

EATONTOWN PUBLIC SCHOOL DISTRICT

Eatontown, New Jersey
County of Monmouth

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2023**

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**ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
EATONTOWN PUBLIC SCHOOL DISTRICT
EATONTOWN, NEW JERSEY**



YEAR ENDED JUNE 30, 2023

**PREPARED BY DISTRICT FINANCE OFFICER
SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY
LORI YOUNGCLAUS**

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INTRODUCTORY SECTION

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EATONTOWN BOARD OF EDUCATION

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November 27, 2023

Honorable President and Members of the Board of Education
Eatontown Public School District
County of Monmouth
Eatontown, NJ 07724

Dear Board Members/Citizens:

It is with pleasure that we submit the Annual Comprehensive Financial Report (ACFR) of the Eatontown Public School District (District) for the fiscal year ended June 30, 2023. This ACFR includes the district's basic financial statements prepared in accordance with generally accepted accounting principles for local governments. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information on June 30, 2023, and the respective changes in financial position and cash flows, where applicable, for the year then ended. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities, including the Management's Discussion Analysis, have been included.

The Annual Comprehensive Financial Report is presented in four sections as follows:

- The Introductory Section contains a Letter of Transmittal, Roster of Officials, List of Consultants, Independent Auditors and Advisors, and an Organizational Chart of the School District.
- The Financial Section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the district's financial position and operating results, and other schedules providing detailed budgetary information.
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the school district, generally presented on a multi-year basis.
- The Single Audit Section – The District is required to undergo an annual Single Audit in conformity with the provisions 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 the New Jersey State Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid." Information related to this Single Audit, including

the independent auditors' report on the internal control and compliance with applicable laws, regulations, contracts, and grants, along with findings and questioned costs, if any, is included in the Single Audit Section of this report.

SCHOOL DISTRICT ORGANIZATION

The Eatontown Public School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14 as amended by GASB Statement No. 39. The Eatontown Board of Education and its four schools constitute the district's reporting entity.

The district continues to maintain a high quality of education which consists of a PK-8 district in New Jersey. The district provides a full range of programs and services appropriate to grades Pre-K through 8. These include regular education programs for the very able students (Gifted and Talented), as well as those for students with disabilities both in and out-of-district. Three elementary schools and one middle school comprise the district's instructional facilities.

Supervising district-wide goals is a district superintendent, a school business administrator/board secretary, a director of elementary and secondary education, and a supervisor of special services. Each of the three elementary schools have their own principal. The Memorial Middle School has its own principal as well.

The Board of Education, composed of nine members, each elected to three-year terms, meets on the second and fourth Monday of each month for regular meetings. Committee meetings take place one to two other times per month. During the meetings and committee meetings the board members determine district goals, priorities, set policy, and conduct other business. Board meetings are open to the public and begin at 7:00 PM.

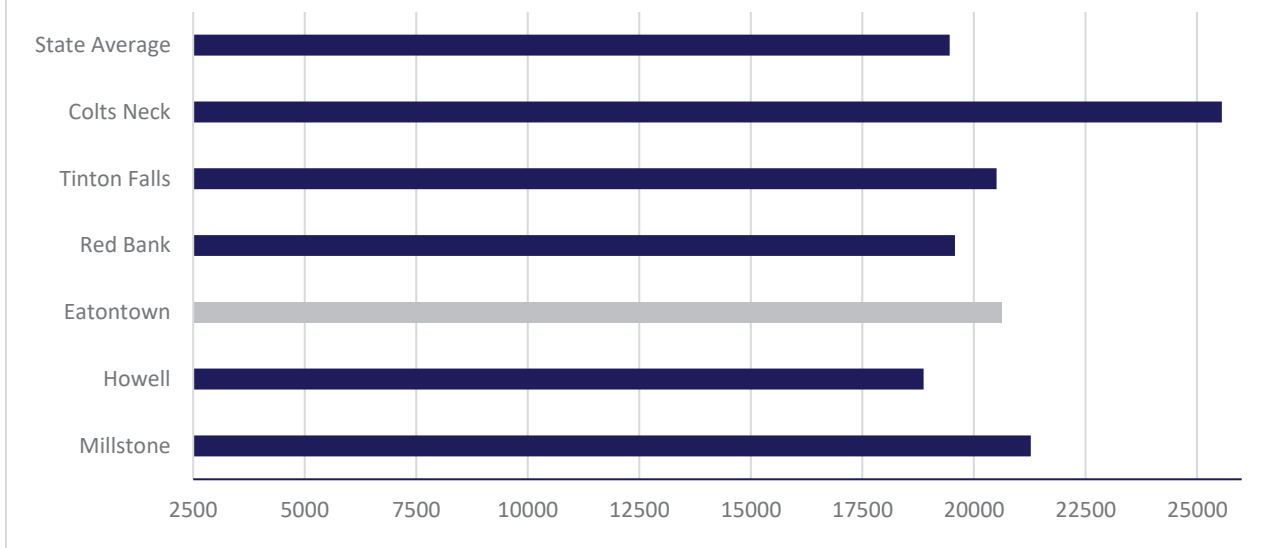
The district PTA is highly active in the schools and provides community support for a variety of programs and activities for the children. The PTA helps to provide the financial resources needed to support various educational programs for the schools and students.

To maintain effective communications, the district uses several options to ensure a consistent flow of information to our stakeholders. Communication tools utilized by the district include a district website that is updated regularly with important information for parents, such as school closures, delayed openings, medical/health alerts, new curriculum initiatives, and more. The district also communicates with parents via Swift911, a system that provides both phone and text message contact options. The ability to contact the entire parent population within 15 minutes about changes in the school day, i.e., early closure, or to be able to update them in an emergency situation, is a vital component in ensuring that our communication efforts are timely, accurate and effective. The district also utilizes Thrillshare for communications between home and school for non-emergency notifications such as grades, attendance records, and events within the schools. School emails can be translated into a family's native language.

EDUCATIONAL PROGRAM

Each district school follows district-wide goals and educational approaches to the teaching of children, while maintaining a unique personality based upon the age of the students. All curricula in our district have been aligned to the New Jersey Student Learning Standards. The Taxpayers' Guide to Education Spending compares districts with those similar in enrollment/configurations. The information on expenditures was taken from certified budgets on file with the State Department of Education. Based on the report from the 2022-2023 Budget, the district budgets \$ 20,615 per pupil while the average budgeted amount for similar districts statewide is \$19,457 according to the prior year most recent data. According to the report, per pupil budgets costs range from a low of \$ 12,749 to a high of \$ 27,599 for districts of this type. Of the 72 other K-8 school districts in the state with enrollments exceeding 751 children, Eatontown ranks 50th in total cost per pupil with \$ 20,615 cost per pupil from the data provided for 2022-2023 actual per pupil amount.

PER PUPIL TAXPAYERS' GUIDE TO EDUCATIONAL SPENDING
2022-2023 Budgetary Cost - Similar Monmouth County Districts



Elementary School: Grades K through 6

Currently, there are three elementary schools (Meadowbrook School, Woodmere Elementary, Margaret L. Vetter Elementary) housing students in grades Pre-K through 6 and providing a comprehensive educational program.

Meadowbrook School – a PreK and K-1 school of 245 students. There is one administrator and a staff of 23 teachers, instructional assistants, and school aides. The school is located on Wyckoff Road in Eatontown.

Woodmere Elementary School – a Pre-K and Grades 2-4 school of 314 students. There is one administrator and a staff of 33 teachers, instructional assistants, and school aides. The school is located on Raleigh Court in Eatontown.

Margaret L. Vetter School – a PreK and Grades 5-6 school of 189 students. There is one administrator and a staff of 23 teachers, instructional assistants, and school aides. The school is located on Grant Avenue in Eatontown.

Middle School: Grades 7 and 8

Currently, there is one middle school (Memorial Middle School) that offer students in grades 7 and 8 a comprehensive educational program.

Memorial Middle School – a grade 7-8 school of 176 students. There is one administrator and a staff of 28 teachers, instructional assistants, and school aides. The school is located on Grant Avenue in Eatontown.

DISTRICT CURRICULUM

The goal of the Eatontown Public School District is to encourage lifelong learning for all students. The district provides curricular offerings aligned with the New Jersey Student Learning Standards that enable students to develop intellectually, socially, physically, and emotionally. The core subjects of English Language Arts Literacy, Mathematics, Science, and Social Studies establish the foundation for a curriculum of exploration and breadth.

English Language Arts

The English Language Arts Curriculum is aligned to the New Jersey Student Learning Standards and promotes the language experiences students need in order to grow intellectually, socially, and emotionally. A balanced literacy approach is utilized, which integrates reading, writing, speaking, listening, and viewing to foster instruction that encourages students to think critically and creatively. The curriculum provides the skills students need to be successful throughout their lifetime and moreover, promotes a love of learning that comes with reading great literature and communicating well in speech and writing.

Curriculum was revised and BOE approved based on the state timeline. The district will provide more non-fiction and fictional texts for students and teachers to use within the classroom. The addition of these text materials will enhance students' interest in reading as well as provide more texts in meeting the students' various reading levels and backgrounds.

Mathematics

The overriding goal of mathematics education in the Eatontown Public School District is to provide students with the higher order thinking skills, mathematical understandings, and problem-solving attitudes to be successful in their careers and daily lives. The curriculum, aligned to the New Jersey Student Learning Standards, takes a developmental and sequential approach; a concept is introduced, subsequently developed, and mastered. The eight mathematical practices are embedded into the curriculum and instruction. With a strong focus on technology, the mathematics curriculum strives to integrate its objectives into all other subjects.

The district math curriculum has been revised and BOE approved in alignment with the NJSLs. In addition, the district is ordering supplementary materials to align math educational materials to the NJSLs. At the middle school level, the Big Ideas Modeling Real Life Math program is being used. The honors students are using the Big Ideas Accelerated program in grade 7 and Algebra 1 program in grade 8. At the elementary level, the Big Ideas series is being used. This series is aligned with the NJSLs K-6. In order to accelerate math learning and offer Algebra in 8th grade, supplemental materials will be ordered for grades 5-6 to begin the math acceleration process.

Science

Science education in Eatontown provides the experiences to make students aware of the impact of science on society. This comprehensive curriculum, aligned to the New Jersey Student Learning Standards, assures that students develop an understanding of the concepts and processes of science through inquiry, activity, and experimentation. In grades kindergarten through five, the emphasis is placed on broad concept development while incorporating disciplinary core ideas, science and engineering practices, and crosscutting concepts. In grades 6-8, while the incorporation of disciplinary core ideas, science and engineering practices, and crosscutting concepts is still prevalent, the specific areas of earth science, life science and physical science are emphasized.

The district has revised the Science curriculum to the new Next Generation Science Standards and continues to see progress from instituting the STEM Scopes Program K-2, and Mystery Science Program in Grades 3-4. In addition, students in grades 3-6 continue to receive STEM enrichment throughout the year.

Social Studies

The social studies program reflects our changing society. Through a variety of learning experiences, by linking the past to the present, students develop an appreciation of the continuity of the human experience and realize that each individual has a contribution to make to society. With subject matter drawn from the humanities, this social studies program includes history, geography, government and civics, economics, anthropology, sociology, and psychology. These key study areas are integrated to explain the past, the current human condition, and future possibilities. This curriculum has been revised to align with the New Jersey Student Learning Standards.

World Languages

The focus of the world language program is for students to gain a rich background in the culture of various countries and acquire the ability to communicate in the target language. Students in Kindergarten through grade eight are introduced to Spanish.

The district World Language staff is fully certified in these areas. In fact, students are taught Spanish K-8 by a certified, World Language teacher. Our youngest students are exposed to the World Languages curriculum on a routine and consistent basis. Materials for this subject area were ordered recently and will not be modified at this time. Articulation work with Monmouth Regional High School will continue.

Visual and Performing Arts

The visual and performing arts curriculum is intended to promote creative and original thought. The foundation of the arts curriculum is the belief that students are unique and have diverse talents. The goal of the arts programs is to provide rich, educational opportunities for all students to explore vocal music, general music, instrumental music, visual art, theatre, and dance.

As a district we have full staffing in both Art and Music PK-8. Students take these courses on a weekly basis as well as have opportunities to participate in after school clubs in these areas as well.

Library Media Center

The library media program embodies the district's philosophy of developing and enhancing critical thinking skills through the use of print, multimedia, and technological resources. Students are encouraged to become life-long learners by fostering recreational reading and providing instruction in research skills that will be useful to them throughout their lifetime. The library media program is an integral part of the total educational program. Students learn the basic processing skills necessary to connect concepts and information in all disciplines and interest areas. As a result of the library media program, students will be able to locate, select and retrieve print and nonprint materials, evaluate information effectively, and access technological resources independently.

Health and Physical Education

The comprehensive health and physical education programs encourage students to take responsibility for their own lives by acting conscientiously in the present and establishing positive health practices that will support and enhance life-long wellness. Students who are health-literate have the knowledge and skills to better achieve and maintain physical, social, and emotional health.

The district has full staffing in these areas. Students participate in physical education twice a week. Health is covered in the classroom at the elementary level and at the middle school level students participate in a separate class offering.

Educational Technology

It is the vision of the district to provide a technologically enriched environment in which our students can perform at optimum levels. The district provides for the acquisition and dissemination of knowledge via technological resources in concert with the New Jersey Student Learning Standards. The district modifies its program as students' needs and current technologies change. As a result, ongoing technology training is a major component of the district's staff development plan via turn-key training sessions as well as out-of-district professional development opportunities. All students have been equipped with a device daily to enhance learning and acquisition of important technology skills.

The district technology standards are incorporated and infused in the various district curricula. The Technology Coordinator, Technology Specialists, and Computer Technician all support the integration of technology into the curriculum. The use of Genesis, Microsoft Office, i-Ready, Google Classroom, Discovery Learning, BrainPop, and Activinspire all help technology to be part of the district's daily use of technology. Resources are available to maintain a high level of technology in the district and maintain a 1:1 student to device ratio. Classrooms have been equipped with Smartboards and sound bars for instruction.

Basic Skills

The K-8 Basic Skills Improvement program (BSI) is designed to meet the needs of those students who need additional assistance in English language arts and/or mathematics. The goal of the program is to help students succeed in the classroom. Utilizing small group instruction, students receive instruction either through in-class support or a pull-out model. In order to help a diverse student population to learn and to develop, the district supports remedial instruction in all schools. Title I resources are used to supplement this program.

Elementary Gifted and Talented

The elementary gifted and talented programs are needs-based programs designed for those students who exhibit exceptional intellectual and/or academic needs. The programs provide additional and appropriate educational challenges and opportunities to meet those needs.

The district Gifted and Talented program is supported by a teacher for grades 3-8. Students engage in a specialized curriculum and are pulled from class 2 periods a week. In addition, students in grades K-2 receive enrichment opportunities throughout the year. For a district of Eatontown's size, the community is proud of its Gifted and Talented as well as enrichment programs.

Middle School's Honors

The middle school's honors programs are subject specific.

- English Language Arts
- Math

English as a Second Language (ESL)

The ESL program addresses the needs of students who have acquired another language prior to their exposure to English. The program is designed to help students develop both communicative skills and academic language proficiency in English so that they can succeed in school. The ESL program focuses on the development of skills in listening, comprehension, speaking, reading, writing, and American culture. Support is provided in the content areas of science, social studies, reading, and mathematics. This program and its range of services have expanded over the years. Title III resources are used to enhance this program. The district added an additional ESL teacher in order to support the growing ELL population.

Special Education

The special education program continues to be an integral part of the district and of each school. There are inclusive classrooms at each of the district's schools as well as pull-out resource rooms and self-contained classrooms at most schools. Over the last five years, our special education population has increased well above the state average. The District continues to work diligently to address this concern through providing appropriate services and programs for students.

The inclusive programs support the District's goal of educating the maximum number of students in general education settings as appropriate. The district has proved successful at doing this and is working on continuing this work in the future.

New Jersey Student Learning Standards

The Eatontown Public School district is following the Department of Education's guidelines for the adoption of the New Jersey Student Learning Standards. All approved curricula are aligned to the New Jersey Student Learning Standards as evidenced by our NJ QSAC visit in February 2022.

Staff Development

The Eatontown Public School district provides its teaching staff with many opportunities for professional development. The district as well as each school has a professional development plan.

In the beginning of the school year, all newly hired teachers receive one day of intensive in-service that includes instructional strategies, classroom management, curriculum, mentoring, district policy,

technology, and security. Mentors are assigned to new staff members to provide support throughout the school year.

Four full day professional days are built into the school calendar, enabling teachers to attend sessions related to instructional strategies, curricular updates, textbook orientation, and district-wide grade level and department meetings. Additional one-session days are provided to in-service the staff through building-based professional learning communities. Teachers also are afforded the opportunity to take two additional professional days related to their PDPs and/or areas of interest.

Many teachers are involved in writing curriculum. They receive in-service in using the New Jersey Student Learning Standards and Rubicon Atlas when writing curricula. These documents provide the support needed for teachers to develop curriculum guides that foster higher order thinking skills for all Eatontown students.

Technology

District-wide technology is used to increase productivity, enhance communication, as well as enrich curriculum and instruction. All district administrators, teachers, and appropriate support staff are assigned a computer/laptop to complete all job-related duties. Laptops/computers are able to be used both at work and at home, providing 24x7 access to all district network resources, services and files.

All Eatontown Public Schools students are provided their own individually assigned laptop to use on a daily basis to complete all school related lessons and activities. All students in Grade 1 through Grade 8 take their computers to and from school. Computers for Preschool and Kindergarten students are kept in mobile laptop carts that are stored in student homerooms/classrooms.

Throughout the district, approximately 1000 networked computers were in operation. Local area networks and wireless networks are present in every part of each school as well as the Administration and Special Services buildings/wings. The district's wide area network, composed of district owned private/dark fiber, connects all of the district's schools and buildings with the main point/dmarc being Memorial Middle School. The district distributes internet access via an enterprise level internet feed provided by Comcast. This internet circuit is installed at Memorial Middle School and is accessible by all other district buildings via the WAN. Redundant firewalls are installed at the edge of the district's network and monitor all traffic entering and exiting the district to protect against malware and viruses.

To assist teachers in presenting lessons and resources to an entire class by way of one computer in a classroom, SMART Boards have been installed in every classroom throughout the district. The interactivity available with SMART Boards has provided district students with opportunities for active learning. Teachers have access to a variety of internet resources including i-Ready in Math and ELA, BrainPop, Front Row, iXL, and streaming video, to name a few.

The district maintains a website that includes district information and separate sections for each school. The district maintains a district-wide student information system via Genesis as well as a financial and personnel system that also falls under the Genesis umbrella. All schools use e-mail communications with parents, which has reduced the amount of paper sent home with the students. In addition, teachers use Genesis for inputting term grades, and all report cards are printed electronically. Parents can access their child's schedules, class attendance, and teachers' grade books live through the Parent Portal. Staff and students of all elementary and middle schools have the use of devices with wireless network cards. Grades Kindergarten and one have wireless carts to support teachers in implementing a real-time assessment, curriculum-based instructional platform.

ECONOMIC CONDITION AND OUTLOOK

There are a number of potential housing developments that were approved in Eatontown and the beginning phases of building has begun. The district anticipates an increase in enrollment once those homes are built and occupied. The district completed the 2022-2023 fiscal year with a K-8 enrollment of 851 students. The following details the changes in the student enrollment of the district over the last five (5) years and the

current school year. The table presents the annual pupil enrollment, as of October 15th, for the school years 2018-19 through 2022-2023.

<u>School Year</u>	<u>Enrollment as of October 15</u>	<u>% of Change</u>
2018-19	951	-4.87%
2019-20	967	1.68%
2020-21	928	-4.20%
2021-22	867	-6.58%
2022-23	924	7.08%

A demographic study was completed in May 2019 which predicted a leveling off trend in enrollment over the next five years. This prompted the board to grade band the district, which has led to each school to host specific grade levels. Previously the district housed neighbor schools where the grade levels in each of the elementary buildings were kindergarten through 6th grade.

The four (4) schools in the district vary in age, with original construction dates ranging from 1953 through 1968. Major renovations took place in 2007 included replacement of HVAC systems, new roofs, installation of windows throughout district, installation of new flooring and doors in all classrooms, an addition to central office building, and upgrade of life safety equipment.

We recognize that the state is in a financial crisis and want to assure our residents that the Eatontown Public School District is doing its part to maintain a responsible budget. The district’s administration closely monitors the cost of operations and continues to look for new funding sources in order to maintain the quality education services that the district has been accustomed to providing. The district has applied for and received grants from the Elks Club, NJ Audubon, NJSBAIG Safety Grant, NJTSS, IDEA, Title I, II, III, & IV and CARES/ ESSER/ARP Funds. The district also has expanded its full-day preschool services through the Preschool Expansion Grant.

BONDS PAYABLE

On June 30, 2023, the District’s outstanding debt issues included bonds of \$ 13,215,000, and Energy Savings Improvement Bonds of \$ 4,080,000.

In December 2014, the district participated in a pool with the Monmouth County Improvement Authority which qualified the district for a bond rating of AAA. The district refinanced their outstanding bonds at a lower rate to reduce the debt service portion of the tax levy.

In September 2021, the district issued School Energy Obligations Refunding Bonds in the amount of \$4,290,000 to finance energy conservation measures pursuant to an Energy Savings Improvement Plan (“ESIP”) at interest rates ranging from 2.125% to 4.000% through September 2042. The issuance of the bonds does not have an impact on the tax levy. The funds were used to replace aging HVAV equipment across the district at no additional cost to the taxpayer.

