II COVID-19 CARES Emergency Relief (ESSER I) Subtotal Elementary and Secondary School Emergency Relief (ESSER) Cluster:	84-425U 84-425D 84-425D 84-425D 84-425D	S425U210027 S425D210027 S425D210027 S425D200027 S425D200027	N/A N/A N/A N/A N/A	4,086,450 116,687 45,000 1,818,272 444,769	3/13/20 9/30/24 3/13/20 9/30/23 3/13/20 9/30/23 3/13/20 9/30/23 3/13/20 9/30/22	(690,949) (68,319) (687,388)	52,023 35,475 1,316,983 1,620,200 1,404,481	(697,660) (41,474) (615,438) (16,200) (226,519)			(697,660) (5,999) (226,519) (226,519) (226,519)	\$ 20,596	20,596
Total U.S. Department of Education Passed Through the State Department of Education						(1,337,574)		3,877,223	(3,801,793)		(1,282,740)		20,596
<b>U.S. Department of the Treasury Passed-Through State Department of Education</b> Department of Education COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ACSFERS) COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ACSFERS) Total U.S. Department of the Treasury Passed Through the State Department of Education	21.027	SJFRDDE/SES	N/A	173,018	7/1/21 6/30/22			51,457	(173,018)		(121,561)		
Total Special Revenue Fund						(1,337,574)		3,928,680	(3,974,811)		(1,404,301)		20,596
<b>U.S. Department of Agriculture</b> <b>Passed-through State Department of Agriculture</b> Enterprise Fund: Child Nutrition Program Cluster: Noncash Assistance (Commodities) Food Donation (NC) Food Donation (NC) Cash Assistance: COVID-19 Emergency Operational Costs Reimbursement Program School Breakfast Program School Breakfast Program National School Lunch Program National School Lunch Program National School Lunch Program Healthy Hunger-Free Kids Act	10.555 10.555 10.555 10.555 10.555 10.555 10.555 10.555 10.555 10.555	221NJ30AN1099 211NJ30AN1099 20221H70341 221NJ30AN1099 211NJ30AN1099 211NJ30AN1099 211NJ30AN1099 211NJ30AN1099 211NJ30AN1099 211NJ30AN1099	N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A	230,477 128,086 144,834 432,676 173,731 2,606,643 271,336 5,381	7/1/21 6/30/22 7/1/20 6/30/21 7/1/20 6/30/21 7/1/21 6/30/22 7/1/20 6/30/21 7/1/21 6/30/22 7/1/20 6/30/21 7/1/20 6/30/21	22,594 (144,834) (17,454) (2,626,643) (28,623) (541)		230,477 144,834 390,723 17,454 2,418,807 27,198 541	(215,264) (22,504) (432,676) (2,626,643)			15,213	
Total Child Nutrition Program Cluster						(188,948)		3,229,944	(3,397,087)		(249,789)		15,213
COVID-19 Pandemic EBT COVID-19 Pandemic EBT	10.649 10.649	20221S900941 202121S900941	N/A N/A	3,135 3,068	7/1/21 6/30/22 7/1/20 6/30/21	(3,068)	3,063	(3,135)		5			
Total Enterprise Fund						(172,016)		3,236,142	(3,300,222)		(1,520)		15,213
Total Federal Awards Expenditures						(1,509,590)		7,266,746	(7,412,422)		(1,899,555)		35,809
NC-represents noncash expenditures													

The accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

**East Windsor Regional School District  
Schedule of Expenditures of State Financial Assistance  
Year ended June 30, 2022**