COMMUNITY INVOLVEMENT

- Eatontown PTA supplies school programs and experiences.
- The Eatontown Elks applied for a grant on behalf of the district which enabled them to provide Vetter School with supplies to construct a reading garden. Volunteers from the Elks built the structures while students from Memorial School assisted with the gardening.
- In addition, the Elks and Lion’s Clubs conduct essay contests and award high performing students.
- Numerous organizations including Eatontown Recreation, Pop Warner, Eatontown Choraliers and the Greater Shore Concert Band, Boy Scouts and Girls Scouts use the district facilities to hold meetings and events.
- The Eatontown Lion’s Club provides free eye-screening to all district students in the fall.
- Collaborate with the Eatontown Recreation Department to provide programs for children.

MAJOR INITIATIVES

As a result of a comprehensive review of educational curriculum programs, instruction and services within the district, the following initiatives have been reviewed and/or expanded:

Meadowbrook School

The priorities of maintaining student safety and security, as well as rigor in the instructional program were the cornerstones of the 2022-23 budget. In a continuing commitment to fiscal responsibility, purchases were made very selectively with both school and district goals at the forefront of that decision making. By carefully examining and utilizing existing resources in the building and in other elementary schools, there was no need to purchase additional school furniture for students. Additionally, all initiated purchase requests were for materials that were deemed essential. These included core instructional materials/supplies and materials. Additionally, purchases of educational resources also were made to enhance small group and differentiated instruction within the mathematics and literacy sections at each grade level. Additionally, monies also were allocated and spent within the media center and in the special areas of art, music, PE, and health. Resources were purchased to assist in the development of Social and Emotional learning. The GrapeSEED program was purchased for use in our ESL program. BrainPop Jr. was also purchased to enhance the science and social student programs. Doing so provided monetary support for these programs within the school budget so that these programs could operate properly during the school year. Input from stakeholders across the staff proved useful in determining amounts needed in various supply accounts. Supplies that were ordered were confirmed to be valid needs prior to initiating the purchase process. Whenever possible, members of the staff continued to utilize existing resources to keep costs down. During the school year, the library of decodable books was expanded. Also, the mentor text library in the areas of diversity, social justice, and SEL was expanded. Updated playground equipment was purchased to replace the older, broken equipment and to add play areas for the students.

The 2022-23 budget reflected a commitment to fully support the instructional program while being financially responsible. The books, services, and materials that were purchased were for mandated and supplemental instructional resources in order to help students meet the college and career readiness standards.

Woodmere Elementary School

In preparing our students for their eventual entrance into Vetter School, the Woodmere faculty worked collaboratively to provide a positive school culture based on reflective practices, inquiry, and learning. During the 2022-23 school year, we deepened our commitment and practices in utilizing data to drive instruction and expanded our small group instruction in both Language Arts and Math.

The 2022-23 school budget effectively enabled the purchase of resources to help meet the goal of providing an enriching educational experience for all students. During this year, the school purchased many phonemic materials to support the Science of Reading teaching trends as well as materials needed for Guided Reading Libraries in order to create a true balanced literacy approach to Language Arts and Reading. In Mathematics, educational resources were obtained to enhance small group instruction and differentiated math centers across grade-levels. The school also placed emphasis on the importance of Social Emotional Learning.

With the continuing implementation of the district technology initiative, the faculty had opportunities to attend professional development workshops both in and out of the district. The professional learning was transferred to classroom practice. Teachers integrated Google applications in daily instruction and used technology to develop formative and summative assessments.

In addition to, the previous essential purchases, money was allocated to enhance student learning outside of the traditional classroom setting. Membership costs and materials associated with NJ Math League, Spelling Bee and other instructional competitions were included in the school budget. Also, institutional subscriptions for weekly Scholastic Readers and Time for Kids for students were purchased. Most importantly, a school schedule was developed that provided additional learning time for students through mentoring and tutoring services during lunch time.

Margaret L. Vetter School

As we move to a post pandemic world, Vetter School utilized the 2022-2023 budget to create an equitable learning environment that assisted in closing the achievement gap.

Online programs such as iXL, Flocabulary, and X-Tra Math were purchased to assist teachers with individualized resources that students can use at home as well as at school. That data gained from these programs, as well as i-Ready, were analyzed and discussed at grade level meetings and staff meetings and allowed staff to make informed decisions on student needs and to target those needs during ELA and Math instruction.

The staff researched new science materials that will assist them with preparing the students for the NJSLA-Science assessments. Mystery Science online program was used to help provide hands-on activities that the students could use. STEM Enrichment classes for all students were taught in clusters by the Gifted and Talented teacher.

Afterschool activities and clubs assisted the staff with schooling occurring outside of the school day. Vetter School was able to host a 5th and 6th grade Homework Club to assist students with homework and allow staff to work with them on schoolwork they may have missed. Vetter also hosted 5th and 6th grade AAA clubs in Math and ELA. This club helped those students who excel in Math and ELA and worked on advanced skills to broaden their knowledge outside of grade level activities.

The Vetter budget not only focused academic needs of the students but also on their social and emotional needs. Staff received professional development on The Leader in Me program and how to set goals with students. The school focused on a school-wide goal and as milestones were achieved students were rewarded for reaching these goals. Students were also recognized quarterly for their achievements such as Honor Roll and Character Traits. Furniture was purchased for the Tiger's Den, an environment used as a positive tool for students.

Memorial Middle School

During the 2022-23 budget cycle the Memorial Middle School's budget continued to evolve to meet the demands of a rigorous curriculum as well as the unique needs of our students.

Funds were dedicated to the purchase of programs to allow us to monitor student progress and make informed instructional decisions. Assessment tools such as i-Ready allowed us to monitor student's reading progress. Empowered with this data, teachers were able to tailor their instruction to the unique needs of each student.

Throughout the 2022-23 school year, teachers, parents, students, and all support personnel worked together to support a school environment centered on academic achievement and personal growth and tolerance for students in grades seven and eight. Teachers planned lessons and experiences for students that broadened their understanding of the curriculum and areas of priority focus.

As part of the continued district initiative, the staff infused technology and the use of laptops on a daily basis. The advancement of 1:1 technology continued to play a major role in the school. Students were given opportunities to research, create, write, and read through the laptops. Many teachers have embraced Google Classroom and other curriculum appropriate resources as a vehicle to provide differentiated instruction and promote students' organizational skills and practices. Other technological apps that are used are Ed Puzzle, Brain Pop, IXL, and Reflex Math.

As required, the school addressed the Harassment, Intimidation and Bullying Law by utilizing a building level committee and training the staff in the provisions of the law. Memorial School scheduled grade level programs, presented by our school counselors, to address the expectations of tolerance for others and exercising appropriate behavior. The school uses restorative practices in addition to Positive Behavioral

Supports to create a positive school environment. The addition of the Hawk's Nest and recess have already improved the overall school climate.

Professional development initiatives for the staff continued to focus on the New Jersey Student Learning Standards and the infusion of technology. Teachers, in all departments, continue to embrace an enhanced focus on non-fiction text, literacy and problem solving in mathematics. Teachers are working together to address the NJ Student Learning Standards by attending regular workshops and working together as a professional community. The use of daily Department Meetings and PLC's have contributed to the school's success and growth.

The school budget continued to support many fine athletic teams and extra-curricular clubs. Our athletic teams continued to be widely supported by parents and the community. The National Junior Honor Society continues to be popular among the students. Students participated in numerous clubs including the Environmental Club and Technology Club.

The middle school program continued to address the academic and emotional growth of adolescent students and their role as a community member in the middle school. The instructional program coupled with the numerous team and club opportunities continues to exceed our goals and expectations.

DISTRICT-WIDE

Curriculum:

- Mentoring – New teachers to the district have a well-defined mentoring program that will enable them to become acclimated with the Eatontown Public Schools. This program supports new teachers by providing a mentor who acts as a guide the first year. During the second year of mentoring, the concept of coaching has been added to train mentors to further assist new teacher in the instructional process. A new teacher orientation is provided in the first year as well.
- Curriculum Writing – Many guides were revised or developed in order to align the newly adopted New Jersey Student Learning Standards. All curriculum is fully aligned as per NJ QSAC standards.

Special Services:

Goals and objectives for the Special Services Department included:

- The in-class resource programs were expanded to include all grade levels. The number of students receiving ELA and/or math programs within the general education classes has increased, the goal is to continue this practice.
- To continue to decrease the number of students receiving services in a self-contained program.
- To implement a program based upon the principles of Applied Behavior Analysis in the K-1 LLD classes. Teachers, case managers and speech therapists receive training through Eden in ABA. VB Mapp is utilized for assessment and progress monitoring.
- To increase the percentage of students with IEP's achieving proficiency rate against grade level standard and alternate achievements standards by 25%. In grades 3-8 the percentage of students meeting or exceeding proficiency on the LAL section of the standardized test increased on the average of 4 percentage points. In grades 3-8 the percentage of students meeting or exceeding proficiency on the Math section increased between 4 and 7 percentage points.

In addition:

- Through the preschool expansion program four more classes have been developed to include students with special needs in the general education preschool classes
- Majority of students in special education increased their reading by at least two levels.
- All special education students working in the Corrective Reading Program completed 30 lessons with 80% mastery and increased their reading levels by at least two levels.

Business:

Due to constant changes in the state fiscal environment, the business office continued to evolve during the 2022-23 school year. Increased workload in all areas, while maintaining current staff levels, proves to be an on-going challenge. Accomplishments/initiatives in this school year were as follows:

- The district completed its seventeenth year using a contractor for custodial services. Through ongoing hard work and adaptation, the outsourcing out of this service continues to be successful and has proven to be the cost-efficient option for the district.
- Continued to find ways to save taxpayer monies by exploring shared services with Eatontown Borough. During the 2022-2023 school year, the district continued to participate in an electricity cooperative, jointures for transportation, grounds maintenance shared service, and professional development services.
- The district has taken steps to participate in the Energy Savings Improvement Program (ESIP). Funding was complete in September 2021 and the construction phase began in July 2022
- Maschio's Food Service provided meals based on the guidelines prescribed by the State of New Jersey Department of Agriculture. For the past five years, the food service department has produced a substantial profit which the district reinvested into the kitchen to promote the continued growth of the food service program. More students are taking advantage of food services including the breakfast and lunch programs.
- In the 2022-23 School Year, Maschio's continued to introduce more variety of meals to increase sales throughout the district, as well as conformed to the changing environment brought on by the pandemic. In addition, Maschio's continued to provide catering for district-wide functions throughout the district.
- The Business Office provides direct access to its budgetary system for all schools for input of purchase orders and budgetary account review. This system was also used to develop the 2022-23 district budget. In addition, school activity accounts are linked to this system.
- The Business Office utilizes the cooperative procurement management program Educational Data Services, Inc for both supplies and time and material vendors. This program creates savings to the district and helps maintain purchasing compliance.
- The District maintains the Long-Range Facilities Plan and Comprehensive Maintenance Plan for submission to the New Jersey Department of Education and continued maintenance of our facilities.
- The District continues to explore ways to keep cost down by looking at health benefits alternatives and options through its consultant Brown and Brown Benefit Advisors. During the 2022-23 School Year, the district continued to be a part of the School Health Insurance Fund which is administered through PERMA, and has provided a safe guard for increase health insurance cost for the next three years. Health Insurance remained nearly flat in the 2022-2023 school year.
- Due to the demands of the expected reduction in state aid due to the S2 funding formula, the district is exploring ways to adjust to the forecasted loss over the next several years.

Personnel:

The district employed 185 individuals during the 2022-2023 school year. The certificated staff numbered 135; 8 administrators and supervisors and 127 classroom teachers and educational support personnel (nurses, guidance counselors, child study team members, etc.). In addition, 50 others, including instructional assistants, school aides, bus drivers and attendants, secretaries, and custodial and maintenance employees, were employed.

In a district the size of Eatontown, there is the need each year to search for qualified candidates. The district was able to accomplish this through a highly competitive recruitment and selection process. Additionally, an impressive array of in-service opportunities helped staff members stay current, allowing them to improve their instructional skills, a hallmark of a progressive and innovative school district. For example, the district continued its new teacher mentoring program. All newly certified teachers and most teachers new to the district were assigned mentors as well as supervisory advocates to assist them in their first year of employment. District administrators further provided these teachers with an extensive in-service program designed to help them acclimate to their new working environment. In addition, the district supports both in-house and out-of-district presenters to keep staff current on important educational trends, approaches, and strategies. In order to recruit a more diverse workforce, the district participates with CJ Pride.

INTERNAL CONTROLS

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

As a recipient of federal and state awards, the district also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws, regulations, contracts, and grants related to those programs. This internal control system 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 adequacy of the internal control system, including that portion related to federal and state financial assistance programs, as well as to determine that the district has complied with applicable laws, regulations, contracts, and grants. All board of education policies are updated in this area. Additionally, the district has a point person responsible for these areas.

BUDGETARY CONTROLS

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

Beginning with the 2012-2013 budget, the state of New Jersey allowed school districts to elect to eliminate the budget vote and adopt a budget approved by the Board of Education and the New Jersey Department of Education (NJDOE) providing that the tax levy increase does not exceed 2% plus any allowable waivers. The Eatontown Board of Education elected to eliminate the budget vote at that time. In addition to the 2% limit on tax levy increases, there are restrictions on budget transfers during the year that can be made without NJDOE approval.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance at fiscal yearend. The Business Administrator and the Superintendent meet with the Finance Committee regularly to review the school budget and areas of concern.

ACCOUNTING SYSTEMS AND REPORTS

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

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C., was selected by the board to perform the audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet

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 the New Jersey OMB Circular 15-08. The auditors’ report on the basic financial statements, required supplementary information, individual fund statements and schedules is included in the financial section of this report. The auditors’ reports related specifically to the Single Audit are included in the single audit section of this report.

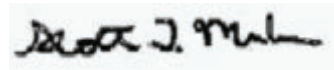
CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING AWARD

The district received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials International for the June 30, 2022 Annual Comprehensive Financial Report (the sixth year in a row the district has achieved this award).

ACKNOWLEDGMENTS

We would like to express our appreciation to the members of the Eatontown Board of Education for their concern in ensuring fiscal responsibility to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our business office staff, as well as the cooperation of the Eatontown team.

Respectfully submitted,

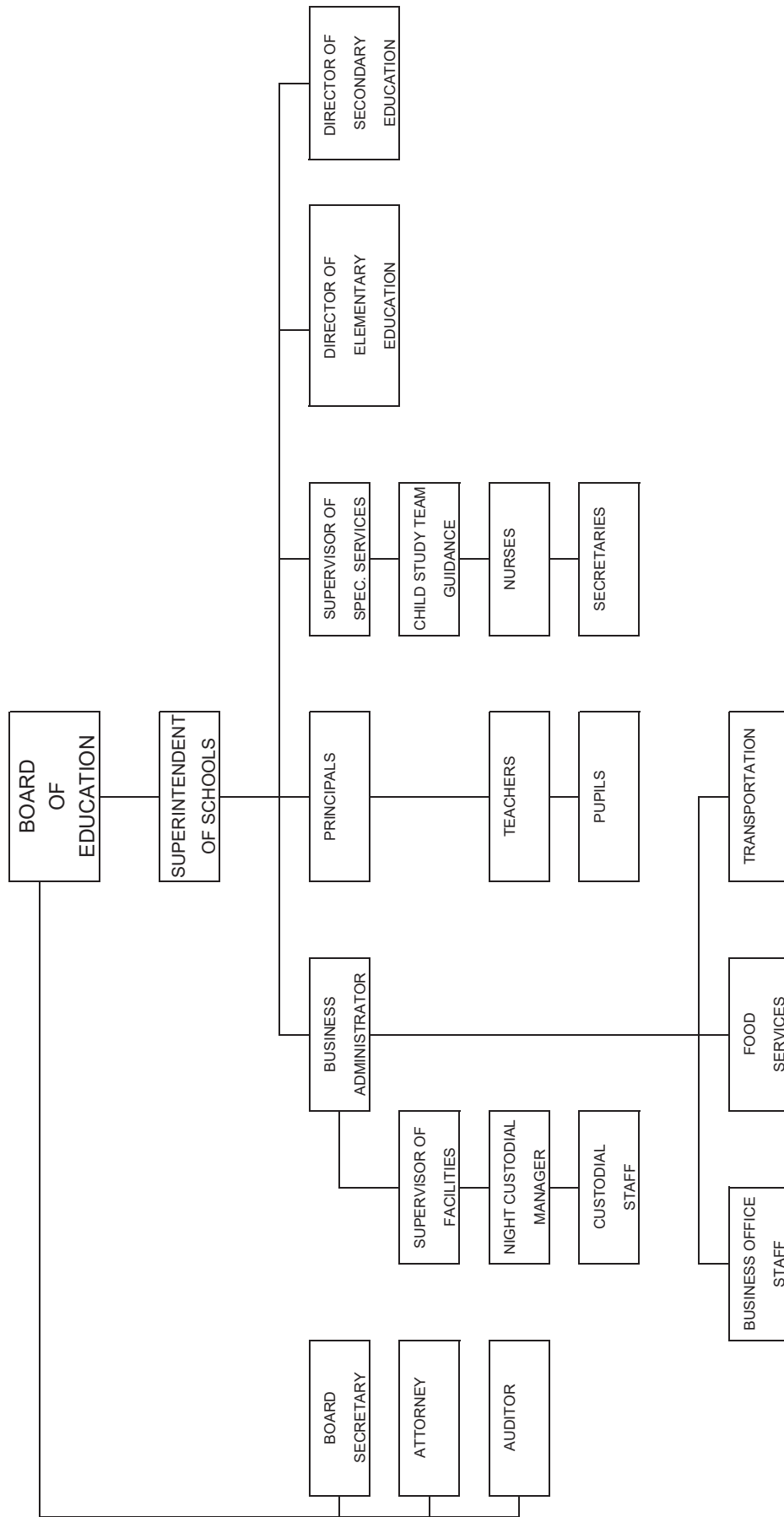


Scott T. Mc Cue
Superintendent of Schools



Lori Youngclaus,
Business Administrator/Board Secretary

EATONTOWN SCHOOL DISTRICT
 ORGANIZATIONAL CHART
 (UNIT CONTROL)
 2022-2023





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Eatontown Public School District

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022.

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



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style.

John W. Hutchison
President

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style.

Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director

**EATONTOWN PUBLIC SCHOOL DISTRICT
EATONTOWN, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2023**

Members of the Board of Education

TERM EXPIRES

Nelson Ortiz, President	2025
Deborah Martinock, Vice President	2023
Jennifer Connelley	2023
Daniel Murphy	2025
Maysee Jacobs	2025
Jennifer Kopach	2024
Jacqueline Maguire	2024
Steven Zagha	2023
Deidre Seaman	2024

Other Officials

Scott T. McCue, Superintendent of Schools
Lori Youngclaus, School Business Administrator/Board Secretary
Dennis A. Collins, Esq., Board Attorney

**EATONTOWN PUBLIC SCHOOL DISTRICT
EATONTOWN, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2023**

AUDITOR/AUDIT FIRM

Brian J. Waldron, CPA, PSA
Holman Frenia Allison, P. C.
1985 Cedar Bridge Ave., Suite 3
Lakewood, New Jersey 08701

ATTORNEY

Dennis A. Collins, Esq.
Collins, Vella & Casello, LLC
2317 Highway 34, Suite 1A
Manasquan, New Jersey 08736

OFFICIAL DEPOSITORY

TD Bank
175 Wyckoff Road
Eatontown, New Jersey 07724

FINANCIAL SECTION

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Certified Public Accountants + Advisors

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Eatontown Public School District
County of Monmouth
5 Grant Avenue, Eatontown, NJ 07724

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Eatontown Public School District, County of Monmouth, State of New Jersey, as of and for the fiscal year ended, June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the School District as of June 30, 2023, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards 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 School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls 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 School 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.

Auditor's Responsibility

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 auditor's report that includes our opinion. 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 generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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 generally accepted auditing standards, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School 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 School 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 the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post employment benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying 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* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and 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 report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2023 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Brian J. Waldron
Certified Public Accountant
Public School Accountant, #2600

Lakewood, New Jersey
November 27, 2023

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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EATONTOWN PUBLIC SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2023

This section of the Eatontown Public School Board of Education's Annual Comprehensive Financial Report (ACFR) presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments* issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year (2022-2023) and the prior fiscal year (2021-2022) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2023 are as follows:

- In total, net position of governmental activities increased \$5,036,927, which represents a 82.54% increase from 2022. Total net position of business-type activities decreased \$71,356, which represents a 41.02% decrease from 2022.
- General revenues accounted for \$25,046,253 in revenue or 79.72% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$6,370,640 or 20.28% of total revenues of \$31,416,893.
- Total assets of governmental activities increased by \$3,016,649 as cash and cash equivalents decreased by \$2,638,504, receivables increased by \$1,677,627, restricted cash and cash equivalents increased by \$83,649, and total capital assets increased by \$3,870,019.
- Total liabilities of governmental activities decreased by \$1,235,309 as non-current liabilities due beyond one year increased by \$1,273,479.
- The District had \$25,801,697 in governmental activity expenses; only \$5,792,371 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues from governmental activities (primarily property taxes) of \$25,046,253 were adequate to provide for these programs, resulting in an increase in net position for governmental activities of \$5,036,927.
- In the governmental funds, the general fund had \$26,638,740 in revenues, \$25,477,026 in expenditures and \$166,284 in other financing uses. The general fund's fund balance increased by \$995,430 over 2022.

USING THIS ACFR

This annual report consists of a series of financial statements and notes to these financial statements. These statements are organized in a way to allow the reader to understand the Eatontown Public School Board of Education as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

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

The Statement of Net Position (A-1) presents information on the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources 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 Changes in Net Position (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods of the district.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

Fund Financial Statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary 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 the 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 the District'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 District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance 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 the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund, and debt service fund, all of which are considered to be major funds.

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

Proprietary Funds

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the district-wide financial statements.

The food services fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the district-wide financial statement because the resources of those funds are not available to support the District's own programs.

The District has no Fiduciary Funds.

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

Other Information. The combining and individual fund statements referred to earlier in connection with governmental and enterprise funds are presented following the notes to the financial statements.

Government-Wide Financial Analysis

The District's financial position is the result of several types of 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.

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2023 and 2022, respectively:

Net Position
June 30, 2023

	Governmental Activities		Business-Type Activities	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Assets				
Current and Other				
Assets	\$ 6,413,270	\$ 7,266,640	\$ 114,103	\$ 157,907
Capital Assets, Net	25,942,770	23,056,258	134,722	22,843
Total Assets	<u>32,356,040</u>	<u>30,322,898</u>	<u>248,825</u>	<u>180,750</u>
Deferred Outflows of Resources				
Deferred Outflows				
Relating to Pension	480,335	413,385	-	-
Deferred Charges on Refunding of Debt	1,142,024	1,256,227	-	-
Total Deferred Outflow of Resources	<u>1,622,359</u>	<u>1,669,612</u>	<u>-</u>	<u>-</u>
Liabilities				
Long-Term Liabilities	22,845,272	24,013,751	-	-
Other Liabilities	475,071	541,901	30,859	6,790
Total Liabilities	<u>23,320,343</u>	<u>24,555,652</u>	<u>30,859</u>	<u>6,790</u>
Deferred Inflows of Resources				
Deferred Inflows				
Relating to Pension	502,438	1,334,660	-	-
Total Deferred Inflows of Resources	<u>502,438</u>	<u>1,334,660</u>	<u>-</u>	<u>-</u>
Net Position				
Net Investment in				
Capital Assets	8,578,281	5,944,172	134,722	22,843
Restricted	4,063,931	5,996,447	-	-
Unrestricted	(2,486,594)	(5,838,421)	83,244	151,117
Total Net Position	<u>\$ 10,155,618</u>	<u>\$ 6,102,198</u>	<u>\$ 217,966</u>	<u>\$ 173,960</u>

The District's largest net position component is the Restricted as shown above. Restricted balances represent resources that are subject to external restrictions on how they may be used.

Restricted net position decreased \$1,932,516 from the prior year to \$4,063,931 at June 30, 2023.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$2,486,594) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the District’s governmental and business-type activities and the change in net position for June 30, 2023 and 2022. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the ‘Financial Analysis of the District’s Funds’ section later in this report.

	<u>June 30, 2023</u>		
	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 156,286	\$ 156,286
Operating Grants and Contributions	5,792,371	421,983	6,214,354
General Revenues:			
Property Taxes	18,028,552	-	18,028,552
Federal and State Aid	6,584,642	-	6,584,642
Miscellaneous	433,058	-	433,058
Total Revenues	<u>30,838,623</u>	<u>578,269</u>	<u>31,416,892</u>
Expenses:			
Instructional Services	13,155,036	-	13,155,036
Support Services	13,144,870	534,263	13,679,133
Interest and Other Charges	485,297	-	485,297
Total Expenses	<u>26,785,203</u>	<u>534,263</u>	<u>27,319,466</u>
Change in Net Position	4,053,420	44,006	4,097,426
Net Position, Beginning	6,102,198	173,960	6,276,158
Net Position, Ending	<u>\$ 10,155,618</u>	<u>\$ 217,966</u>	<u>\$ 10,373,584</u>
<u>June 30, 2022</u>			
	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 38,900	\$ 38,900
Operating Grants and Contributions	5,635,007	596,537	6,231,544
General Revenues:			
Property Taxes	17,705,017	-	17,705,017
Federal and State Aid	3,964,106	-	3,964,106
Miscellaneous	42,779	-	42,779
Total Revenues	<u>27,346,909</u>	<u>635,437</u>	<u>27,982,346</u>
Expenses:			
Instructional Services	12,994,637	-	12,994,637
Support Services	12,955,793	584,872	13,540,665
Interest and Other Charges	735,430	-	735,430
Total Expenses	<u>26,685,860</u>	<u>584,872</u>	<u>27,270,732</u>
Change in Net Position	661,049	50,565	711,614
Net Position, Beginning	5,441,149	123,395	5,564,544
Net Position, Ending	<u>\$ 6,102,198</u>	<u>\$ 173,960</u>	<u>\$ 6,276,158</u>

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 unassigned fund balance is divided between designated balances and undesignated balances. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the District's discretion.

Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, capital projects fund, and debt service fund expenditures for the fiscal year ended June 30, 2023 and 2022 and the amount and percentage of increases and (decreases) in relation to prior year expenditures.

	<u>June 30, 2023</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2022	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 9,525,509	28.18%	\$ 151,910	1.62%
Undistributed	18,479,471	54.66%	362,669	2.00%
Capital Outlay	3,870,019	11.45%	1,456,684	60.36%
Debt Service:				
Principal	1,265,000	3.74%	5,000	0.40%
Interest	665,723	1.97%	(63,126)	-8.66%
Total	<u>\$ 33,805,722</u>	<u>100.00%</u>	<u>\$ 1,913,137</u>	<u>6.00%</u>

	<u>June 30, 2022</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2021	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 9,373,599	29.39%	\$ 288,544	3.18%
Undistributed	18,116,802	56.81%	1,858,666	11.43%
Capital Outlay	2,413,335	7.57%	2,381,017	7367.46%
Debt Service:				
Principal	1,260,000	3.95%	95,000	8.15%
Interest	728,849	2.29%	(54,801)	-6.99%
Total	<u>\$ 31,892,585</u>	<u>100.00%</u>	<u>\$ 4,568,426</u>	<u>16.72%</u>

Instruction costs increased primarily due to negotiated salary increases and additional instructional positions being added.

General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2022-2023 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

- TPAF, which is the state’s contribution to the pension fund, is an “on-behalf” revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2022-2023 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

Based on the financial results of 2022-2023 unassigned fund balance increased by \$1,441,542 to \$1,846,274 (4% required per S-1701, net of allowable adjustments).

Proprietary Funds. The District’s proprietary fund provides the same type of information found in the district-wide financial statements, but in more detail.

The Food Services Enterprise Fund showed a decrease in net position of \$71,356 in 2022-2023 as compared to a change in net position of \$50,565 in 2021-2022. The food service fund required no contributions from the Board in either school year. The Board has made significant changes to the varieties of offerings to appeal to the grade levels at each school. In the prior school year Eatontown Board of Education implemented grade banding throughout the district. In order to increase sales and reduce cost, the menu varies for the students in the upper grade levels. Although the food service operation is profitable, the district feels an investment in the program is needed to improve service and replace equipment, combined with the changes in the operations recommended by its food service consultant, will continue to ensure that the program’s financial remains positive over time.

Capital Assets

At June 30, 2023 the District has capital assets of \$26,077,492, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2023</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 2,375,200	\$ -
Construction In Progress	3,610,189	-
Buildings/Construction	16,936,199	-
Machinery and Equipment	3,021,182	134,722
Total	<u>\$ 25,942,770</u>	<u>\$ 134,722</u>

	<u>June 30, 2022</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 2,375,200	\$ -
Construction In Progress	1,784,958	-
Buildings/Construction	17,791,554	-
Machinery and Equipment	1,104,546	22,843
Total	<u>\$ 23,056,258</u>	<u>\$ 22,843</u>

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

Debt Administration and Other Obligations

At June 30, 2023 and 2022, the District’s outstanding debt issues included \$13,215,000 and \$14,480,000 respectively of general obligation bonds, \$4,080,000 and \$4,290,000 respectively of Obligations under Financed Purchases and \$737,323 and \$694,018 respectively in compensated absences payable.

Additional information on the District's debt administration and other obligations can be found in Note 7 to the basic financial statements.

Economic Factors and Subsequent Year's Budgets

- The District anticipates that the approved 2023-2024 budget will be adequate to satisfy all 2023-2024 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.
- It is expected the State of New Jersey will again delay the final state aid payments to school districts for 2023-2024.
- The Board has settled contracts with all bargaining units for the 2023-2024 school year. Negotiations begin in October 2024 for the Eatontown Education Association (EEA) and for the Eatontown Education Association Secretaries (EEAS) .

Requests for Information

This financial report is designed to provide a general overview of the Eatontown School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary's Office, Eatontown Board of Education, 5 Grant Avenue, Eatontown, NJ 07724.

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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EATONTOWN PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash & Cash Equivalents	\$ 2,283,115	\$ 34,089	\$ 2,317,204
Receivables, Net (Note 4)	2,579,744	71,237	2,650,981
Inventory	-	8,777	8,777
Other Current Assets	23,858	-	23,858
Restricted Cash & Cash Equivalents	1,526,553	-	1,526,553
Capital Assets, Net (Note 5)			
Non-Depreciable	5,985,389	-	5,985,389
Depreciable	19,957,381	134,722	20,092,103
Total Assets	32,356,040	248,825	32,604,865
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	480,335	-	480,335
Related to Loss on Debt Refunding	1,142,024	-	1,142,024
Total Deferred Outflow of Resources	1,622,359	-	1,622,359
LIABILITIES:			
Accounts Payable	-	26,232	26,232
Due to Other Governments	340,268	-	340,268
Unearned Revenue	11,989	4,627	16,616
Accrued Interest	80,304	-	80,304
Payroll Deductions and Withholdings Payable	15,150	-	15,150
Unemployment Trust Fund Liability	27,360	-	27,360
Noncurrent Liabilities (Note 7):			
Due Within One Year	1,792,031	-	1,792,031
Due in More Than One Year	21,053,241	-	21,053,241
Total Liabilities	23,320,343	30,859	23,351,202
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	502,438	-	502,438
Total Deferred Inflow of Resources	502,438	-	502,438
NET POSITION:			
Net Investment in Capital Assets	8,578,281	134,722	8,713,003
Restricted for:			
Capital Reserve	1,736,473	-	1,736,473
Debt Service	3	-	3
Maintenance Reserve	780,108	-	780,108
Excess Surplus	1,454,895	-	1,454,895
Unemployment Reserve	78,726	-	78,726
Student Activities	8,229	-	8,229
Scholarship	5,497	-	5,497
Unrestricted (Deficit)	(2,486,594)	83,244	(2,403,350)
Total Net Position	\$ 10,155,618	\$ 217,966	\$ 10,373,584

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

EATONTOWN PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular Instruction	\$ 8,337,630	\$ -	2,135,108	\$ (6,202,522)	\$ -	\$ (6,202,522)
Special Education Instruction	3,544,976	-	455,230	(3,089,746)	-	(3,089,746)
Other Instruction	1,272,430	-	163,400	(1,109,030)	-	(1,109,030)
Support Services:						
Tuition	1,658,507	-	133,120	(1,525,387)	-	(1,525,387)
Student & Instruction Related Services	5,032,601	-	2,370,647	(2,661,954)	-	(2,661,954)
General Administrative	599,294	-	48,102	(551,192)	-	(551,192)
School Administrative Services	840,827	-	67,489	(773,338)	-	(773,338)
Central Services	403,758	-	32,408	(371,350)	-	(371,350)
Plant Operations & Maintenance	3,241,472	-	277,032	(2,964,440)	-	(2,964,440)
Pupil Transportation	1,368,411	-	109,835	(1,258,576)	-	(1,258,576)
Interest & Other Charges	485,297	-	-	(485,297)	-	(485,297)
Total Governmental Activities	26,785,203	-	5,792,371	(20,992,832)	-	(20,992,832)
Business-Type Activities:						
Food Service	534,263	156,286	421,983	-	44,006	44,006
Total Business-Type Activities	534,263	156,286	421,983	-	44,006	44,006
Total Primary Government	\$ 27,319,466	\$ 156,286	\$ 6,214,354	(20,992,832)	44,006	(20,948,826)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				16,754,274	-	16,754,274
Property Taxes, Levied for Debt Service				1,274,278	-	1,274,278
Federal & State Aid Restricted				2,029,883	-	2,029,883
Federal & State Aid Not Restricted				4,554,759	-	4,554,759
Miscellaneous				375,719	-	375,719
Total General Revenues				25,046,252	-	25,046,252
Change In Net Position				4,053,420	44,006	4,097,426
Net Position - Beginning Balance				6,102,198	173,960	6,276,158
Net Position - Ending				\$ 10,155,618	\$ 217,966	\$ 10,373,584

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

B. Fund Financial Statements

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Governmental Funds

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**EATONTOWN PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
ASSETS					
Cash & Cash Equivalents	\$ 1,823,149	\$ -	\$ 641,480	\$ 3	\$ 2,464,632
Receivables, Net:					
Interfund Receivable	298,435	-	408,274	-	706,709
Due from Other Governments:					
Federal	7,289	246,745	-	-	254,034
State	2,106,180	110,301	-	-	2,216,481
Other	120	-	-	-	120
Other Accounts Receivable	-	90,109	19,000	-	109,109
Other Current Assets	23,858	-	-	-	23,858
Restricted Cash & Cash Equivalents	1,526,553	-	-	-	1,526,553
Total Assets	\$ 5,785,584	\$ 447,155	\$ 1,068,754	\$ 3	\$ 7,301,496
LIABILITIES & FUND BALANCES					
Liabilities:					
Cash Deficit	\$ -	\$ 181,517	\$ -	\$ -	\$ 181,517
Intergovernmental Payable:					
State	-	91,187	-	-	91,187
Interfund Payable	408,274	298,435	-	-	706,709
Unearned Revenue	-	11,989	-	-	11,989
Payroll Deductions and Withholdings Payable	15,150	-	-	-	15,150
Unemployment Trust Fund Liability	27,360	-	-	-	27,360
Total Liabilities	450,784	583,128	-	-	1,033,912
Fund Balances:					
Restricted for:					
Capital Reserve	667,719	-	-	-	667,719
Maintenance Reserve	780,108	-	-	-	780,108
Excess Surplus	1,031,137	-	-	-	1,031,137
Excess Surplus Designated for Subsequent Year	423,758	-	-	-	423,758
Reserve for Unemployment Fund	78,726	-	-	-	78,726
Capital Projects	-	-	1,068,754	-	1,068,754
Debt Service	-	-	-	3	3
Student Activities	-	8,229	-	-	8,229
Scholarship	-	5,497	-	-	5,497
Other Purposes	357,379	-	-	-	357,379
Unassigned	1,995,973	(149,699)	-	-	1,846,274
Total Fund Balances	5,334,800	(135,973)	1,068,754	3	6,267,584
Total Liabilities & Fund Balances	\$ 5,785,584	\$ 447,155	\$ 1,068,754	\$ 3	

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 \$46,730,628 and the accumulated depreciation is (\$20,787,858).

25,942,770

Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.

 Deferred Outflows Related to Pensions

480,335

 Deferred Inflows Related to Pensions

(502,438)

 Deferred Outflow Related to the Loss on Bond Refunding of Debt

1,142,024

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.

(80,304)

Accrued pension contributions for the June 30, 2023 plan year 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.

(249,081)

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

(22,845,272)

Net Position of Governmental Activities

\$ 10,155,618

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

**EATONTOWN PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2023**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 16,754,274	\$ -	\$ -	\$ 1,274,278	\$ 18,028,552
Tuition Charges	57,339	-	-	-	57,339
Miscellaneous	375,720	18,989	-	-	394,709
Total Local Sources	17,187,333	18,989	-	1,274,278	18,480,600
State Sources	9,386,963	1,621,640	-	656,447	11,665,050
Federal Sources	64,444	2,763,939	-	-	2,828,383
Total Revenues	26,638,740	4,404,568	-	1,930,725	32,974,033
Expenditures:					
Current:					
Regular Instruction	4,804,644	1,232,600	-	-	6,037,244
Special Education Instruction	2,566,903	-	-	-	2,566,903
Other Instruction	921,362	-	-	-	921,362
Support Services:					
Tuition	1,267,263	-	-	-	1,267,263
Health Services	313,018	-	-	-	313,018
Student & Instruction Related Services	1,565,680	1,966,706	-	-	3,532,386
General Administrative	457,920	-	-	-	457,920
School Administrative Services	642,475	-	-	-	642,475
Central Services	308,510	-	-	-	308,510
Plant Operations & Maintenance	2,637,265	-	-	-	2,637,265
Pupil Transportation	1,045,601	-	-	-	1,045,601
Unallocated Benefits	3,378,385	-	-	-	3,378,385
On Behalf TPAF Pension and Social Security Contributions	4,896,648	-	-	-	4,896,648
Capital Outlay	671,352	1,373,436	1,825,231	-	3,870,019
Debt Service:					
Principal	-	-	-	1,265,000	1,265,000
Interest & Other Charges	-	-	-	665,723	665,723
Total Expenditures	25,477,026	4,572,742	1,825,231	1,930,723	33,805,722
Excess/(Deficiency) of Revenues Over Expenditures	1,161,714	(168,174)	(1,825,231)	2	(831,689)
Other Financing Sources (Uses):					
Transfers In	-	166,284	-	-	166,284
Transfers Out	(166,284)	-	-	-	(166,284)
Total Other Financing Sources (Uses)	(166,284)	166,284	-	-	-
Net Changes in Fund Balances	995,430	(1,890)	(1,825,231)	2	(831,689)
Fund Balance, July 1	4,339,370	(134,083)	2,893,985	1	7,099,273
Fund Balance, June 30	\$ 5,334,800	\$ (135,973)	\$ 1,068,754	\$ 3	\$ 6,267,584

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

**EATONTOWN PUBLIC SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023**

Total Net Changes in Fund Balances - Governmental Funds (B-2)	\$	(831,689)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.		
Depreciation Expense		(983,507)
Capital Asset Additions		3,870,019
		2,886,512
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		
		386,476
Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		1,475,000
Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.		
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		212,031
Amortization of Loss on Bond Refunding		(114,202)
		97,829
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).		
		82,597
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		(43,305)
Change in Net Position of Governmental Activities	\$	4,053,420

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

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Proprietary Funds

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**EATONTOWN PUBLIC SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2023**

	MAJOR FUNDS
	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
	FOOD SERVICE
ASSETS	
Current Assets:	
Cash & Cash Equivalents	\$ 34,089
Accounts Receivable:	
Federal	56,609
State	2,026
Other Receivables	12,602
Inventories	8,777
Total Current Assets	114,103
Noncurrent Assets:	
Capital Assets	303,096
Less: Accumulated Depreciation	(168,374)
Total Capital Assets, Net	134,722
Total Assets	248,825
LIABILITIES	
Current Liabilities:	
Accounts Payable	26,232
Unearned Revenue	4,627
Total Current Liabilities	30,859
NET POSITION	
Investment in Capital Assets	134,722
Unrestricted	83,244
Total Net Position	\$ 217,966

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

**EATONTOWN PUBLIC SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 YEAR ENDED JUNE 30, 2023**

	MAJOR FUNDS
	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
	FOOD SERVICE
Operating Revenues:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 94,139
Daily Sales - Non-Reimbursable Programs	47,558
Special Functions	14,589
	156,286
Total Operating Revenues	156,286
Operating Expenses:	
Cost of Sales - Reimbursable Programs	208,475
Salaries	159,403
Employee Benefits	46,530
Depreciation	3,483
Management and Administrative Fees	19,890
Other	96,482
	534,263
Total Operating Expenses	534,263
Operating Income/(Loss)	(377,977)
Nonoperating Revenues (Expenses):	
State Sources:	
State School Breakfast Program	891
State School Lunch Program	8,985
Federal Sources:	
National School Lunch Program	227,923
National School Breakfast Program	46,853
Equipment Assistance Grant	22,372
Supply Chain Assistance Grant	55,199
Food Distribution Program	59,760
	421,983
Total Nonoperating Revenues/(Expenses)	421,983
Change in Net Position	44,006
Total Net Position - Beginning	173,960
Total Net Position - Ending	\$ 217,966

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

**EATONTOWN PUBLIC SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 YEAR ENDED JUNE 30, 2023**

	MAJOR FUNDS
	BUSINESS-TYPE
	ACTIVITIES -
	ENTERPRISE
	FUNDS
	FOOD
	SERVICE
Cash Flows From Operating Activities:	
Receipts from Customers	\$ 130,688
Payments to Employees	(159,403)
Payments for Employee Benefits	(46,530)
Payments to Suppliers	(236,059)
	(311,304)
Net Cash Provided by/(Used for) Operating Activities	(311,304)
Cash Flows From Noncapital Financing Activities:	
State Sources	9,876
Federal Sources	352,347
	362,223
Net Cash Provided by/(Used for) Noncapital Financing Activities	362,223
Net Increase/(Decrease) in Cash & Cash Equivalents	(64,443)
Balances - Beginning of Year	98,532
Balances - End of Year	\$ 34,089
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:	
Operating Income/(Loss)	\$ (377,977)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:	
Depreciation	3,483
Food Distribution Program	59,760
(Increase)/Decrease in Accounts Receivable, Net	(23,435)
(Increase)/Decrease in Inventories	2,796
Increase/(Decrease) in Unearned Revenue	(2,163)
Increase/(Decrease) in Accounts Payable	26,232
	66,673
Total Adjustments	66,673
Net Cash Provided/(Used) by Operating Activities	\$ (311,304)
Non-Cash Activity (Donated Commodities)	\$ 59,760

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

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Fiduciary Fund
Not Applicable

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EATONTOWN PUBLIC SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

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**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Eatontown Public School District (hereafter referred to as the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grades levels Preschool through 8th grade. These include regular, vocational, as well as special education for handicapped youngsters. The School District has an approximate enrollment at June 30, 2023 of 924 students.

The primary criterion for including activities within the School District’s reporting entity, as set forth in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards* , is whether:

- ◆ the organization is legally separate (can sue or be sued in their own name);
- ◆ the School District holds the corporate powers of the organization;
- ◆ the School District appoints a voting majority of the organization’s board
- ◆ the School District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the School District
- ◆ there is a fiscal dependency by the organization on the School District.