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Unearned Revenue (Assets Receivable)	Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Intergovernmental (Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable	MEMO
			From	To												
<b>State Department of Education</b>																
<b>General Fund:</b>																
Equalization Aid	22-495-034-5120-078	\$ 26,005,194	7/1/21	6/30/22				\$ 23,613,621	\$ (26,005,194)						\$ (2,391,573)	\$ 26,005,194
Special Education Aid	21-495-034-5120-078	19,839,949	7/1/20	6/30/21	\$ (1,800,613)		1,800,613	1,800,613							(411,324)	4,472,603
Special Education Categorical Aid	22-495-034-5120-089	4,472,603	7/1/21	6/30/22	(405,922)		405,922	4,061,279	(4,472,603)							
Special Education Categorical Aid	21-495-034-5120-089	4,472,603	7/1/20	6/30/21				405,922								
Extraordinary Aid	22-100-034-5120-473	835,909	7/1/21	6/30/22	(749,944)		749,944	749,944	(835,909)			\$ (835,909)				835,909
Extraordinary Aid	21-100-034-5120-473	749,944	7/1/20	6/30/21				1,140,456	(1,255,961)							1,255,961
Security Aid	22-495-034-5120-084	1,255,961	7/1/21	6/30/22	(113,988)		113,988	1,140,456								
Security Aid	21-495-034-5120-084	1,255,961	7/1/20	6/30/21				1,140,456								
Transportation Aid	22-495-034-5120-014	2,095,914	7/1/21	6/30/22	(190,220)		190,220	1,903,163	(2,095,914)						(192,751)	2,095,914
Transportation Aid	21-495-034-5120-014	2,095,914	7/1/20	6/30/21				190,220								
On-Behalf Teachers' Pension and Annuity Fund	22-495-034-5094-002	15,802,757	7/1/20	6/30/21				15,802,757	(15,802,757)							15,802,757
On-Behalf Teachers' Pension and Annuity Fund - Post Retirement Medical	22-495-034-5094-001	3,692,163	7/1/20	6/30/21				3,692,163	(3,692,163)							3,692,163
On-Behalf Teachers' Pension and Annuity Fund - Non-contributory Insurance	22-495-034-5094-004	8,815	7/1/20	6/30/21				8,815	(8,815)							8,815
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	3,337,749	7/1/21	6/30/22	(152,065)		152,065	3,174,908	(3,337,749)		(162,841)					3,337,749
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	3,119,612	7/1/20	6/30/21				152,065								
Other State Aid-Add'l NP Transportation	22-495-034-5120-014	44,370	7/1/21	6/30/22	(42,340)		42,340		(44,370)							44,370
Other State Aid-Add'l NP Transportation	21-495-034-5120-014	42,340	7/1/20	6/30/21				42,340								
<b>Total General Fund</b>																
					(3,455,092)		56,852,254		(57,551,455)			(1,043,120)			(3,111,153)	57,551,455
<b>Special Revenue Fund:</b>																
State Department of Education:																
N.J. Nonpublic Aid:																
Textbook Aid	22-100-034-5120-064	5,162	7/1/21	6/30/22				5,162	(2,255)					\$ 2,907		2,255
Textbook Aid	21-100-034-5120-064	5,498	7/1/20	6/30/21												
Nursing Services Aid	22-100-034-5120-070	9,856	7/1/21	6/30/22		\$ 4,328		9,856	(9,856)	\$ (4,328)						9,856
Technology Initiative	22-100-034-5120-373	3,612	7/1/21	6/30/22				3,612	(3,266)					346		3,266
Security Aid	22-100-034-5120-509	15,400	7/1/21	6/30/22				15,400	(14,051)					1,349		14,051
Security Aid	21-100-034-5120-509	15,750	7/1/20	6/30/21		12,580				(12,580)						
Nonpublic Handicapped Aid (Chapter 193)																
Examination and Classification	22-100-034-5120-066	380	7/1/21	6/30/22				380	(380)							380
Examination and Classification	21-100-034-5120-066	9,470	7/1/20	6/30/21		6,871				(6,871)						
Home Instruction	22-100-034-5120-066	734	7/1/21	6/30/22					(734)							734
State Department of Agriculture:																
Grow Healthy Wm. Grant	021-0245	3,771	4/1/11	6/30/12										3,771		
<b>Total Special Revenue Fund</b>																
						27,550		34,410	(30,542)		(23,779)	(734)			8,373	30,542