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14. *The Financial Reporting Entity* , provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* , and GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34* , GASB Statement No. 80, *Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14* and GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84* . The School District had no component units as of for the year ended June 30, 2023.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

A. Government-Wide Financial Statements

The School District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the School District accompanied by a total column. Fiduciary activities of the School District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

B. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

The School District reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the School 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 noninstructional equipment which are classified in the capital outlay sub-fund.

As required by the New Jersey Department of Education the School District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, capital leases, or serial bonds that are specially 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 is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

C. Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The School District reports the following major proprietary funds:

Food Service Fund – The food service fund accounts for the financial transactions related to the food service operations of the School District.

D. Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The School District’s fiduciary funds include Agency and Private-Purpose Trust Funds. Private Purpose Trust Funds are used to account for and report assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, and other governments. Private Purpose Trust Funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

The School District has no Fiduciary Funds.

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

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

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

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the general fund budgetary comparison schedules and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

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

Open encumbrances in the special revenue fund for which the School District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

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

Cash, Cash Equivalents and Investments

Cash and Cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are considered cash equivalents and stated at cost.

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. 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.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Tuition Receivable/Payable

Tuition rates were established by the receiving School District based on estimated costs. The charges are subject to adjustment when the actual costs are determined.

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

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 School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at their acquisition value. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	10-20 Years	N/A
Building and improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	5-12 Years
Vehicles	5-10 Years	4-6 Years

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the School District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measureable and the School District is eligible to realize the revenue.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, government fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Deferred Outflows and Deferred 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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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 position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Pensions

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 pension plan's fiduciary net position of the Public Employees' Retirement System (PERS) and Teacher's Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District’s policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District’s policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

Net position, represents the difference between summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

Net Investment in Capital Assets – This components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

Restricted – This component of net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2023 and November 27, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2023:

Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. Management has deemed this to be immaterial to the District's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

Statement No. 100, Accounting Changes and Error Corrections- an amendment of GASB Statement No. 62. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements. The effective date is for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Statement No. 101, Compensated Absences. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Management has not yet determined the potential impact on the District's financial statements.

Property Tax Information

Property Tax Reveune's are collected in quarterly installments. 2022/2023 tax bills were mailed out July of 2022.

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2023, the School District’s bank balance of \$5,235,068 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	5,098,172
Uninsured and Uncollateralized		136,897
		136,897
Total	\$	5,235,068

Investments

The School District had no investments at June 30, 2023.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 3. Reserve Accounts

Capital Reserve

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

Funds placed in the capital reserve account are restricted to capital projects in the School District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School 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 School 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 *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance, July 1, 2022	\$	844,495
Increased by:		
Interest Earnings		12,405
Return of Unused Funds		189,181
Deposits Approved by Board		96,138
		1,142,219
Decreased by:		
Budget Withdrawals		(474,500)
Ending Balance, June 30, 2023	\$	667,719

The June 30, 2023 LRFP balance of local support costs of uncompleted capital projects at June 30, 2023 is \$11,800,000. The withdrawals from the capital reserve were for use in a DOE approved facilities project, consistent with the School District’s Long Rang Facilities Plan.

Unemployment Claim Reserve

Unemployment Claim Reserve funds are restricted pursuant to N.J.S.A. 43:21-7.3(g), which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentality for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

The activity of the unemployment claim reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Ending Balance, June 30, 2023 and 2022	\$	78,726
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**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 3. Reserve Accounts (Continued)

Maintenance Reserve

The School District established a maintenance reserve account in June of 2011 for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. 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.

The activity of the maintenance reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance, July 1, 2022	\$	979,683
Increased by:		
Return of Unused Funds		199,575
Deposits Approved by Board		218,930
		1,398,188
Decreased by:		
Budget Withdrawals		(618,080)
Ending Balance, June 30, 2023	\$	780,108

Note 4. Accounts Receivable

Accounts receivable at June 30, 2023 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2023, consisted of the following:

<u>Description</u>	Governmental Funds			
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Activities</u>
Federal Awards	\$ 7,289	\$ 246,745	\$ -	\$ 254,034
State Awards	2,106,180	110,301	-	2,216,481
Other	120	90,109	19,000	109,229
Total	\$ 2,113,589	\$ 447,155	\$ 19,000	\$ 2,579,744

<u>Description</u>	<u>Proprietary Funds</u>	<u>Total</u>
	<u>Food Service Fund</u>	<u>Business-Type Activities</u>
Federal Awards	\$ 56,609	\$ 56,609
State Awards	2,026	2,026
Other	12,602	12,602
Total	\$ 71,237	\$ 71,237

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2023 was as follows:

	Governmental Activities			
	Balance July 1, <u>2022</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	Balance June 30, <u>2023</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 2,375,200	\$ -	\$ -	\$ 2,375,200
Construction in Progress	1,784,958	1,825,231	-	3,610,189
Total Capital Assets not being depreciated	4,160,158	1,825,231	-	5,985,389
Capital Assets being depreciated:				
Buildings and Improvements	33,550,390	-	-	33,550,390
Equipment	5,150,061	2,044,788	-	7,194,849
Total Capital Assets being depreciated	38,700,451	2,044,788	-	40,745,239
Less: Accumulated Depreciation:				
Buildings and Improvements	(15,758,836)	(855,355)	-	(16,614,191)
Equipment	(4,045,515)	(128,152)	-	(4,173,667)
Total Accumulated Depreciation	(19,804,351)	(983,507)	-	(20,787,858)
Total Capital Assets being depreciated, net	18,896,100	1,061,281	-	19,957,381
Total Governmental Activities Capital Assets, net	\$ 23,056,258	\$ 2,886,512	\$ -	\$ 25,942,770
Business-Type Activities				
	Business-Type Activities			
	Balance July 1, <u>2022</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	Balance June 30, <u>2023</u>
Business-Type Activities:				
Total Capital Assets being depreciated				
Equipment	\$ 187,734	\$ 115,362	\$ -	\$ 303,096
Total Capital Assets being depreciated	187,734	115,362	-	303,096
Less: Accumulated Depreciation:				
Equipment	(164,891)	(3,483)	-	(168,374)
Total Capital Assets being depreciated, net	(164,891)	(3,483)	-	(168,374)
Total Business-Type Activities Capital Assets, net	\$ 22,843	\$ 111,879	\$ -	\$ 134,722

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 5. Capital Assets (Continued)

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

<u>Governmental Activities</u>	
Instruction:	
Regular Instruction	\$ 300,947
Special Education Instruction	127,956
Other Instruction	45,928
Support Services:	
Tuition	63,171
Student & Instruction Related Services	191,687
General Administrative	22,827
School Administrative Services	32,026
Central Services	15,379
Plant Operations & Maintenance	131,464
Pupil Transportation	52,122
	983,507
Total Depreciation Expense - Governmental Activities	\$ 983,507

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2023 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 298,435	\$ 408,274
Special Revenue Fund	-	298,435
Capital Projects	408,274	-
	\$ 706,709	\$ 706,709

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

During the year ended June 30, 2023 the District transferred \$166,284 from the General Fund to the Special Revenue Fund.

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2023 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance			Balance	Balance
	<u>June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2023</u>	<u>Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 14,480,000	\$ -	\$ 1,265,000	\$ 13,215,000	\$ 1,295,000
Financed Purchases Payable	4,290,000	-	210,000	4,080,000	285,000
Unamortized Bond					
Premiums	2,492,298	-	212,031	2,280,267	212,031
Compensated Absences	694,018	79,406	36,101	737,323	-
Net Pension Liability	2,057,435	1,391,070	915,823	2,532,682	-
	\$ 24,013,751	\$ 1,470,476	\$ 2,638,955	\$ 22,845,272	\$ 1,792,031

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 7. Long-Term Obligations (Continued)

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences, financed purchases payable, unamortized bond premiums and the net pension liability are liquidated by the general fund.

Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

During December 2014, the School District issued \$20,150,000 of General Obligation Bonds. The General Obligation Bonds were issued at varying interest rates of 4.00% to 5.00% and mature on December 1, 2032.

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,295,000	\$ 601,725	\$ 1,896,725
2025	1,295,000	536,975	1,831,975
2026	1,300,000	472,100	1,772,100
2027	1,305,000	406,975	1,711,975
2028	1,335,000	340,975	1,675,975
2029-2033	6,685,000	728,100	7,413,100
	\$ 13,215,000	\$ 3,086,850	\$ 16,301,850
	\$ 13,215,000	\$ 3,086,850	\$ 16,301,850

Financed Purchases Payable

In September 2021, the School District entered into a financed purchase agreement for an Energy Savings Improvement Plan (ESIP) valued at \$4,290,000. The following is a schedule of the remaining future minimum financed purchase payments, and the present value of the net minimum financed purchase payments at June 30,:

Fiscal Year End <u>June 30,</u>	<u>Total</u>
2024	\$ 411,118
2025	257,618
2026	261,818
2027	270,518
2028	273,718
2029-2033	1,468,840
2034-2038	1,473,109
2039-2042	798,427
Total Minimum Lease Payments	5,215,166
Less: Amount Representing Interest	(1,135,166)
Present Value of Minimum Lease Payments	\$ 4,080,000

Amortization of the leased equipment and improvements under capital assets is included with depreciation expense.

Bonds Authorized but not Issued

As of June 30, 2023, the School District had no bonds authorized but not issued.

In Substance Defeased Debt

As of June 30, 2023, the School District had no in substance defeased debt.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was less than the actuarial determined amount.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Pension Liability, Pension (Credit)/Expense and Deferred Outflows/Inflows of Resources - At June 30, 2023, the School District reported a liability of \$2,532,682 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The School District's proportion measured as of June 30, 2022, was 0.0167823109%, which was an decrease of 0.0005851370% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized full accrual pension credit of (\$171,928) in the government-wide financial statements. This pension credit was based on the pension plans June 30, 2022 measurement date. At June 30, 2023 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 18,280	\$ 16,120
Changes of Assumptions	7,847	379,243
Net Difference between Projected and Actual Earnings on Pension Plan Investments	104,825	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	100,302	107,075
School District contributions subsequent to measurement date	249,081	-
	\$ 480,335	\$ 502,438

\$249,081 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2022-2023 total salaries for PERS employees multiplied by an employer pension contribution rate of 15.11%. The payable is due on April 1, 2024 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

Year Ending June 30,	
2024	\$ (218,606)
2025	(112,037)
2026	(55,332)
2027	116,403
2028	(1,612)
	<u>\$ (271,184)</u>

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.00
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	-	5.00
June 30, 2022	5.00	-
Changes in Proportion and Differences between District Contributions		
Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

Special Funding Situation – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001.

The amounts contributed on behalf of the local participating employers under this legislation is considered to be 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 under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation.

However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities’ total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the nonemployer contributing entities’ total proportionate share of the collective pension expense associated with the local participating employer.

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the District as of June 30, 2023. At June 30, 2023, the State’s proportionate share of the employer pension expense and related revenue, associated with the District, calculated by the plan as of the June 30, 2022 measurement date was \$15,787.

Actuarial Assumptions – The collective total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75 - 6.55%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate of Return:	
PERS	Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021

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

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

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

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. 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 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2022, calculated using the discount rate of 7.00% as well as what the School 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 or 1-percentage point higher than the current rate:

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	\$ 3,281,310	\$ 2,532,682	\$ 1,935,272

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

Collective Deferred Outflows of Resources	\$ 1,660,772,008	\$ 1,164,738,169	
Collective Deferred Inflows of Resources	3,236,303,935	8,339,123,762	
Collective Net Pension Liability	15,219,184,920	11,972,782,878	
School District's portion	0.01678231%	0.01736745%	

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at www.nj.gov/treasury/pensions/financial-reports.shtml.

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

Service retirement benefits of $1/55^{\text{th}}$ of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of $1/60^{\text{th}}$ of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, 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, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does 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.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2022 was \$42,543,900. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State's proportionate share of the net pension liability associated with the District was based on 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, 2022, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.0824583418%, which was an increase of 0.0021783294% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized a pension expense in the amount of \$1,144,975 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2022 measurement date.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

Actuarial Assumptions – The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75 - 5.65%
	Based on Years of Service
Investment Rate of Return	7.00%

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Assets	3.00%	11.19%
Real Estate	8.00%	7.60%
High Yield	2.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	8.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	5.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. 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 actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

Sensitivity of the of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 7.00% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(6.00%)</u>	At Current Discount Rate <u>(7.00%)</u>	At 1% Increase <u>(8.00%)</u>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 49,883,627	\$ 42,543,900	\$ 36,361,102

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

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

Collective Deferred Outflows of Resources	\$ 5,004,259,312	\$ 6,373,530,834
Collective Deferred Inflows of Resources	\$ 19,682,774,794	\$ 27,363,906
Collective Net Pension Liability	\$ 51,676,587,303	\$ 48,165,991,182
State's Proportionate Share associated with the District	0.0824583%	0.0802800%

B. Defined Contribution Retirement Plan (DCRP)

Plan Description - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2018 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

Contributions - The contribution policy is set by *N.J.S.A. 43:15C-3* and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2023, employee contributions totaled \$16,429, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$14,320.

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

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

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

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits are the responsibility of the individual local education employers.

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	TPAF/ABP	PERS	PFRS
Salary Increases:	2.75 to 4.25% based on years of service	2.75% to 6.55% based on years of service	3.25 to 16.25% based on years of service

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021. Postretirement mortality rates were based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021. Disability mortality was based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021 for current disables retirees. Future disabled retirees were based on Pub-2010 "Safety" (PFRS), "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, 2021 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2022 was \$49,658,940. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2022, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the OPEB Obligation attributable to the School District was 0.09805016%, which was a decrease of 0.00049317% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized an OPEB expense in the amount of \$256,686 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2022 measurement date.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.54%. 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.

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate:

The following presents the total nonemployer OPEB liability as of June 30, 2022 calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 58,368,860	\$ 49,658,940	\$ 42,678,374
State of New Jersey's Total Nonemployer OPEB Liability	\$ 59,529,589,697	\$ 50,646,462,966	\$ 43,527,080,995

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:

The following presents the total nonemployer OPEB liability as of June 30, 2022, respectively, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 41,046,149	\$ 49,658,940	\$ 60,972,364
State of New Jersey's Total Nonemployer OPEB Liability	\$ 41,862,397,291	\$ 50,646,462,966	\$ 62,184,866,635

* See Healthcare Cost Trend Assumptions for details of rates.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Additional Information

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

	Deferred Outflows of	Deferred Inflows of
Differences between Expected & Actual Experience	\$ 9,042,402,619	\$ (15,462,950,679)
Change in Assumptions	8,765,620,577	(17,237,289,230)
Contributions Made in Fiscal Year 6/30/2023 After Measurement Date	TBD	N/A
	\$ 17,808,023,196	\$ (32,700,239,909)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	
2023	\$ (2,517,151,602)
2024	(2,517,151,602)
2025	(2,517,151,602)
2026	(2,175,449,761)
2027	(1,243,951,140)
Thereafter	(3,921,361,006)
	\$ (14,892,216,713)

** Employer Contributions made after June 30, 2022 are reported as a deferred outflow of resources, but are not amortized in expense.

Plan Membership

At June 30, 2021, the Program membership consisted of the following:

Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	151,669
	364,817

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

Service Cost	\$ 2,770,618,025
Interest Cost	1,342,187,139
Changes of Benefit Terms	1,399,200,736
Changes of Assumptions	(13,586,368,097)
Contributions: Member	42,650,252
Gross Benefit Payments	(1,329,476,059)
Net Change in Total OPEB Liability	(9,361,188,004)
Total OPEB Liability (Beginning)	60,007,650,970
Total OPEB Liability (Ending)	\$ 50,646,462,966
Total Covered Employee Payroll	14,753,355,408
Net OPEB Liability as a Percentage of Payroll	343%

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 10. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers’ Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2023, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$3,332,504, \$687,406, \$875,441, and \$1,297, respectively.

Note 11. Risk Management

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

New Jersey Unemployment Compensation Insurance – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the School 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 School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, employee contributions, reimbursements to the State for benefits paid and the ending unemployment claims fund balance and/or unemployment trust liability of the School District for the current year and previous two years.

<u>Fiscal Year</u>	<u>School District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	Ending Balance	
					<u>Unemployment Fund Balance</u>	<u>Unemployment Trust Liability</u>
2022-2023	\$ -	\$ 30,803	\$ -	\$ 42,778	\$ 78,726	\$ 27,360
2021-2022	-	29,635	-	9,397	78,726	39,335
2020-2021	-	26,020	-	6,923	78,726	19,097

Property and Liability Insurance – The School District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

Joint Insurance Pool – The School District also participates in the School Alliance Insurance Fund and, public entity risk pool. The Pool provides its members with the following coverage:

Property - Blanket Building & Grounds	General & Automobile Liability
Boiler & Machinery	Workers' Compensation
School Board Legal Liability	Comprehensive Crime Coverage

Note 12. Contingencies

State and Federal Grantor Agencies - The School 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 School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2023 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Litigation – The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 12. Contingencies (Continued)

Economic Dependency – The School 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 School District’s programs and activities.

Note 13. Deferred Compensation

The School District offers its employees a choice of the following 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 deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

AXA Equitable	Lincoln Investment Planning, Inc.	Valic Investments
The Legend Group	Security Benefit & Life	

Note 14. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2023, the liability for compensated absences reported was \$737,323.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district’s local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 15. Tax Abatements (Continued)

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions 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.

Note 16. 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. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 was \$1,031,137.

Note 17. Fund Balances

General Fund – Of the \$5,334,800 General Fund fund balance at June 30, 2023, \$667,719 has been restricted for the Capital Reserve Account; \$780,108 has been restricted for the Maintenance Reserve Account; \$78,726 has been restricted for the Unemployment Reserve Account; \$1,031,137 is restricted for current year excess surplus; \$423,758 is restricted for excess surplus - designated for subsequent year's expenditures; \$357,379 is assigned for other purposes; \$1,995,973 is unassigned.

Special Revenue Fund – Of the (\$135,973) Special Revenue Fund fund balance at June 30, 2023, \$8,229 has been restricted for the Student Activities Reserve Account, \$5,497 has been restricted for the Scholarship Reserve Account and (\$149,699) is unassigned.

Capital Projects Fund – Of the \$1,068,754 Capital Projects Fund fund balance at June 30, 2023, \$1,068,754 is restricted for future capital projects approved by the School District.

Debt Service Fund – Of the \$3 Debt Service Fund fund balance at June 30, 2023, \$3 is restricted for future debt service payments.

Note 18. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of (\$2,486,594) at June 30, 2023. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2023. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 19. Commitments

The District has contractual commitments at June 30, 2023 to various vendors, which are recorded in the General Fund as Fund Balance Assigned to Other Purposes in the amount of \$357,379, Special Revenue Fund in the amount of \$189,574 and Capital Projects in the amount of \$626,6743

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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EATONTOWN PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
10-1210	\$ 16,754,274	\$ -	\$ 16,754,274	\$ -
10-1320	-	57,339	57,339	-
10-1990	138,151	(27,597)	110,554	265,166
Total Local Sources	16,892,425	29,742	16,922,167	265,166
State Sources:				
Categorical Transportation Aid	259,295	-	259,295	-
Extraordinary Aid	362,555	4,979	367,534	-
Categorical Special Education Aid	753,200	-	753,200	-
Equalization Aid	591,427	-	591,427	-
Categorical Security Aid	284,164	-	284,164	-
Other State Aids	-	131,059	131,059	-
Maintenance of Equity State Aid	-	-	-	1,673,019
Stabilization Aid	-	378,528	378,528	-
Nonbudgeted:				
TPAF Pension (on-behalf)	-	-	3,332,504	3,332,504
TPAF Social Security (reimbursed)	-	-	687,406	687,406
TPAF Post Retirements	-	-	875,441	875,441
TPAF Long-Term Disability Insurance (on behalf)	-	-	1,297	1,297
Total State Sources	2,250,641	514,566	2,765,207	6,569,667
Federal Sources:				
Medicaid Reimbursement	55,715	34,007	89,722	(32,217)
FFCRA/SEMI Revenue/ARRA/SEMI Revenue	-	-	-	6,939
Total Federal Sources	55,715	34,007	89,722	(25,278)
Total Revenues	19,198,781	578,315	19,777,096	6,809,555

EATONTOWN PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

	ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Current Expense:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	11-110-100-101	441,059	24,948	466,007	437,321
Grades 1-5 - Salaries of Teachers	11-120-100-101	2,485,420	(25,314)	2,460,106	2,421,817
Grades 6-8 - Salaries of Teachers	11-130-100-101	1,435,735	(1,264)	1,434,471	1,406,618
Regular Programs - Home Instruction:					
Salaries of Teachers	11-150-100-101	6,000	-	6,000	2,148
Purchased Professional - Educational Services	11-150-100-320	2,500	-	2,500	625
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	11-190-100-106	83,189	(417)	82,772	64,076
Purchased Professional - Educational Services	11-190-100-320	7,440	-	7,440	7,433
Purchased Technical Services	11-190-100-340	137,254	10,680	147,934	131,345
Other Purchased Services	11-190-100-500	20,350	(235)	20,115	13,944
General Supplies	11-190-100-610	390,178	(44,585)	345,593	282,767
Textbooks	11-190-100-640	117,265	(80,714)	36,551	36,550
Total Regular Programs - Instruction		5,126,390	(116,901)	5,009,489	4,804,644
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	11-204-100-101	930,492	124,339	1,054,831	1,046,261
Other Salaries for Instruction	11-204-100-106	277,894	3,634	281,528	275,407
General Supplies	11-204-100-610	8,200	(4,749)	3,451	3,337
Textbooks	11-204-100-640	6,000	(1,518)	4,482	3,878
Total Learning and/or Language Disabilities		1,222,586	121,706	1,344,292	1,328,883
Special Education - Instruction:					
Resource Room/Resource Center:					
Salaries of Teachers	11-213-100-101	1,011,506	(77,790)	933,716	923,251
Other Salaries	11-213-100-106	115,279	(42,658)	72,621	67,693
General Supplies	11-213-100-610	5,750	-	5,750	4,425
Textbooks	11-213-100-640	8,000	-	8,000	1,971
Total Resource Room/Resource Center		1,140,535	(120,448)	1,020,087	997,340
Special Education - Instruction:					
Preschool Disabilities - Full-Time:					
Salaries of Teachers	11-216-100-101	153,483	15,942	169,425	169,006
Other Salaries for Instruction	11-216-100-106	73,770	16,351	90,121	69,716
Total Preschool Disabilities - Full-Time		227,253	32,293	259,546	238,722
Total		8,294,274	(1,110,212)	7,184,062	7,184,062

EATONTOWN PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2023		VARIANCE FINAL TO ACTUAL
		BUDGET TRANSFERS	FINAL BUDGET	
Special Education - Instruction:				
Home Instruction:				
Salaries of Teachers	3,800	-	3,800	208
Purchased Professional - Educational Services	3,800	-	3,800	1,750
Total Home Instruction	7,600	-	7,600	1,958
Total Special Education - Instruction	2,597,974	33,551	2,631,525	2,566,903
Basic Skills/Remedial - Instruction:				
Salaries of Teachers	470,414	45,156	515,570	511,397
General Supplies	2,000	-	2,000	939
Total Basic Skills/Remedial - Instruction	472,414	45,156	517,570	512,336
Bilingual Education - Instruction:				
Salaries of Teachers	200,572	-	200,572	199,498
Purchased Technical Services	1,000	-	1,000	-
Total Bilingual Education - Instruction	201,572	-	201,572	199,498
School-Sponsored Cocurricular/Extra Curricular Activities - Instruction:				
Salaries	50,393	(6,027)	44,366	33,026
Purchased Services	350	-	350	350
Supplies and Materials	2,350	(2,050)	300	300
Other Objects	10,740	-	10,740	5,564
Total School-Sponsored Cocurricular/Extra Curricular Activities - Instruction	63,833	(8,077)	55,756	38,590
School-Sponsored Athletics - Instruction:				
Salaries	46,857	1,664	48,521	48,521
Purchased Services	9,909	-	9,909	6,723
Supplies and Materials	5,136	-	5,136	3,950
Other Objects	1,135	-	1,135	-
Total School-Sponsored Athletics - Instruction	63,037	1,664	64,701	59,194

EATONTOWN PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

	ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Summer School - Instruction: Salaries of Reading Specialists	11-424-100-179	98,244	13,500	111,744	-
Total Summer School - Instruction		98,244	13,500	111,744	-
Undistributed Expenditures - Instruction (Tuition): Tuition to Other LEAs Within State - Regular	11-000-100-561	57,684	(12,052)	45,632	-
Tuition to Other LEAs Within State - Special	11-000-100-562	209,309	89,559	298,868	-
Tuition to Private School Disabled - Within State	11-000-100-566	671,450	152,908	824,358	4,961
Tuition - Other	11-000-100-569	-	103,366	103,366	-
Total Undistributed Expenditures - Instruction (Tuition)		938,443	333,781	1,272,224	4,961
Undistributed Expenditures - Health Services: Salaries	11-000-213-100	301,096	(2,859)	298,237	579
Purchased Professional & Technical Services	11-000-213-300	11,211	-	11,211	-
Other Purchased Services	11-000-213-500	12,000	(12,000)	-	-
Supplies and Materials	11-000-213-600	4,024	904	4,928	779
Total Undistributed Expenditures - Health Services		328,331	(13,955)	314,376	1,358
Undistributed Expenditures - Speech, OT, PT and Related Services: Salaries	11-000-216-100	330,200	(35,902)	294,298	-
Purchased Professional - Educational Services	11-000-216-320	8,000	2,205	10,205	180
Supplies and Materials	11-000-216-600	2,400	(525)	1,875	59
Other Objects	11-000-216-800	680	(230)	450	-
Total Undistributed Expenditures - Speech, OT, PT and Related Services		341,280	(34,452)	306,828	239
Undistributed Expenditures - Other Support Services - Extra Services: Purchased Professional - Educational Services	11-000-217-320	39,400	(15,142)	24,258	-
Total Undistributed Expenditures - Other Support Services - Extra Services		39,400	(15,142)	24,258	-

EATONTOWN PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

	ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	11-000-218-104	131,854	18,513	150,367	-
Other Salaries	11-000-218-110	1,673	(1,175)	498	-
Supplies and Materials	11-000-218-600	2,125	-	2,125	762
Total Undistributed Expenditures - Guidance		135,652	17,338	152,990	762
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	670,324	(74,459)	595,865	19,995
Salaries of Secretaries & Clerical Assistants	11-000-219-105	68,060	1	68,061	-
Other Purchased Prof. and Tech. Services	11-000-219-390	17,283	1,108	18,391	2
Other Purchased Services	11-000-219-500	1,600	-	1,600	436
Residential Costs	11-000-219-591	8,625	(8,625)	-	-
Supplies and Materials	11-000-219-600	-	8,625	8,625	764
Other Objects	11-000-219-800	650	(650)	-	-
Total Undistributed Expenditures - Child Study Teams		766,542	(74,000)	692,542	21,925
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	11-000-221-102	29,000	-	29,000	-
Salaries of Other Professional Staff	11-000-221-104	1,074	-	1,074	102
Other Salaries	11-000-221-110	28,000	-	28,000	28,000
Sal. of Fac., Math, Literacy Coaches	11-000-221-176	39,000	-	39,000	-
Other Purchased Professional and Technical Services	11-000-221-390	48,920	-	48,920	14
Supplies and Materials	11-000-221-600	1,000	(1,000)	-	-
Other Objects	11-000-221-800	178	-	178	89
Total Undistributed Expenditures - Improvement of Instruction Services		147,172	(1,000)	146,172	28,205
Undistributed Expenditures - Educational Media Services/Library:					
Salaries	11-000-222-100	145,905	405	146,310	1,582
Salaries of Technology Coordinators	11-000-222-177	137,951	(405)	137,546	3,060
Supplies and Materials	11-000-222-600	8,950	(793)	8,157	41
Total Undistributed Expenditures - Educational Media Services/Library		292,806	(793)	292,013	4,683

EATONTOWN PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -				
Instructional Staff Training Services:				
Other Purchased Services	22,000	(12,863)	9,137	6,691
Other Objects	1,200	(1,200)	-	-
Total Undistributed Expenditures -	23,200	(14,063)	9,137	6,691
Instructional Staff Training Services				2,446
Undistributed Expenditures -				
Support Services - General Administration:				
Salaries	277,832	1	277,833	277,833
Legal Services	80,000	-	80,000	51,699
Audit Fees	40,000	-	40,000	34,500
Architectural/Engineering Services	15,850	20,563	36,413	-
Other Purchased Professional Services	15,945	986	16,931	16,931
Communications/Telephone	64,875	(737)	64,138	51,091
BOE Other Purchased Professional Services	8,950	(5,750)	3,200	2,468
Other Purchased Services	7,500	-	7,500	-
General Supplies	3,500	(250)	3,250	2,099
Miscellaneous Expenditures	12,127	(10)	12,117	11,649
BOE Membership Dues and Fees	9,650	-	9,650	9,650
Total Undistributed Expenditures -	536,229	14,803	551,032	457,920
Support Services - General Administration				93,112
Undistributed Expenditures -				
Support Services - School Administration:				
Salaries of Principals/Assistant Principals	430,135	1	430,136	430,136
Salaries of Secretaries & Clerical Assistants	199,796	2,508	202,304	202,264
Supplies and Materials	8,935	-	8,935	6,636
Other Objects	4,500	(811)	3,689	3,439
Total Undistributed Expenditures -	643,866	1,198	645,064	642,475
Support Services - School Administration				2,589

EATONTOWN PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Central Services:				
Salaries	302,495	(25,422)	277,073	277,071
Purchased Professional Services	6,960	-	6,960	6,210
Miscellaneous Purchased Services	16,150	(10,114)	6,036	6,036
Supplies and Materials	16,607	(6,151)	10,456	10,456
Miscellaneous Expenditures	10,435	(1,698)	8,737	8,737
Total Undistributed Expenditures - Central Services	352,647	(43,385)	309,262	308,510
Undistributed Expenditures - Administrative Information Technology:				
Purchased Technical Services	8,675	(4,500)	4,175	4,175
Total Undistributed Expenditures - Administrative Information Technology	8,675	(4,500)	4,175	4,175
Undistributed Expenditures - Required Maintenance for School Facilities:				
Cleaning, Repair & Maintenance Services	979,493	190,317	1,169,810	956,915
General Supplies	13,006	(3,192)	9,814	9,814
Other Objects	11,365	(1,952)	9,413	9,383
Total Undistributed Expenditures - Required Maintenance for School Facilities	1,003,864	185,173	1,189,037	976,112
Undistributed Expenditures - Custodial Services:				
Salaries	145,290	(3,554)	141,736	141,736
Salaries of Non-Instructional Aides	12,445	(2,524)	9,921	9,921
Purchased Professional and Technical Services	7,500	(7,500)	-	-
Cleaning, Repair & Maintenance Services	341,722	(28,633)	313,089	313,089
Rental of Land & Bldg. Other Than Lease Purch.	22,223	1,465	23,688	23,688
Other Purchased Property Services	79,750	(11,305)	68,445	68,445
Insurance	209,878	(15,874)	194,004	194,004
General Supplies	23,500	(8,921)	14,579	14,579
Energy (Natural Gas)	101,767	28,004	129,771	123,471
Energy (Electricity)	137,008	266,935	403,943	357,048
Interest - Energy Savings Impr Prog Bonds	198,273	-	198,273	198,273
Principal - Energy Savings Impr Prog Bonds	210,000	-	210,000	210,000
Total Undistributed Expenditures - Custodial Services	1,489,356	218,093	1,707,449	1,654,254
Total Undistributed Expenditures - All Services				53,195

EATONTOWN PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Care and Upkeep of Grounds: General Supplies	8,500	(5,356)	3,144	-
Total Undistributed Expenditures - Care and Upkeep of Grounds	8,500	(5,356)	3,144	-
Security: Purchased Professional and Technical Services	7,000	(3,245)	3,755	-
Total Security	7,000	(3,245)	3,755	-
Undistributed Expenditures - Student Transportation Services: Salaries of Non-Instructional Aides	74,013	(12,668)	61,345	8,816
Salaries of Pupil Transportation (Between Home & School) - Regular	66,613	13,051	79,664	13,034
Sal for Pupil Trans (Bet Home & Sch)- Sp Ed	60,620	8,875	69,495	8,467
Social Security Contributions	11,000	(10,657)	343	343
Other Retirement Contributions - PERS	14,269	-	14,269	8,185
Other Purchased Prof. and Technical Serv.	-	12,500	12,500	12,500
Cleaning, Repair and Maintenance Services	7,725	-	7,725	806
Lease Purchase Payments - School Buses	38,000	-	38,000	1,002
Contract Services - Aid in Lieu Payments - Non Public Schools	55,000	26,837	81,837	8,442
Contract Services (Between Home & School) - Vendors	447,441	(16,156)	431,285	15,530
Contract Services (Other Than Between Home & School) - Vendors	55,000	5,840	60,840	2,926
Contract Services (Between Home & School) - Joint Agreement	120,000	(1,384)	118,616	47,506
Contract Services (Special Education) - ESCs & CTSA's	292,000	(40,126)	251,874	107,420
General Supplies	9,750	9,657	19,407	1,375
Transportation Supplies	25,000	6,900	31,900	4,077
Miscellaneous Expenditures	7,000	16,632	23,632	16,702
Total Undistributed Expenditures - Student Transportation Services	1,283,431	19,301	1,302,732	257,131

EATONTOWN PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Unallocated Benefits:				
Social Security Contributions	201,295	(5,000)	196,295	133,829
TPAF Contributions - ERIP	40,485	37,000	77,485	28,463
Other Retirement Contributions - PERS	240,166	19,934	260,100	208,441
Unemployment Compensation	21,000	-	21,000	-
Workmen's Compensation	145,783	11,804	157,587	156,804
Health Benefits	3,227,780	(203,114)	3,024,666	2,827,590
Tuition Reimbursement	25,000	-	25,000	8,938
Other Employee Benefits	81,000	(56,242)	24,758	14,320
Total Unallocated Benefits	3,982,509	(195,618)	3,786,891	3,378,385
Nonbudgeted:				
TPAF Pension (on-behalf)	-	-	-	3,332,504
TPAF Social Security (reimbursed)	-	-	-	687,406
TPAF Post Retirements	-	-	-	875,441
TPAF Long-Term Disability Insurance (on behalf)	-	-	-	(1,297)
Total Undistributed Expenditures	12,328,903	384,178	12,713,081	16,512,765
Total Expenditures - Current Expense	20,952,367	353,071	21,305,438	24,805,674
Capital Outlay:				
Undistributed Expenditures:				
School Buses - Regular	-	282,180	282,180	282,180
Total Equipment	-	282,180	282,180	282,180
Facilities Acquisition & Construction Services:				
Construction Services	504,495	71,000	575,495	389,172
Total Facilities Acquisition & Construction Services	504,495	71,000	575,495	389,172
Total Capital Outlay	504,495	353,180	857,675	671,352
Total Expenditures	21,456,862	706,251	22,163,113	25,477,026

EATONTOWN PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures Before Other Financing Sources/(Uses)	(2,258,081)	(127,936)	(2,386,017)	3,495,642
Other Financing Sources/(Uses):				
Transfers In(Out):				
Local Contribution - Transfer to Special Revenue Fund - Regular	(166,284)	-	(166,284)	-
Transfer of Funds to Charter Schools	(127,936)	127,936	-	-
Total Other Financing Sources/(Uses)	(294,220)	127,936	(166,284)	-
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures After Other Financing Sources/(Uses)	(2,552,301)	-	(2,552,301)	3,495,642
Fund Balances, July 1	4,580,268	-	4,580,268	-
Fund Balances, June 30	\$ 2,027,967	\$ -	\$ 2,027,967	\$ 3,495,642

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 667,719
Maintenance Reserve	780,108
Excess Surplus	1,031,137
Excess Surplus Designated for Subsequent Year's Expenditures	423,758
Unemployment Reserve	78,726
Assigned Fund Balance:	
Year-End Encumbrances	357,379
Unassigned Fund Balance	2,184,782
Subtotal	5,523,609
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	(188,809)
Fund Balance per Governmental Funds (GAAP)	\$ 5,334,800

**EATONTOWN PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2023**

	JUNE 30, 2023				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources	\$ 4,200	\$ 29,510	\$ 33,710	\$ 20,068	\$ 13,642
State Sources	1,740,326	74,821	1,815,147	1,620,669	194,478
Federal Sources	674,150	3,319,763	3,993,913	2,867,077	1,126,836
Total Revenues	2,418,676	3,424,094	5,842,770	4,507,814	1,334,956
Expenditures:					
Instruction:					
Salaries of Teachers	1,319,955	130,107	1,450,062	753,578	696,484
Other Salaries for Instruction	181,068	5,449	186,517	177,753	8,764
Purchased Professional - Educational Services	-	66,851	66,851	55,873	10,978
Other Purchased Services (400-500 Series)	-	301,872	301,872	264,210	37,662
General Supplies	100,406	44,463	144,869	82,987	61,882
Other Objects	-	510	510	-	510
Total Instruction	1,601,429	549,252	2,150,681	1,334,401	816,280
Support Services:					
Salaries of Other Professional Staff	179,680	258,560	438,240	423,775	14,465
Personal Services - Employee Benefits	384,432	121,440	505,872	395,711	110,161
Purchased Educational Services	396,000	751,175	1,147,175	1,063,441	83,734
Other Purchased Services (400-500 Series)	19,219	2,495	21,714	20,214	1,500
Supplies and Materials	-	54,708	54,708	44,062	10,646
Other Objects	-	1,126	1,126	69	1,057
Student Activity	4,000	21,774	25,774	19,234	6,540
Scholarship	200	-	200	200	-
Total Support Services	983,531	1,211,278	2,194,809	1,966,706	228,103
Facilities Acquisition & Construction Services:					
Buildings	-	1,405,243	1,405,243	1,216,159	189,084
Instructional Equipment	-	69,161	69,161	69,158	3
Noninstructional Equipment	-	189,160	189,160	88,119	101,041
Total Facilities Acquisition & Construction Services	-	1,663,564	1,663,564	1,373,436	290,128
Total Expenditures	2,584,960	3,424,094	6,009,054	4,674,543	1,334,511
Total Outflows	2,584,960	3,424,094	6,009,054	4,674,543	1,334,511
Other Financing Sources/(Uses):					
Local Contribution - Transfer to Special Revenue Fund - Regular	166,284	-	166,284	166,284	-
Total Other Financing Sources/(Uses)	166,284	-	166,284	166,284	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	(445)	445
Fund Balance, July 1	-	-	-	14,172	(14,172)
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 13,727	\$ (13,727)

RECAPITULATION OF FUND BALANCE

Restricted:	
Student Activities	\$ 8,229
Scholarship	5,498
Total Fund Balance	\$ 13,727

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
YEAR ENDED JUNE 30, 2023**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 26,586,651	\$ 4,507,814
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(189,574)
Prior Year	-	87,773
<p>The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).</p>		
Current Year	(188,809)	(149,700)
Prior Year	240,898	148,255
<hr style="border: 1px solid black;"/>		
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 26,638,740</u>	<u>\$ 4,404,568</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 25,477,026	\$ 4,674,543
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	(101,801)
<hr style="border: 1px solid black;"/>		
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 25,477,026</u>	<u>\$ 4,572,742</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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EATONTOWN PUBLIC SCHOOL DISTRICT
 SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST TEN FISCAL YEARS*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.0167823109%	0.017367479%	0.016954529%	0.0166595142%	0.0169989900%	0.0163035523%	0.0169775354%	0.0166434462%	0.0166057005%	0.0166686668%
School District's proportionate share of the net pension liability	\$ 2,532,682	\$ 2,057,435	\$ 2,764,840	\$ 3,001,792	\$ 3,347,016	\$ 3,795,206	\$ 5,028,259	\$ 3,736,120	\$ 3,109,041	\$ 3,185,713
School District's covered payroll	\$ 1,285,656	\$ 1,256,856	\$ 1,263,333	\$ 1,323,744	\$ 1,095,256	\$ 1,099,454	\$ 1,091,554	\$ 1,122,841	\$ 1,155,174	\$ 1,134,657
School District's proportionate share of the net pension liability as a percentage of its covered payroll	172.86%	163.70%	218.85%	226.77%	305.59%	345.19%	460.65%	332.74%	269.14%	280.76%
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

EATONTOWN PUBLIC SCHOOL DISTRICT
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 249,081	\$ 211,633	\$ 203,393	\$ 185,474	\$ 162,048	\$ 169,085	\$ 151,035	\$ 150,826	\$ 143,089	\$ 136,895
Contributions in relation to the contractually required contribution	(249,081)	(211,633)	(203,393)	(185,474)	(162,048)	(169,085)	(151,035)	(150,826)	(143,089)	(136,895)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 1,219,697	\$ 1,285,656	\$ 1,256,856	\$ 1,263,333	\$ 1,323,744	\$ 1,095,256	\$ 1,099,454	\$ 1,091,554	\$ 1,122,841	\$ 1,155,174
Contributions as a percentage of covered payroll	20.42%	16.46%	16.18%	14.68%	12.24%	15.44%	13.74%	13.82%	12.74%	11.85%

EATONTOWN PUBLIC SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS' PENSION AND ANNUITY FUND (TPAF)
 LAST TEN FISCAL YEARS*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$ 42,543,900	\$ 38,594,767	\$ 55,346,466	\$ 50,567,904	\$ 52,066,165	\$ 57,751,877	\$ 67,092,202	\$ 56,226,481	\$ 48,136,446	\$ 45,565,423
School District's covered payroll	\$ 9,439,687	\$ 9,442,287	\$ 9,205,583	\$ 9,159,789	\$ 8,781,048	\$ 8,563,216	\$ 8,563,216	\$ 8,503,244	\$ 8,529,641	\$ 8,570,681
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plus fiduciary net position as a percentage of the total pension liability	32.29%	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 (the measurement date).