**East Windsor Regional School District  
Schedule of Expenditures of State Financial Assistance  
Year ended June 30, 2022**

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From To	Balance at June 30, 2021			Balance at June 30, 2022			MEMO								
				Unearned Revenue (Assets Receivable)	Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Adjustments		Repayment of Prior Years' Balances	Intergovernmental (Accounts Receivable)	Unearned Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures		
<b>Capital Projects Fund:</b>																		
Schools Development Authority:																		
SDA Grant High School - Telecommunication	1245-050-14-1001-G04	\$ 129,125	2014	Completion	\$ (103,299)													\$ 116,213
SDA Grant High School - Roof and Door Replacement	1245-050-14-1007-G04	210,993	2014	Completion	(39,850)													208,645
SDA Grant Kreggs Middle School - Roof and Door Replacement	1245-070-14-1010-G04	1,144,372	2014	Completion	(56,292)													1,143,445
SDA Grant Drew Elementary School - Roof and Door Replacement	1245-075-14-1011-G04	30,140	2014	Completion	(14,195)													29,416
<b>Total Capital Projects Fund</b>					<u>(213,636)</u>													<u>1,381,506</u>
<b>Debt Service Fund:</b>																		
Debt Service Aid	22-495-034-51-20-075	98,578	7/1/21	6/30/22				\$ 98,578	\$ (98,578)									98,578
<b>Total Debt Service Fund</b>								<u>98,578</u>	<u>(98,578)</u>									<u>98,578</u>
<b>Enterprise Fund:</b>																		
State Department of Agriculture:																		
National School Lunch Program (State Share)	22-100-010-3350-023	61,800	7/1/21	6/30/22				57,017	(61,800)									61,800
National School Lunch Program (State Share)	21-100-010-3350-023	12,541	7/1/20	6/30/21	(1,970)			3,485	\$ (1,515)									
<b>Total Enterprise Fund</b>					<u>(1,970)</u>			<u>60,502</u>	<u>(61,800)</u>									<u>61,800</u>
<b>Total State Financial Assistance Expenditures</b>					<u>\$ (3,670,698)</u>			<u>\$ 27,550</u>	<u>\$ (57,742,355)</u>									<u>\$ (59,123,861)</u>
State Financial Assistance Not Subject to Single Audit Determination:																		
On-Behalf Teachers' Pension and Annuity Fund	22-495-034-5094-002	15,802,757	7/1/21	6/30/22				15,802,757	(15,802,757)									15,802,757
Retirement Workers' Pension and Annuity Fund - Post	22-495-034-5094-001	3,692,163	7/1/21	6/30/22				3,692,163	(3,692,163)									3,692,163
On-Behalf Teachers' Pension and Annuity Fund - Non-contributory Insurance	22-495-034-5094-004	8,815	7/1/21	6/30/22				8,815	(8,815)									8,815
<b>Total State Financial Assistance Subject to Single Audit Determination</b>					<u>\$ (3,670,698)</u>			<u>\$ 27,550</u>	<u>\$ (38,238,620)</u>									<u>\$ (78,627,596)</u>

East Windsor Regional School District

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

Year ended June 30, 2022

**1. Basis of Presentation**

The accompanying schedules of expenditures of federal awards and state financial assistance include the federal award and state financial assistance activity under programs of the federal and state government for the year ended June 30, 2022. The District is defined in Note 1 to the District's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

The information in these schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Therefore, some amounts presented in these schedules may differ from amounts presented, or used in the preparation of, the basic financial statements. Because the schedules present only selected portions of the operations of the District, they are not intended to and do not present the financial position, changes in net position, or cash flows of the District.