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**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT
BENEFITS (GASB 75)**

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EATONTOWN PUBLIC SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST SIX FISCAL YEARS*

	2023	2022	2021	2020	2019	2018
District's Total OPEB Liability						
Service Cost	\$ 2,066,429	\$ 2,487,453	\$ 1,400,086	\$ 1,350,745	\$ 1,543,342	\$ 1,863,254
Interest Cost	1,316,017	1,533,986	1,579,186	1,931,088	2,091,046	1,816,767
Changes of Benefit Terms	-	(62,940)				
Difference between Expected & Actual Differences	1,726,146	(12,895,924)	10,434,811	(7,526,047)	(5,011,665)	-
Changes of Assumptions	(13,321,456)	58,340	12,637,130	660,493	(5,646,139)	(7,421,880)
Contributions: Member	41,819	39,216	36,505	40,309	45,470	49,037
Gross Benefit Payments	(1,303,553)	(1,208,352)	(1,204,397)	(1,359,830)	(1,315,635)	(1,331,712)
Net Change in District's Total OPEB Liability	(9,474,598)	(10,048,221)	24,883,321	(4,903,242)	(8,293,581)	(5,024,534)
District's Total OPEB Liability (Beginning)	59,133,538	69,181,759	44,298,438	49,201,680	57,495,261	62,519,795
District's Total OPEB Liability (Ending)	<u>\$ 49,658,940</u>	<u>\$ 59,133,538</u>	<u>\$ 69,181,759</u>	<u>\$ 44,298,438</u>	<u>\$ 49,201,680</u>	<u>\$ 57,495,261</u>
District's Covered Employee Payroll	\$ 10,904,845	\$ 10,699,143	\$ 10,468,916	\$ 10,483,533	\$ 10,464,934	\$ 10,118,096
District's Net OPEB Liability as a Percentage of Payroll	455%	553%	661%	423%	470%	568%

Note - The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2023**

Public Employees' Retirement System (PERS)

Changes in Benefit Terms

The June 30, 2022 measurement date includes three changes to the plan provisions, only one of which had an impact on the Total Pension Liability. Chapter 226, P.L. 2021 reopened the Prosecutors Part of PERS and made membership in the Prosecutors Part of PERS mandatory for all prosecutors.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2019	6.28%	2016	3.98%
2021	7.00%	2018	5.66%	2015	4.90%
2020	7.00%	2017	5.00%	2014	5.39%

The long-term expected rate of return used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2019	7.00%	2016	7.65%
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.00%	2017	7.00%	2014	7.90%

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms

None Noted.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2019	6.85%	2016	5.55%
2021	7.00%	2018	6.51%	2015	5.79%
2020	7.00%	2017	6.14%	2014	6.32%

The long-term expected rate of return used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2019	7.00%	2016	7.65%
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.00%	2017	7.00%	2014	7.90%

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms

The increase in benefit terms from June 30, 2021 to June 30, 2022 was a result of employers adopting and or changing Chapter 48 provisions which provide different levels of subsidy than in the prior year.

Differences Between Expected and Actual Experiences

The increase in differences between expected and actual experiences from June 30, 2021 to June 30, 2022 was a result of changes to the census, claims and premiums experience

Changes in Assumptions

The increase in changes in assumptions from June 30, 2021 to June 30, 2022 is a result of a change in the discount rate, trend update and the mortality projection scale update.

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	3.54%	2019	3.50%	2016	2.85%
2021	2.16%	2018	3.87%		
2020	2.21%	2017	3.58%		

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**EATONTOWN PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2023**

	Title I	Title IIA	Title III	Title III - Immigrant	Title IV	I.D.E.A. - Basic	I.D.E.A. - Preschool
Revenues:							
Federal Sources	\$ 288,359	\$ 33,727	\$ 61,773	\$ 2,645	\$ 21,070	\$ 456,378	\$ 33,924
Total Revenues	\$ 288,359	\$ 33,727	\$ 61,773	\$ 2,645	\$ 21,070	\$ 456,378	\$ 33,924
Expenditures:							
Instruction:							
Salaries of Teachers	\$ 173,997	\$ -	\$ 529	\$ 2,457	\$ -	\$ -	\$ -
Purchased Professional - Educational Services	-	-	53,023	-	2,850	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	219,817	29,133
General Supplies	11,668	-	-	-	441	18,655	4,791
Total Instruction	185,665	-	53,552	2,457	3,291	238,472	33,924
Support Services:							
Salaries of Other Professional Staff	510	405	489	-	166	-	-
Personal Services - Employee Benefits	85,149	31	10	188	13	-	-
Purchased Educational Services	10,900	33,291	6,801	-	17,600	217,906	-
Supplies and Materials	6,135	-	852	-	-	-	-
Other Objects	-	-	69	-	-	-	-
Total Support Services	102,694	33,727	8,221	188	17,779	217,906	-
Total Expenditures	288,359	33,727	61,773	2,645	21,070	456,378	33,924
Fund Balance, July 1	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EATONTOWN PUBLIC SCHOOL DISTRICT
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
 YEAR ENDED JUNE 30, 2023

	ESSER II	Learning Acceleration	Mental Health	American Rescue Plan	ARP - Evidence Based Learning Afterschool	ARP - Mental Health Support Staffing	ARP - Accelerated Learning	Homeless Children and Youth	ARP IDEA	ARP IDEA Preschool
Revenues:										
Federal Sources	\$ 371,163	\$ 29,369	\$ 16,850	\$ 1,456,804	\$ 16,001	\$ 17,423	\$ 44,105	\$ 2,226	\$ 9,932	\$ 5,328
Total Revenues	\$ 371,163	\$ 29,369	\$ 16,850	\$ 1,456,804	\$ 16,001	\$ 17,423	\$ 44,105	\$ 2,226	\$ 9,932	\$ 5,328
Expenditures:										
Instruction:										
Salaries of Teachers	\$ 136,734	\$ -	\$ -	\$ 47,063	\$ 14,864	\$ -	\$ -	\$ -	\$ -	\$ -
Other Salaries for Instruction	-	10,707	-	-	-	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	-	-	9,932	5,328
General Supplies	3,421	11,856	-	-	-	-	-	-	-	-
Total Instruction	140,155	22,563	-	47,063	14,864	-	-	-	9,932	5,328
Support Services:										
Salaries of Other Professional Staff	153,999	2,663	-	3,600	-	16,185	11,985	-	-	-
Personal Services - Employee Benefits	13,503	1,023	-	34,875	1,137	1,238	920	-	-	-
Purchased Educational Services	-	-	15,370	49,966	-	-	31,200	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	-	2,226	-	-
Supplies and Materials	32,475	3,120	1,480	-	-	-	-	-	-	-
Total Support Services	199,977	6,806	16,850	88,441	1,137	17,423	44,105	2,226	-	-
Facilities Acquisition & Construction Services:										
Buildings	31,031	-	-	1,164,023	-	-	-	-	-	-
Instructional Equipment	-	-	-	69,158	-	-	-	-	-	-
Noninstructional Equipment	-	-	-	88,119	-	-	-	-	-	-
Total Facilities Acquisition & Construction Services	31,031	-	-	1,321,300	-	-	-	-	-	-
Total Expenditures	371,163	29,369	16,850	1,456,804	16,001	17,423	44,105	2,226	9,932	5,328
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EATONTOWN PUBLIC SCHOOL DISTRICT
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
 YEAR ENDED JUNE 30, 2023

	Non Public Security Aid	Non Public Ch. 192/193	Non Public Textbook	Non Public Nursing
Revenues:				
Local Sources	\$ -	\$ -	\$ -	\$ -
State Sources	\$ 44,277	\$ 101,647	\$ 11,873	\$ 10,258
Federal Sources	-	-	-	-
Total Revenues	\$ 44,277	\$ 101,647	\$ 11,873	\$ 10,258
Expenditures:				
Instruction:				
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -
Other Salaries for Instruction	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-
General Supplies	-	-	-	-
Total Instruction	-	-	-	-
Support Services:				
Salaries of Other Professional Staff	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-
Purchased Educational Services	\$ 44,277	\$ 101,647	\$ 11,873	\$ 10,258
Other Purchased Services (400-500 Series)	-	-	-	-
Supplies and Materials	-	-	-	-
Other Objects	-	-	-	-
Student Activity	-	-	-	-
Scholarship Activity	-	-	-	-
Total Support Services	44,277	101,647	11,873	10,258
Facilities Acquisition & Construction Services:				
Buildings	-	-	-	-
Instructional Equipment	-	-	-	-
Noninstructional Equipment	-	-	-	-
Total Facilities Acquisition & Construction Services	-	-	-	-
Total Expenditures	44,277	101,647	11,873	10,258
Other Financing Sources/(Uses):				
Local Contribution - Transfer to Special Revenue Fund - Regular	-	-	-	-
Total Other Financing Sources/(Uses)	-	-	-	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	-	-	-	-
Fund Balance, July 1	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

EATONTOWN PUBLIC SCHOOL DISTRICT
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
 YEAR ENDED JUNE 30, 2023

	Non Public Technology	Preschool Education Expansion Aid	SDA Emergent Needs	NISSS-ER Grant	Student Activities	Scholarship Fund	Totals
Revenues:							
Local Sources	\$ -	\$ -	\$ -	1,079	\$ 18,895	\$ 94	\$ 20,068
State Sources	7,602	1,423,907	21,105	-	-	-	1,620,669
Federal Sources	-	-	-	-	-	-	2,867,077
Total Revenues	\$ 7,602	\$ 1,423,907	\$ 21,105	\$ 1,079	\$ 18,895	\$ 94	\$ 4,507,814
Expenditures:							
Instruction:							
Salaries of Teachers	\$ -	\$ 376,855	\$ -	1,079	\$ -	\$ -	\$ 753,578
Other Salaries for Instruction	-	167,046	-	-	-	-	177,753
Purchased Professional - Educational Services	-	-	-	-	-	-	55,873
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	264,210
General Supplies	-	32,155	-	-	-	-	82,987
Total Instruction	-	\$ 576,056	-	1,079	-	-	\$ 1,334,401
Support Services:							
Salaries of Other Professional Staff	-	233,773	-	-	-	-	423,775
Personal Services - Employee Benefits	-	257,624	-	-	-	-	395,711
Purchased Educational Services	7,602	504,750	-	-	-	-	1,063,441
Other Purchased Services (400-500 Series)	-	17,988	-	-	-	-	20,214
Supplies and Materials	-	-	-	-	-	-	44,062
Other Objects	-	-	-	-	-	-	69
Student Activity	-	-	-	-	19,234	-	19,234
Scholarship Activity	-	-	-	-	-	200	200
Total Support Services	7,602	1,014,135	-	-	19,234	200	1,966,706
Facilities Acquisition & Construction Services:							
Buildings	-	-	21,105	-	-	-	1,216,159
Instructional Equipment	-	-	-	-	-	-	69,158
Noninstructional Equipment	-	-	-	-	-	-	88,119
Total Facilities Acquisition & Construction Services	-	-	21,105	-	-	-	1,373,436
Total Expenditures	7,602	1,590,191	21,105	1,079	19,234	200	4,674,543
Other Financing Sources/(Uses):							
Local Contribution - Transfer to Special Revenue Fund - Regular	-	166,284	-	-	-	-	166,284
Total Other Financing Sources/(Uses)	-	166,284	-	-	-	-	166,284
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	-	-	-	-	(339)	(106)	(445)
Fund Balance, July 1	-	-	-	-	8,568	5,604	14,172
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ 8,229	\$ 5,498	\$ 13,727

**EATONTOWN PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2023**

<u>DISTRICT-WIDE TOTALS</u>	2023	2023	Variance
	Budgeted	Actual	
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 453,782	\$ 376,855	\$ 76,927
Salaries of Other Instruction	181,068	167,046	14,022
General Supplies	100,406	32,155	68,251
	<hr/>	<hr/>	
Total Instruction	735,256	576,056	159,200
	<hr/>	<hr/>	
Support Services:			
Salaries	179,680	233,773	(54,093)
Employee Benefits	384,432	257,624	126,808
Purchased Professional Services (300 Series)	396,000	504,750	(108,750)
Other Purchased Services (400-500 Series)	19,219	17,988	1,231
	<hr/>	<hr/>	
Total Support Services	979,331	1,014,135	(34,804)
	<hr/>	<hr/>	
Total Expenditures	\$ 1,714,587	\$ 1,590,191	\$ 124,396
	<hr/> <hr/>	<hr/> <hr/>	

SUMMARY OF LOCATION TOTALS

Total revised 2022-23 Preschool Education Aid Allocation	1,497,000
Add: Budgeted Transfer from General Fund	166,284
Add: Actual PEA Carryover (June 30, 2022)	<hr/> 53,400
Total Preschool Education Aid Funds Available for the 2022-23 Budget	<hr/> 1,716,684
Less: 2022-23 Budgeted Preschool Education Aid (Including prior year budget carryover)	<hr/> (1,714,587)
Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2022	2,097
Add: June 30, 2023 Unexpended Preschool Education Aid	<hr/> 124,396
2022-23 Carryover - Preschool Education Aid Programs	<hr/> <hr/> \$ 126,493
2022-23 Prechool Education Aid Carryover Budgeted for Prechool Programs 2022-23	<hr/> <hr/> \$ 229,970

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F. Capital Projects Fund

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EXHIBIT F-1

EATONTOWN PUBLIC SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES
 YEAR ENDED JUNE 30, 2023

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Original Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2023</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Roofing Replacement Project	9/30/2021	\$ 4,678,943	\$ 1,784,958	\$ 1,825,231	\$ 1,068,754
Total		\$ 4,678,943	\$ 1,784,958	\$ 1,825,231	\$ 1,068,754

**EATONTOWN PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2023**

Expenditures and Other Financing Uses:		
Other Purchased Professional and Technical Services	\$	135,023
Legal Services		7,990
Construction Services		1,682,091
Other Objects		127
		<hr/>
Total Expenditures and Other Financing Uses		1,825,231
		<hr/>
Excess (Deficiency) of Revenues and Other Financing Sources		
Over (Under) Expenditures and Other Financing Uses		(1,825,231)
		<hr/>
Fund Balance, July 1		2,893,985
		<hr/>
Fund Balance, June 30	\$	1,068,754
		<hr/> <hr/>

**EATONTOWN PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
ROOFING REPLACEMENT PROJECT
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Energy Savings Improvement Plan Proceeds	\$ 4,678,943	\$ -	\$ 4,678,943	\$ 4,678,943
Total Revenues and Other Financing Sources	4,678,943	-	4,678,943	4,678,943
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	225,003	135,023	360,026	333,647
Legal Services	59,293	7,990	67,283	67,000
Construction Services	1,500,662	1,682,091	3,182,753	4,278,169
Other Objects	-	127	127	127
Total Expenditures and Other Financing Uses	1,784,958	1,825,231	3,610,189	4,678,943
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 2,893,985	\$ (1,825,231)	\$ 1,068,754	\$ -

Additional Project Information:

	<u>Name of Project:</u>	
	<u>Roofing Replacement Project</u>	
<u>Project Numbers</u>	Grant Date	9/30/2021
	Bond Authorization Date	9/30/2021
	Bonds Authorized	\$ 4,678,943
	Bonds Issued	\$ 4,678,943
	Original Authorized Cost	\$ 4,678,943
	Additional Authorized Cost	\$ -
	Revised Authorized Cost	\$ 4,678,943
	Percentage Increase over Original Authorized Cost	0.00%
	Percentage Completion	77.16%
	Original Target Completion Date	6/30/2023
	Revised Target Completion Date	N/A

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I. Long-Term Debt

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EATONTOWN PUBLIC SCHOOL DISTRICT
 LONG-TERM DEBT
 SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES
 YEAR ENDED JUNE 30, 2023

PURPOSE	DATE OF PURCHASE	PURCHASE TERM	AMOUNT OF ORIGINAL ISSUE		INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2022		AMOUNT OUTSTANDING JUNE 30, 2023	
			PRINCIPAL	INTEREST		ISSUED	RETIRED	ISSUED	RETIRED
ESIP Lease	9/30/2021	20 Years	\$ 4,290,000	\$ 1,333,439	2.125 - 4.00%	\$ 4,290,000	\$ -	\$ 210,000	\$ 4,080,000
Total						\$ 4,290,000	\$ -	\$ 210,000	\$ 4,080,000

EATONTOWN PUBLIC SCHOOL DISTRICT
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 1,274,278	\$ -	\$ 1,274,278	\$ -
State Sources:				
Debt Service Aid Type II	656,447	-	656,447	-
Total Revenues	1,930,725	-	1,930,725	-
Expenditures:				
Regular Debt Service:				
Interest	665,725	-	665,725	2
Redemption of Principal	1,265,000	-	1,265,000	-
Total Regular Debt Service	1,930,725	-	1,930,725	2
Total Expenditures	1,930,725	-	1,930,725	2
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	2
Fund Balance, July 1,	1	-	1	-
Fund Balance, June 30,	1	-	1	3

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STATISTICAL SECTION (Unaudited)

Third Section

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Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. The Exhibits are presented for the last ten fiscal years.

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EATONTOWN PUBLIC SCHOOL DISTRICT
 NET POSITION BY COMPONENT
 LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
Net Investment in Capital Assets	\$ 8,578,281	\$ 5,944,172	\$ 4,946,344	\$ 4,504,614	\$ 3,718,335	\$ 3,020,056	\$ 2,566,955	\$ 3,742,240	\$ 2,298,997	\$ 2,247,055
Restricted	4,063,931	5,996,447	4,010,099	4,010,146	4,036,141	4,152,378	4,162,347	3,522,483	2,522,942	3,340,079
Unrestricted (Deficit)	(2,486,594)	(5,838,421)	(3,515,294)	(3,694,477)	(4,044,919)	(4,137,791)	(4,092,430)	(4,616,844)	(233,433)	(1,083,121)
Total Governmental Activities										
Net Position	\$ 10,155,618	\$ 6,102,198	\$ 5,441,149	\$ 4,820,282	\$ 3,709,558	\$ 3,034,643	\$ 2,636,871	\$ 2,647,878	\$ 4,588,506	\$ 4,504,013
Business-Type Activities:										
Net Investment in Capital Assets	\$ 134,722	\$ 22,843	\$ 22,311	\$ 17,285	\$ 19,206	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted (Deficit)	83,244	151,117	101,084	98,120	109,265	120,708	80,038	51,061	4,114	6,311
Total Business-Type Activities										
Net Position	\$ 217,966	\$ 173,960	\$ 123,395	\$ 115,405	\$ 128,471	\$ 120,708	\$ 80,038	\$ 51,061	\$ 4,114	\$ 6,311
District-Wide:										
Net Investment in Capital Assets	\$ 8,713,003	\$ 5,967,015	\$ 4,968,655	\$ 4,521,899	\$ 3,737,541	\$ 3,020,056	\$ 2,566,955	\$ 3,742,240	\$ 2,298,997	\$ 2,247,055
Restricted	4,063,931	5,996,447	4,010,099	4,010,146	4,036,141	4,152,378	4,162,347	3,522,483	2,522,942	3,340,079
Unrestricted (Deficit)	(2,403,350)	(5,687,304)	(3,414,210)	(3,596,357)	(3,935,654)	(4,017,083)	(4,012,392)	(4,565,783)	(229,319)	(1,076,810)
Total District Net Position										
	\$ 10,373,584	\$ 6,276,158	\$ 5,564,544	\$ 4,935,688	\$ 3,838,029	\$ 3,155,351	\$ 2,716,909	\$ 2,698,939	\$ 4,592,620	\$ 4,510,324

Source: ACFR Schedule A-1

EATONTOWN PUBLIC SCHOOL DISTRICT
 CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
 LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 8,337,630	\$ 8,334,942	\$ 8,352,303	\$ 7,608,725	\$ 10,194,067	\$ 11,384,675	\$ 9,798,518	\$ 5,804,105	\$ 6,066,077	\$ 6,195,152
Special Education	3,544,976	3,445,120	3,577,093	3,260,638	3,867,453	4,347,017	3,254,742	1,879,435	1,714,360	1,563,496
Other Special Education	-	-	-	-	-	-	-	585,390	654,988	628,942
Other Instruction	1,272,430	1,214,575	1,082,807	1,058,736	1,512,709	1,863,893	1,205,047	106,045	112,221	95,262
Support Services:										
Tuition	1,658,507	1,586,896	1,573,522	1,635,889	1,779,016	1,219,954	786,871	445,815	636,574	722,222
Student & Instruction Related Services	5,032,601	5,001,098	5,213,277	3,816,025	3,418,891	3,475,028	2,881,040	2,525,549	2,439,848	2,217,382
Other Administrative Services	599,294	586,193	564,112	507,806	581,189	549,469	497,742	419,603	354,893	370,118
Central Services	403,758	419,462	418,219	385,902	403,214	405,581	347,357	258,416	217,268	243,784
Administration Information Technology Services	-	-	9,937	2,844	5,558	14,748	10,317	13,393	3,872	6,250
School Administrative Services	840,827	890,491	938,942	887,293	910,840	950,851	844,205	630,219	629,442	667,931
Plant Operations & Maintenance	3,241,472	2,784,345	2,743,229	2,303,947	2,664,873	2,697,657	2,283,368	1,722,143	1,805,738	1,663,393
Pupil Transportation	1,368,411	1,606,970	1,622,019	1,122,060	1,504,600	1,548,051	1,228,626	788,365	761,055	751,359
Transfer to Charter Schools	-	80,338	39,660	-	-	-	-	-	761,055	-
Unallocated Benefits	-	-	-	-	-	-	-	7,969,907	4,338,163	4,641,968
Interest & Other Charges	485,297	735,430	701,426	747,360	791,610	814,457	905,658	931,910	1,123,855	1,163,043
Unallocated Depreciation	-	-	-	-	-	-	-	1,062,405	1,019,096	973,149
Total Governmental Activities	26,785,203	26,685,860	26,836,547	23,337,224	27,634,020	29,271,381	24,043,492	25,142,698	21,877,450	21,903,451
Expenses										
Business-Type Activities:										
Food Service	534,263	584,872	301,847	320,656	411,337	389,403	398,104	375,783	429,091	392,162
Total Business-Type Activities	534,263	584,872	301,847	320,656	411,337	389,403	398,104	375,783	429,091	392,162
Expense										
Total District Expenses	\$ 27,319,466	\$ 27,270,732	\$ 27,138,394	\$ 23,657,880	\$ 28,045,357	\$ 29,660,784	\$ 24,441,596	\$ 25,518,482	\$ 22,306,541	\$ 22,295,613
Program Revenues:										
Charges for Services	-	-	-	-	-	-	-	54,141	12,945	75,416
Operating Grants & Contributions	5,792,371	5,635,007	5,792,004	2,916,442	6,486,647	8,556,628	3,335,728	6,986,151	1,950,152	1,871,807
Total Governmental Activities	5,792,371	5,635,007	5,792,004	2,916,442	6,486,647	8,556,628	3,335,728	7,040,292	1,963,097	1,947,223
Program Revenues										
Business-Type Activities:										
Charges for Services:										
Food Service	156,286	38,900	2,979	88,823	124,812	137,468	127,761	123,848	155,212	122,658
Operating Grants & Contributions	421,983	596,537	306,857	218,767	294,288	292,605	299,320	295,645	271,681	266,775
Total Business Type Activities	578,269	635,437	309,836	307,590	419,100	430,073	427,081	419,493	426,893	389,433
Program Revenues										
Total District Program Revenues	\$ 6,370,640	\$ 6,270,444	\$ 6,101,840	\$ 3,224,033	\$ 6,905,748	\$ 8,986,701	\$ 3,762,809	\$ 7,459,785	\$ 2,389,991	\$ 2,336,656
Net (Expense)/Revenue:										
Governmental Activities	\$ (20,992,832)	\$ (21,050,853)	\$ (21,044,543)	\$ (20,420,782)	\$ (21,147,373)	\$ (20,714,753)	\$ (20,707,764)	\$ (18,102,406)	\$ (19,914,353)	\$ (19,956,228)
Business-Type Activities	44,006	50,565	7,989	(13,066)	7,763	40,670	28,977	43,710	(2,197)	(2,730)

EATONTOWN PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total District-Wide Net Expense	\$ (20,948,826)	\$ (21,000,288)	\$ (21,036,553)	\$ (20,433,847)	\$ (21,139,609)	\$ (20,674,083)	\$ (20,678,787)	\$ (18,058,696)	\$ (19,916,551)	\$ (19,958,958)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 16,754,274	\$ 16,392,377	\$ 16,070,958	\$ 15,755,841	\$ 15,446,903	\$ 14,992,181	\$ 14,519,827	\$ 13,748,136	\$ 13,364,766	\$ 13,206,960
Taxes Levied for Debt Service	1,274,278	1,312,640	1,286,109	1,289,936	1,289,343	1,216,839	1,377,311	1,329,458	1,346,882	1,339,127
Grants & Contributions	6,584,642	3,964,106	4,159,635	4,387,863	4,675,459	4,633,132	4,730,498	3,682,077	5,275,845	5,586,643
Tuition Received	57,339	-	-	51,337	227,418	224,719	52,779	-	-	-
Transportation Charges	-	11,583	-	-	-	-	-	-	-	-
Miscellaneous Income	375,719	31,196	32,040	46,529	183,164	45,654	16,342	8,029	11,354	9,663
Total Governmental Activities	25,046,252	21,711,902	21,548,742	21,531,506	21,822,288	21,112,524	20,696,757	18,767,700	19,998,847	20,142,393
Total District-Wide	\$ 25,046,252	\$ 21,711,902	\$ 21,548,742	\$ 21,531,506	\$ 21,822,288	\$ 21,112,524	\$ 20,696,757	\$ 18,767,700	\$ 19,998,847	\$ 20,142,393
Change in Net Position:										
Governmental Activities	\$ 4,053,420	\$ 661,049	\$ 504,199	\$ 1,110,724	\$ 674,915	\$ 397,772	\$ (11,007)	\$ 665,294	\$ 84,493	\$ 186,166
Business-Type Activities	44,006	50,565	7,989	(13,066)	7,763	40,670	28,977	43,710	(2,197)	(2,730)
Total District	\$ 4,097,426	\$ 711,614	\$ 512,189	\$ 1,097,658	\$ 682,678	\$ 438,442	\$ 17,970	\$ 709,004	\$ 82,296	\$ 183,436

Source: ACFR Schedule A-2

**EATONTOWN PUBLIC SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Restricted	\$ 2,981,448	\$ 3,088,289	\$ 3,978,351	\$ 4,010,146	\$ 4,036,141	\$ 4,152,378	\$ 4,088,258	\$ 3,620,233	\$ 2,967,645	\$ 2,981,372
Assigned	357,379	698,094	296,536	561,563	161,088	291,408	364,924	725,484	816,304	415,315
Unassigned	1,995,973	552,987	679,058	205,052	246,453	69,326	52,733	-	-	-
Total General Fund	\$ 5,334,800	\$ 4,339,370	\$ 4,953,946	\$ 4,776,761	\$ 4,443,682	\$ 4,513,112	\$ 4,505,914	\$ 4,345,717	\$ 3,783,949	\$ 3,396,686
All Other Governmental Funds:										
Restricted										
Debt Service Fund	\$ 3	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 74,089	\$ 74,088	\$ 74,088	\$ -
Capital Projects Fund	1,068,754	2,893,985	-	-	-	-	-	-	-	-
Special Revenue Fund	13,726	-	-	-	-	-	-	-	-	-
Unassigned, Reported in:										
Special Revenue Fund	(149,699)	(134,083)	(63,682)	-	(31,418)	-	-	-	-	-
Total All Other Governmental Funds	\$ 932,784	\$ 2,759,903	\$ (63,682)	\$ -	\$ (31,418)	\$ -	\$ 74,089	\$ 74,088	\$ 74,088	\$ -

Source: ACFR Schedule B-1

EATONTOWN PUBLIC SCHOOL DISTRICT
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues										
Tax Levy	\$ 18,028,552	\$ 17,705,017	\$ 17,357,067	\$ 17,045,777	\$ 16,736,246	\$ 16,209,020	\$ 15,897,138	\$ 15,077,594	\$ 14,851,566	\$ 14,711,648
Tuition Charges	57,339	-	-	51,337	227,418	224,719	52,779	54,141	59,273	12,945
Miscellaneous	394,709	4,738,765	45,603	49,931	191,531	46,844	23,259	14,447	15,833	28,540
State Sources	11,665,050	9,931,030	8,500,948	8,444,904	8,064,529	7,474,068	7,227,155	6,938,113	6,675,923	6,401,394
Federal Sources	2,828,383	1,726,782	1,417,375	956,550	840,518	906,104	832,155	934,455	765,610	807,417
Total Revenues	32,974,033	34,101,594	27,320,994	26,548,498	26,060,242	24,860,755	24,032,486	23,018,750	22,368,204	21,961,944
Expenditures										
Instruction:										
Regular Instruction	6,037,244	6,005,887	5,827,987	5,681,512	5,843,632	5,895,162	6,321,923	5,804,105	6,017,072	6,066,077
Special Education Instruction	2,566,903	2,489,900	2,500,233	2,434,752	2,216,973	2,250,953	2,099,933	1,879,435	1,792,773	1,714,360
Other Special Instruction	-	-	-	-	-	-	-	585,390	-	-
Other Instruction	921,362	877,812	756,835	790,569	867,143	965,153	777,486	106,045	472,935	654,988
Support Services:										
Tuition	1,267,263	1,210,645	1,159,144	1,294,178	1,336,252	860,286	612,046	445,815	124,724	112,221
Health Services	313,018	349,416	327,670	355,188	350,842	352,346	328,317	-	-	-
Student & Instruction Related Services	3,532,386	3,465,928	3,512,721	2,663,731	2,217,150	2,098,170	1,912,619	2,525,549	352,293	636,574
Other Administrative Services	457,920	447,207	415,557	401,733	436,542	387,474	387,155	419,603	2,355,500	2,439,848
Central Services	308,510	320,008	308,084	305,293	302,861	286,007	270,182	641,940	641,940	629,442
Administration Information	-	-	7,320	2,250	4,175	10,400	8,025	13,393	280,419	217,268
Technology Services	642,475	679,357	691,677	701,952	684,149	670,520	656,641	630,219	384,182	354,893
School Administrative Services	2,637,265	2,124,181	2,033,707	1,822,690	2,001,635	1,902,330	1,776,054	1,771,719	10,075	3,872
Plant Operations & Maintenance	1,045,601	1,225,959	1,194,870	887,680	1,130,133	1,091,652	955,652	788,365	1,912,522	1,805,738
Pupil Transportation	8,275,033	8,213,763	6,567,727	6,470,963	6,456,459	6,032,456	5,641,689	5,090,072	4,638,563	4,400,781
Business and Other Support Services:										
Other	-	-	-	-	-	-	-	-	774,392	761,055
Transfer to Charter Schools	-	80,338	39,660	-	-	-	-	-	-	-
Capital Outlay	3,870,019	2,413,335	32,318	417,062	359,594	168,787	90,566	109,857	173,322	171,038
Debt Service:										
Principal	1,265,000	1,260,000	1,165,000	1,125,000	1,080,000	1,040,000	1,050,000	1,000,000	950,000	900,000
Interest & Other Charges	665,723	728,849	783,650	829,450	873,550	915,951	983,998	1,029,000	1,331,440	1,140,730
Total Expenditures	33,805,722	31,892,585	27,324,159	26,184,002	26,161,090	24,927,647	23,872,286	22,456,982	22,212,151	22,008,886
Other Financing Sources/(Uses):										
Proceeds of Refunding Bonds	-	-	-	-	-	-	-	-	23,712,043	-
Deposit to Refunding Escrow	-	-	-	-	-	-	-	-	(23,406,745)	-
Total Other Financing Sources/(Uses)	-	-	-	-	-	-	-	-	305,298	-
Net Change in Fund Balances	\$ (831,689)	\$ 2,209,009	\$ (3,165)	\$ 364,496	\$ (100,848)	\$ (66,891)	\$ 160,200	\$ 561,767	\$ 461,351	\$ (46,942)
Debt Service as a Percentage of Noncapital Expenditures	6.06%	6.65%	7.68%	8.07%	8.07%	8.51%	9.31%	9.93%	11.45%	10.22%

Source: ACFR Schedule B-2

EATONTOWN PUBLIC SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

FISCAL YEAR ENDING JUNE 30.	INTEREST ON INVESTMENTS	TUITION FROM OTHER LEA's	TUITION OTHER	TRANSPORTATION FEES	MISCELLANEOUS	TOTAL
2023	\$ -	\$ -	\$ 57,339	\$ -	\$ 375,720	\$ 433,059
2022	-	-	-	11,583	31,196	42,779
2021	-	-	-	-	32,040	32,040
2020	-	51,337	-	-	46,529	97,866
2019	-	227,418	-	-	183,164	410,582
2018	-	224,719	-	-	45,654	270,373
2017	12,186	52,779	-	-	4,157	69,122
2016	6,087	54,141	-	-	1,942	62,170
2015	3,939	12,945	-	-	7,415	24,299
2014	3,974	58,004	-	17,412	5,689	85,079
Total	<u>\$ 26,186</u>	<u>\$ 681,343</u>	<u>\$ 57,339</u>	<u>\$ 28,995</u>	<u>\$ 733,506</u>	<u>\$ 1,527,369</u>

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

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EATONTOWN PUBLIC SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	OFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ACTUAL (COUNTY EQUALIZED) VALUE
2023	\$ 20,324,300	\$ 1,542,140,900	\$ 543,400	\$ 14,500	\$ 927,624,800	\$ 231,546,600	\$ 239,883,400	\$ 2,962,077,900	N/A	N/A	\$ 2,970,187,411	0.628	\$ 3,357,603,605
2022	21,332,600	1,301,090,800	472,200	15,900	828,589,900	216,927,000	190,814,300	2,559,242,700	N/A	N/A	2,566,789,392	0.703	2,712,786,411
2021	25,897,100	1,129,645,200	436,900	15,900	806,675,500	209,852,700	194,023,000	2,366,546,300	N/A	7,546,692	2,374,170,730	0.747	2,553,807,962
2020	24,664,100	1,090,143,900	427,700	15,900	788,433,400	200,236,000	191,006,800	2,294,929,800	N/A	7,281,331	2,302,211,131	0.754	2,375,913,698
2019	22,456,900	1,059,395,400	418,600	15,900	775,943,600	200,459,500	190,976,600	2,249,666,500	N/A	7,160,750	2,256,827,250	0.755	2,315,533,422
2018	22,149,800	1,011,224,100	402,100	15,900	777,468,900	200,902,900	190,944,400	2,203,108,100	N/A	7,064,920	2,210,173,020	0.757	2,332,460,731
2017	22,940,500	990,210,600	384,000	14,500	769,993,700	199,249,500	193,788,700	2,176,581,500	133,050,122	7,023,070	2,050,554,448	0.742	2,306,810,785
2016	25,545,000	981,605,200	386,000	14,500	770,972,500	191,896,000	193,796,700	2,164,215,900	N/A	6,832,461	2,171,048,361	0.732	2,086,507,982
2015	27,778,200	957,096,500	408,600	13,900	754,117,100	182,089,800	163,884,100	2,085,388,200	410,480,300	6,521,434	1,681,429,334	0.721	2,076,996,330
2014	32,786,600	869,596,840	379,500	13,900	766,767,300	178,485,300	163,809,800	2,011,839,240	410,151,600	6,412,287	1,608,099,927	0.736	2,060,110,356

Source: Monmouth County Board of Taxation
 Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.
 Reassessment occurs when ordered by the County Board of Taxation
 a. Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
 b. Tax rates are per \$100
 Note: There was a property revaluation in 2009

**EATONTOWN PUBLIC SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	BOROUGH OF EATONTOWN	REGIONAL RATE	MONMOUTH COUNTY	
2023	0.628	-	0.628	0.664	0.408	0.271	1.971
2022	0.703	-	0.703	0.768	0.424	0.276	2.171
2021	0.747	-	0.747	0.826	0.425	0.302	2.300
2020	0.754	-	0.754	0.803	0.429	0.294	2.280
2019	0.755	-	0.755	0.803	0.424	0.000	2.277
2018	0.757	-	0.757	0.803	0.437	0.314	2.311
2017	0.742	-	0.742	0.803	0.413	0.275	2.233
2016	0.732	-	0.732	0.789	0.406	0.307	2.234
2015	0.721	-	0.721	0.789	0.420	0.311	2.241
2014	0.724	-	0.724	0.761	0.429	0.311	2.225

Source: Municipal Tax Collector, Monmouth County Board of Taxation.

EATONTOWN PUBLIC SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAX PAYERS,
 CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2023		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE

DATA NOT AVAILABLE

Total	\$ -	0.000%
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Taxpayer	2014		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE

DATA NOT AVAILABLE

Total	\$ -	-
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Source: Municipal Tax Assessor

**EATONTOWN PUBLIC SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2023	\$ 18,028,552	\$ 18,028,552	100.00%	-
2022	17,705,017	17,705,017	100.00%	-
2021	17,357,067	17,357,067	100.00%	-
2020	17,045,777	17,045,777	100.00%	-
2019	16,736,246	16,736,246	100.00%	-
2018	16,209,020	16,209,020	100.00%	-
2017	15,897,138	15,897,138	100.00%	-
2016	15,077,594	15,077,594	100.00%	-
2015	14,851,566	13,498,414	90.89%	1,353,152.00
2014	14,711,648	14,711,648	100.00%	-

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

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

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for historical view of the School District's outstanding debt and its debt capacity.

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**EATONTOWN PUBLIC SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES		TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES			
2022	\$ 13,215,000	\$ 4,080,000	\$ 17,295,000	0.26%	44,792
2021	14,480,000	4,290,000	18,770,000	0.24%	44,792
2020	15,740,000	-	15,740,000	N/A	N/A
2019	16,905,000	-	16,905,000	N/A	N/A
2018	18,030,000	-	18,030,000	0.46%	82,551
2017	19,110,000	-	19,110,000	0.42%	79,471
2016	20,150,000	-	20,150,000	0.38%	75,916
2015	21,200,000	-	21,200,000	0.34%	73,071
2014	22,200,000	-	22,200,000	0.32%	70,678
2013	24,294,000	-	24,294,000	0.28%	67,392

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.
See Exhibit J-14 for personal income and population data.

**EATONTOWN PUBLIC SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	ESTIMATED SCHOOL DISTRICT POPULATION	NET ASSESSED VALUATION TAXABLE	NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
2023	13,545	\$ 2,970,187,411	\$ 13,215,000	0.44%	976
2022	N/A	2,566,789,392	14,480,000	0.56%	N/A
2021	N/A	2,374,170,730	15,740,000	0.66%	N/A
2020	12,132	2,302,211,131	16,905,000	0.73%	1,393
2019	12,175	2,256,827,250	18,030,000	0.80%	1,481
2018	12,238	2,210,173,020	19,110,000	0.86%	1,562
2017	12,297	2,050,554,448	20,150,000	0.98%	1,639
2016	12,238	2,171,048,361	21,200,000	0.98%	1,732
2015	12,198	1,681,429,334	22,200,000	1.32%	1,820
2014	12,181	1,608,099,927	24,294,000	1.51%	1,994

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.
See Exhibit J-6 for property tax data.
Population data can be found in Exhibit J-14.

**EATONTOWN PUBLIC SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
YEAR ENDED JUNE 30, 2023**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Borough of Eatontown	\$ 20,726,650	100.0%	\$ 20,726,650
Other Debt:			
County of Monmouth - Township's Share (%)	525,781,712	2.03%	10,673,369
Borough of Eatontown Sewerage Authority	1,742,359	100.0%	<u>1,742,359</u>
Subtotal, Overlapping Debt			33,142,378
Eatontown Borough School District Direct Debt			<u>13,215,000</u>
Total Direct & Overlapping Debt			<u><u>\$ 46,357,378</u></u>

Sources: Monmouth County Office of the Treasurer, Borough of Eatontown, Borough of Eatontown Sewerage Authority, Borough of Eatontown Housing Authority

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

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

EATONTOWN PUBLIC SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 (Dollars in Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit	\$ 113,943,034	\$ 101,290,671	\$ 95,893,193	\$ 90,922,531	\$ 86,990,410	\$ 83,735,984	\$ 62,236,147	\$ 62,116,236	\$ 62,776,292	\$ 66,168,531
Total Net Debt Applicable to Limit	13,215,000	14,480,000	15,740,000	16,905,000	18,030,000	19,110,000	21,200,000	22,200,000	24,294,000	25,194,000
Legal Debt Margin	\$ 100,728,034	\$ 86,810,671	\$ 74,017,531	\$ 74,017,531	\$ 68,960,410	\$ 64,625,984	\$ 41,036,147	\$ 39,916,236	\$ 38,482,292	\$ 40,974,531
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	11.60%	14.30%	16.41%	18.59%	20.73%	22.82%	34.06%	35.74%	38.70%	38.08%

Legal Debt Margin Calculation

	2022	2021	2020
Average Equalized Valuation of Taxable Property	\$ 3,301,396,672	\$ 2,697,804,246	\$ 2,546,526,631
Debt Limit (4% of Average Equalization Value)	\$ 113,943,034	\$ 113,943,034	\$ 113,943,034
Net Bonded School Debt	\$ 13,215,000	\$ 13,215,000	\$ 13,215,000
Legal Debt Margin	\$ 8,545,727,549	\$ 2,848,575,850	\$ 100,728,034

Source: Equalized valuation bases were obtained from the Monmouth County Board of Taxation

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts.

Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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**EATONTOWN PUBLIC SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2023	13,545	606,707,640	44,792	3.1%
2022	13,593	608,857,656	\$ 44,792	5.1%
2021	13,579	N/A	N/A	9.9%
2020	12,132	N/A	N/A	10.6%
2019	12,175	1,005,058,425	82,551	3.6%
2018	12,238	972,566,098	79,471	4.2%
2017	12,297	933,539,052	75,916	4.4%
2016	12,238	894,242,898	73,071	5.7%
2015	12,198	862,130,244	70,678	5.6%
2014	12,181	820,901,952	67,392	6.6%

Source: U.S. Department of Commerce, Bureau of Economic Analysis. These numbers are estimated by the Bureau and may be revised from year to year.

a Population information provided by the NJ Dept of Labor and Workforce Development. These numbers are estimated by the Department and may be revised from year to year.

b Personal income has been estimated based upon the county population and per capita personal income presented.

c Per capita personal income by county estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

d Unemployment data provided by the NJ Dept of Labor and Workforce Development. Note that that there is recent revised data for the years 2004 through 2010 due to the new unemployment estimation procedure.