**2. Summary of Significant Accounting Policies**

The expenditures reported on the accompanying schedules of expenditures of federal awards and state financial assistance (Schedules) are presented on the budgetary basis of accounting with the exception of programs recorded in the enterprise fund, which are presented using the accrual basis of accounting and those recorded in the special revenue fund, which are presented using the budgetary basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and New Jersey OMB Circular 15-08, wherein certain types of expenditures are allowable or are limited as to reimbursement. These bases of accounting are described in Note 1 to the District's basic financial statements.

**3. Relationship to Basic Financial Statements**

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

East Windsor Regional School District

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

Year ended June 30, 2022

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

The general fund is presented in the accompanying schedules on the modified accrual basis of accounting with the exception of the revenue recognition of the two last state aid payments in the current year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, those payments are not recognized until the subsequent year due to the state deferral and recording of the last state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last 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 \$600,410 for the general fund and \$702,105 for the special revenue fund. See note to Required Supplementary Information (C-3) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. The adjustment to reconcile from budgetary basis accounts receivable to GAAP basis accounts receivable is \$716,309 for the special revenue fund. This is a result of recognizing encumbrances as expenditures on the budgetary basis but not the GAAP basis. Financial award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	Federal	State	Total
General Fund	\$ 137,389	\$ 56,951,025	\$ 57,088,414
Special Revenue Fund	3,273,208	30,162	3,303,370
Debt Service Fund		98,578	98,578
Food Service Enterprise Fund	3,300,192	61,800	3,361,992
Total award revenues	<u>\$ 6,710,789</u>	<u>\$ 57,141,565</u>	<u>\$ 63,852,354</u>

**4. Relationship to Federal and State Financial Reports**

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

**5. Adjustments**

The adjustments presented on schedule K-3 and K-4 are the result of the cancellations of prior year encumbrances or reallocations of grant misallocations in prior years.

East Windsor Regional School District

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

Year ended June 30, 2022

**6. Other**

Revenues and expenditures reported under the Food Donation Program represent current year value received and current year distributions, respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2022.

The post retirement pension, disability insurance and medical benefits received on-behalf of the District for the year ended June 30, 2022 amounted to \$19,503,735. Since on-behalf post retirement pension, disability insurance and medical benefits are paid by the State directly, these expenditures are not subject to a single audit in accordance with New Jersey OMB Circular 15-08, however, they are required to be reported on the Schedule of Expenditures of State Financial Assistance, as directed by the funding agency.

**7. Indirect Costs**

The District did not elect to use the 10% de minimis indirect cost rate as allowed by the Uniform Guidance.

East Windsor Regional School District  
 Schedule of Findings and Questioned Costs  
 Year ended June 30, 2022

**Part I – Summary of Auditors’ Results**

**Financial Statements Section**

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

Internal control over financial reporting:

Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____	No
Significant deficiency(ies) identified?	_____	Yes	_____ <u>X</u> _____	None Reported
Noncompliance material to financial statements noted?	_____	Yes	_____ <u>X</u> _____	No

**Federal Awards Section**

Internal control over major federal programs:

Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____	No
Significant deficiency(ies) identified?	_____	Yes	_____ <u>X</u> _____	None Reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes X No

Identification of major federal programs:

AL Number(s)	FAIN Number	Name of Federal Program or Cluster
10.555, 10.553	221NJ304N1099	Child Nutrition Cluster
	H027A210100,	IDEA Special Education Cluster
	H027X210100,	
84.027A,84.027X,	H173A210114,	
84.173A, 84.173X	H173X210114	
	S425D200027,	COVID-19 Elementary and Secondary School Emergency
84.425D, 84.425U	S425U210027	Relief (ESSER) - ESF





East Windsor Regional School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2022

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

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

East Windsor Regional School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2022

**Part III - Schedule of Federal and State Award Findings  
and Questioned Costs**

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

East Windsor Regional School District  
Summary Schedule of Prior Year Audit Findings  
Year ended June 30, 2022

No prior year findings were noted.