EATONTOWN PUBLIC SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO

EMPLOYER	2023	
	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
DATA NOT AVAILABLE		
Total	-	0.00%
Total Employment - (Estimated)	-	

Source: Monmouth County Department of Economic Development and Tourism;
 The Borough of Eatontown, Official Statements

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

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**EATONTOWN PUBLIC SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Instruction:										
Regular	66	70	73	72	72	80	80	81	85	85
Special Education	36	39	42	33	29	24	24	28	26	24
Other Special Instruction	18	18	13	8	11	12	12	9	10	10
Support Services:										
Student & Instruction Related Services	28	26	25	26	24	28	28	28	27	25
General Administration	9	9	9	9	9	9	9	9	8	8
School Administrative Services	5	5	5	5	5	5	5	5	5	5
Central Services	8	8	10	10	10	10	10	10	10	9
Administrative Information Technology	2	2	2	2	2	2	2	2	2	2
Plant Operations & Maintenance	2	2	2	2	2	1	1	1	1	1
Pupil Transportation	11	11	11	11	11	8	8	8	8	7
Total	185	190	192	178	175	179	179	181	182	176

Source: District Personnel Records

EATONTOWN PUBLIC SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO (d)		AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEM	MIDDLE				
2023	924	\$ 23,108,332	\$ 25,009	2.76%	120	8:1	8:1	928.79	863.61	0.81%	92.98%
2022	927	22,560,804	24,337	-2.45%	127	9:1	9:1	921.31	848.72	3.28%	92.12%
2021	886	22,105,219	24,949	0.27%	128	9:1	9:1	892.07	842.27	-7.01%	94.42%
2020	957	23,812,490	24,882	44.97%	113	9:1	8:1	959.36	959.14	-2.73%	99.98%
2019	970	23,847,946	24,586	16.54%	112	9:1	8:1	956.29	921.54	-9.84%	96.37%
2018	1,049	18,004,314	17,163	-18.64%	116	10:1	10:1	986.28	933.08	-7.01%	94.61%
2017	1,035	21,834,265	21,096	9.33%	115	8:9:1	9:2:1	1,060.64	989.21	1.59%	93.27%
2016	1,053	20,318,126	19,295	2.64%	118	9:2:1	7:8:1	1,043.99	994.70	-1.46%	95.28%
2015	1,051	19,757,389	18,799	0.75%	121	9:1	7:6:1	1,059.50	1,012.00	-0.83%	95.52%
2014	1,061	19,797,118	18,659	16.37%	119	9:1	8:6:1	1,068.40	1,020.00	-0.29%	95.47%
2013	1,073	17,204,390	16,034	2.41%	122	9:7:1	10:2:1	1,071.50	1,023.00	2.98%	95.47%

Sources: District records

Note: Enrollment based on annual October district count from the year prior.

a Operating expenditures equal total expenditures less debt service, capital outlay, and on-behalf TPAF Pension and reimbursed TPAF social security contributions. J-4

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

d Pupil/Teacher ratio was obtained from the Comparative Spending Guide

EATONTOWN PUBLIC SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

<u>DISTRICT BUILDINGS</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Elementary Schools:										
Administration Offices (2008):										
Square Feet	1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,654
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Woodmere Elementary (1961):										
Square Feet	44,510	44,510	44,510	44,510	44,510	44,510	44,510	44,510	44,510	44,510
Capacity	384	305	305	305	305	305	305	305	305	305
Enrollment	314	305	213	222	222	222	222	222	239	254
Margaret L. Vetter Elementary (1954):										
Square Feet	33,635	33,635	33,635	33,635	33,635	33,635	33,635	33,635	33,635	33,635
Capacity	323	344	344	344	344	344	344	344	344	344
Enrollment	189	193	180	300	300	300	300	300	285	280
Meadowbrook Elementary (1964):										
Square Feet	43,850	43,850	43,850	43,850	43,850	43,850	43,850	43,850	43,850	43,850
Capacity	339	320	320	320	320	320	320	320	320	320
Enrollment	245	234	289	308	308	308	308	219	227	241
Middle School:										
Memorial Middle School (1955):										
Square Feet	53,070	53,070	53,070	53,070	53,070	53,070	53,070	53,070	53,070	53,070
Capacity	292	321	321	321	321	321	321	321	321	321
Enrollment	176	195	204	219	219	219	219	219	227	241

Number of Schools at June 30, 2023:
Elementary = 3
Middle School = 1
Other = 1

Source: District Facilities Office, District Records

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

EATONTOWN PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
 LAST TEN FISCAL YEARS

<u>SCHOOL FACILITIES</u>	<u>PROJECT # (s)</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Middle Schools:											
Memorial School	N/A	\$ 250,667	\$ 243,680	\$ 212,334	\$ 193,726	\$ 221,319	\$ 202,321	\$ 200,625	\$ 187,537	\$ 181,071	\$ 179,557
Elementary Schools:											
Woodmere School	N/A	241,298	234,573	204,400	186,487	213,048	194,761	193,128	179,996	182,734	181,990
Margaret L. Vetter Scho	N/A	244,014	237,213	206,700	188,585	215,445	196,952	195,301	180,979	274,703	190,417
Meadowbrook School	N/A	240,134	233,441	203,413	185,587	212,020	193,821	192,196	180,116	179,961	182,770
Grand Total		\$ 976,113	\$ 948,907	\$ 826,847	\$ 754,384	\$ 861,832	\$ 787,856	\$ 781,250	\$ 728,628	\$ 818,469	\$ 734,733

**EATONTOWN PUBLIC SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
UNAUDITED**

	COVERAGE	DEDUCTIBLE
SCHOOL PACKAGE POLICY (1):		
Building and Contents (All Locations)	\$ 45,248,408.00	\$ 5,000.00
Boiler and Machinery	100,000,000.00 *	25,000.00
General Liability	6,000,000.00	-
Automobile Liability	6,000,000.00	-
Auto Physical Damage	-	1,000.00
Electronic Data Processing	2,000,000.00	1,000.00
School Board Legal Liability	6,000,000.00	5,000.00
SCHOOL ACCIDENT INSURANCE (1):		
Compulsory	1,000,000.00	-
SURETY BONDS:		
School Business Administrator (1)	250,000.00	1,000.00
CRIME:		
Public Employee Dishonesty	100,000.00	1,000.00
Theft, Disappearance & Dishonesty	10,000.00	500.00
Forgery & Alteration	100,000.00	1,000.00
ENVIRONMENTAL LIABILITY (1):	1,000,000.00	50,000.00

(1) NJ School Boards Insurance Group

*Boiler and Machinery policy is pooled

Source: District Records

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SINGLE AUDIT SECTION

Fourth Section

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EXHIBIT K-1

**INDEPENDENT AUDITOR'S 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***

Honorable President and Members
of the Board of Education
Eatontown Public School District
County of Monmouth
Eatontown, NJ 07724

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Eatontown Public School District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated November 27, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Eatontown Public School 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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Eatontown Public School 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 entity'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.

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 have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School 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 determination of financial statement amounts. 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 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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.



Brian J. Waldron
Certified Public Accountant
Public School Accountant, #2600

Lakewood, New Jersey
November 27, 2023



EXHIBIT K-2

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08

Honorable President and Members
of the Board of Education
Eatontown Public School District
County of Monmouth
Eatontown, NJ 07724

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Eatontown Public School District's compliance with types of compliance requirements identified as subject to audit 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 School District's major federal and state programs for the fiscal year ended June 30, 2023. The Eatontown Public School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Eatontown Public School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2023.

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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Auditor's 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 Eatontown Public School 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 generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, New Jersey OMB's Circular 15-08 and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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. Noncompliance with compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and New Jersey OMB's Circular 15-08, we:

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

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in cursive script that reads "Brian J. Waldron".

Brian J. Waldron
Certified Public Accountant
Public School Accountant, #2600

Lakewood, New Jersey
November 27, 2023

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ESTON TOWN PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE OR CLUSTER	FEDERAL AWARD IDENTIFICATION NUMBER	ASSISTANCE LISTING	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2022	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	UNEARNED REVENUE	BALANCE, JUNE 30, 2023
														(ACCOUNTS RECEIVABLE)
U.S. Department of Health and Human Services														
Passed Through New Jersey Department of Human Services:														
Medicaid Cluster:														
Medical Assistance Program (SEMI)	2005NSMAP	93.778	100-03-3504211	\$ 57,805	7/1/22-6/30/23	\$ -	\$ -	\$ 50,216	\$ (57,805)	\$ -	\$ -	\$ -	\$ -	\$ (7,289)
FFCRA/SEMI	2005NSMAP	93.778	100-03-3504211	6,939	7/1/22-6/30/23	-	-	6,939	(6,939)	-	-	-	-	(7,289)
Total Medicaid Cluster				64,444				57,155	(64,444)					(7,289)
Total U.S. Department of Health and Human Services				64,444				57,155	(64,444)					(7,289)
U.S. Department of Agriculture														
Passed Through New Jersey Department of Agriculture:														
Child Nutrition Cluster:														
School Breakfast Program	21NF04N1099	10.553	100-01-3350428	46,853	7/1/22-6/30/23	-	-	36,009	(46,853)	-	-	-	-	(10,844)
School Breakfast Program	21NF04N1099	10.553	100-01-3350428	80,008	7/1/22-6/30/23	(7,831)	(7,831)	7,831	(46,853)	-	-	-	-	(10,844)
Subtotal				126,861		(7,831)	(7,831)	43,840	(93,706)					(21,688)
National School Lunch Program	21NF04N1099	10.555	100-01-3350428	221,003	7/1/22-6/30/23	-	-	176,138	(221,003)	-	-	-	-	(44,865)
National School Lunch Program	21NF04N1099	10.555	100-01-3350428	416,729	7/1/22-6/30/23	(35,464)	(35,464)	35,464	(221,003)	-	-	-	-	(44,865)
Healthy Hunger-Free Kids Act	21NF04N1099	10.555	100-01-3350426	6,020	7/1/22-6/30/23	-	-	6,020	(6,020)	-	-	-	-	-
Supply Chain Assistance Funding (1st/2nd Round)	21NF04N8903	10.555	100-01-3350428	43,101	7/1/21-6/30/22	-	-	43,101	(43,101)	-	-	-	-	-
Supply Chain Assistance Funding (3rd Round)	21NF04N8903	10.555	100-01-3350428	12,098	7/1/21-6/30/22	-	-	12,098	(12,098)	-	-	-	-	-
National School Lunch Program Equipment Assistance	2321H170341	10.579	100-01-3350428	22,372	7/1/22-6/30/23	-	-	22,372	(22,372)	-	-	-	-	-
Food Distribution Program (Noncash Assistance)	21NF04N1099	10.555	Unavailable	59,760	7/1/22-6/30/23	(35,464)	(35,464)	59,760	(59,760)	-	-	-	-	(45,765)
Subtotal				597,660		(71,328)	(71,328)	308,259	(597,660)					(95,530)
Total Child Nutrition Cluster				597,660		(71,328)	(71,328)	308,259	(597,660)					(95,530)
Total U.S. Department of Agriculture				597,660		(71,328)	(71,328)	308,259	(597,660)					(95,530)
Total U.S. Department of Education														
Passed Through New Jersey Department of Education:														
Non-Cash Left Behind (NCLB):														
Title I - Part A	S010A210030	84.010	100-034-5064194	388,047	7/1/21-9/30/23	-	-	195,946	(388,159)	-	-	-	-	(92,413)
Title I - Part A	S010A210030	84.010	100-034-5064194	338,916	7/1/21-9/30/22	(106,192)	(106,192)	106,192	(388,159)	-	-	-	-	(92,413)
Title II - Part A - Supporting Effective Instruction	S367A210029	84.367	100-034-5065290	33,671	7/1/21-9/30/23	-	-	28,105	(33,726)	-	-	-	-	(5,621)
Title II - Part A - Supporting Effective Instruction	S367A210029	84.367	100-034-5065290	11,779	7/1/21-9/30/22	(1,262)	(1,262)	1,262	(33,726)	-	-	-	-	(5,621)
Title III - English Language Acquisition	S365A210030	84.365	100-034-5064187	77,716	7/1/21-9/30/23	-	-	38,004	(61,773)	-	-	-	-	(23,769)
Title III - English Language Acquisition	S365A210030	84.365	100-034-5064187	163,322	7/1/21-9/30/22	(26,334)	(26,334)	26,334	(61,773)	-	-	-	-	(23,769)
Title III - Immigrant	S365A210030	84.365	100-034-5064187	3,709	7/1/22-9/30/23	-	-	2,645	(2,645)	-	-	-	-	-
Title III - Immigrant	S365A190030	84.365	100-034-5064187	11,779	7/1/21-9/30/22	(200)	(200)	200	(2,645)	-	-	-	-	-
Title IV	S365A210030	84.424	100-034-5064187	22,300	7/1/21-9/30/23	-	-	20,626	(21,070)	-	-	-	-	(444)
Title IV	S365A200030	84.424	100-034-5064187	23,415	7/1/21-9/30/22	(4,254)	(4,254)	4,254	(21,070)	-	-	-	-	(444)
Special Education Cluster:														
ARP - L.D.E.A.	H027X210100	84.027X	100-034-5064094	56,271	7/1/21-9/30/22	(44,268)	(44,268)	54,031	(9,932)	-	-	-	-	(169)
L.D.E.A. Part B	H027A210100	84.027	100-034-5065016	419,863	7/1/22-9/30/23	-	-	373,465	(456,378)	-	-	-	-	(82,913)
L.D.E.A. Part B	H027A201000	84.027	100-034-5065016	452,298	7/1/21-9/30/22	(100,820)	(100,820)	100,820	(456,378)	-	-	-	-	(82,913)
ARP - L.D.E.A. Preschool	H173X210114	84.173X	100-034-5064094	295	7/1/21-9/30/22	-	-	5,329	(5,329)	-	-	-	-	(83,082)
L.D.E.A. Preschool	H173A210114	84.173	100-034-5065020	15,251	7/1/22-9/30/23	-	-	34,023	(33,924)	-	-	-	-	99
L.D.E.A. Preschool	H173A201114	84.173	100-034-5065020	19,198	7/1/21-9/30/22	(426)	(426)	426	(33,924)	-	-	-	-	99
Total Special Education Cluster				611,325		(145,514)	(145,514)	568,094	(505,563)				99	(83,082)
Total U.S. Department of Education				611,325		(145,514)	(145,514)	568,094	(505,563)				99	(83,082)
Total Expenditures of Federal Awards				1,263,545		(283,256)	(283,256)	991,662	(913,136)				99	(206,125)
Passed Through New Jersey Department of Education:														
Non-Cash Left Behind (NCLB):														
Title I - Part A	S425I210027	84.425U	100-034-5120513	2,333,592	3/13/20-9/30/24	-	-	1,447,345	(1,456,803)	-	-	-	-	(94,458)
Title I - Part A	S425I210027	84.425U	100-034-5120513	95,366	3/13/20-9/30/24	-	-	38,459	(44,105)	-	-	-	-	(6,646)
ARP - Evidence Based Comprehensive Beyond the School Day	S425I210027	84.425U	100-034-5120513	40,000	3/13/20-9/30/24	-	-	15,241	(16,001)	-	-	-	-	(760)
ARP - Mental Health Support Staffing	S425I210027	84.425U	100-034-5120513	40,000	3/13/20-9/30/24	-	-	6,701	(17,425)	-	-	-	-	(10,722)
ARP - Homeless Children, Youth	S425I210027	84.425U	100-034-5064233	22,228	3/13/20-9/30/24	-	-	22,226	(22,226)	-	-	-	-	(174)
COVID CARES Education Stabilization Fund - ESSER	S425I210027	84.425D	100-034-5120513	2,038,538	3/13/20-9/30/22	(20,000)	(20,000)	2,038,538	(2,038,538)	-	-	-	-	-
CARES ACT 2-ESSER II	S425I210027	84.425D	100-034-5120513	1,618,336	3/13/20-9/30/23	(63,277)	(63,277)	350,324	(371,164)	-	-	-	-	(84,117)
ARP - Mental Health	S425I210027	84.425D	100-034-5120513	45,000	3/13/20-9/30/24	(180,839)	(180,839)	1,925,655	(1,953,941)	-	-	-	-	(29,125)
Total Non-Cash Left Behind (NCLB)				1,263,545		(283,256)	(283,256)	991,662	(913,136)				99	(206,125)
Total Expenditures of Federal Awards				1,263,545		(283,256)	(283,256)	991,662	(913,136)				99	(206,125)
Total Expenditures of Federal Awards				1,263,545		(283,256)	(283,256)	991,662	(913,136)				99	(206,125)
The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule														

EATONTOWN PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEARENDED JUNE 30, 2023

GRANTOR STATE PROJECT NUMBER	STATE GRANTOR/ PROGRAM TITLE	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2022	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	REPAYMENT OF PRIOR YEARS BALANCES	ADJUSTMENT	BALANCE JUNE 30, 2023		MEMO CUMULATIVE TOTAL EXPENDITURES
											UNEARNED REVENUE	ACCOUNTS RECEIVABLE	
New Jersey Department of Education:													
General Fund:													
	Special Aid Public:												
495-034-5120-089	Special Education Categorical Aid	\$ 753,200	7/1/22-6/30/23	\$ -	\$ -	\$ 753,200	\$ (753,200)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 753,200
495-034-5120-084	Security Aid	284,164	7/1/22-6/30/23	-	-	284,164	(284,164)	-	-	-	-	-	284,164
495-034-5120-078	Equitization Aid	591,427	7/1/22-6/30/23	-	-	591,427	(591,427)	-	-	-	-	-	591,427
495-034-5120-135	Other State Aids	100,000	7/1/22-6/30/23	-	-	100,000	(100,000)	-	-	-	-	-	100,000
495-034-5120-128	Maintenance of Equity State Aid	1,673,019	7/1/22-6/30/23	-	-	282,180	(1,673,019)	-	-	(1,673,019)	-	-	1,673,019
495-034-5120-114	Substitution Aid	282,180	7/1/22-6/30/23	-	-	282,180	(282,180)	-	-	-	-	-	282,180
495-034-5120-148	Supplemental Stabilization Aid	96,348	7/1/22-6/30/23	-	-	96,348	(96,348)	-	-	-	-	-	96,348
Total State Aid Public													
	Transportation Aid	259,295	7/1/22-6/30/23	-	-	259,295	(259,295)	-	-	-	-	-	259,295
	Extracurricular Aid	327,534	7/1/22-6/30/23	-	-	327,534	(327,534)	-	-	-	-	-	327,534
	Additional Non-Public Transportation Aid	285,611	7/1/21-6/30/22	(285,611)	-	285,611	(31,058)	-	-	(31,058)	-	-	31,058
	Additional Non-Public Transportation Aid	26,009	7/1/21-6/30/22	(26,009)	-	26,009	(687,406)	-	-	(687,406)	-	-	687,406
	Reimbursed TPAF Social Security Contributions	687,406	7/1/21-6/30/22	(33,783)	-	33,783	-	-	-	-	-	-	687,406
	Reimbursed TPAF Social Security Contributions	681,556	7/1/21-6/30/22	-	-	875,441	(875,441)	-	-	-	-	-	875,441
	TPAF - Post Retirement	875,441	7/1/22-6/30/23	-	-	3,332,504	(3,332,504)	-	-	-	-	-	3,332,504
	Medical (Noncash Assistance)	3,332,504	7/1/22-6/30/23	-	-	1,297	(1,297)	-	-	-	-	-	1,297
	TPAF - Pension	1,297	7/1/22-6/30/23	(345,403)	-	7,574,096	(9,334,873)	-	-	(2,106,180)	-	-	188,809
	TPAF - Long-Term Disability												
	TPAF - Noncash Assistance)												
Total General Fund													
	Special Revenue Fund:												
	Non-Public Aid:												
	Textbooks	11,946	7/1/22-6/30/23	-	-	11,946	(11,873)	-	-	-	-	-	11,873
	Textbooks	11,284	7/1/21-6/30/22	4	-	20,720	(10,258)	-	(4)	-	-	73	10,258
	Nursing Services	21,056	7/1/21-6/30/22	8,523	-	7,602	(7,602)	-	(8,523)	-	10,462	-	7,602
	Technology Initiative	7,602	7/1/22-6/30/23	-	-	44,280	(44,277)	-	-	-	-	3	44,277
	Security Aid	44,280	7/1/22-6/30/23	14,307	-	-	-	-	(14,307)	-	-	-	-
	Auxiliary Services Aid (Chapter 192):	32,900	7/1/22-6/30/23	-	-	93,889	(44,652)	-	-	-	49,237	-	44,652
	Compensatory Education	93,889	7/1/22-6/30/23	47,947	-	-	-	-	(47,947)	-	-	-	-
	Compensatory Education	85,012	7/1/21-6/30/22	-	-	88,407	(56,995)	-	-	-	31,412	-	56,995
	Handicapped Services (Chapter 193):	88,407	7/1/22-6/30/23	-	-	29,263	-	-	(29,263)	-	-	-	-
	Examination and Classification	75,716	7/1/21-6/30/22	1,029	-	1,513,582	(1,590,191)	-	-	(111,427)	-	-	1,590,191
	Anti-Bully Grant	1,334	7/1/13-6/30/14	(34,818)	-	34,818	-	-	-	-	-	-	-
	Preschool Education Aid	1,497,000	7/1/22-6/30/23	(34,818)	-	-	-	-	-	-	-	-	-
	Preschool Education Aid	1,482,552	7/1/21-6/30/22	-	-	-	(21,105)	-	-	-	-	-	21,105
	SDA Emergent Needs	21,105	7/1/22-6/30/23	66,255	-	1,780,426	(1,786,953)	-	(100,044)	-	1,029	-	1,786,953
Total Special Revenue Fund													
	Debt Service Fund:												
	Debt Service Aid	656,447	7/1/22-6/30/23	-	-	656,447	(656,447)	-	-	-	-	-	656,447
Total Debt Service Fund													
New Jersey Department of Agriculture:													
	Enterprise Fund:												
	National School Breakfast Program	891	7/1/22-6/30/23	-	-	678	(891)	-	-	(213)	-	-	891
	National School Lunch Program	8,985	7/1/22-6/30/23	-	-	7,173	(8,985)	-	-	(1,812)	-	-	8,985
	National School Lunch Program	10,563	7/1/21-6/30/22	(816)	-	816	-	-	-	-	-	-	-
Total Enterprise Fund													
	Total State Financial Assistance												
		\$ (279,964)		\$ -	\$ 10,019,656	\$ (11,788,149)	\$ -	\$ -	\$ (100,044)	\$ -	\$ 1,029	\$ (2,340,737)	\$ 91,187
													\$ 338,509
													\$ 11,788,149
State Financial Assistance Programs not Subject to Calculation for Major Program Determination:													
	TPAF - Post Retirement	875,441	7/1/22-6/30/23			\$	\$ 875,441						
	TPAF - Post Retirement (Noncash Assistance)												
	Contributions (Noncash Assistance)	3,332,504	7/1/22-6/30/23				3,332,504						
	TPAF - Long-Term Disability	1,297	7/1/22-6/30/23				1,297						
	Insurance (Noncash Assistance)												
Total State Financial Assistance Subject to Calculation for Major Program Determination													
													\$ (7,578,907)

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

EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2023

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Eatontown Public School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2023. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2023.

EATONTOWN PUBLIC SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2023 (Continued)

Note 3. Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A.* 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June 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 one or more state aid June payments in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$52,089 for the general fund and (\$103,138) for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 64,444	\$ 9,386,963	\$ 9,451,407
Special Revenue Fund	2,763,939	1,621,640	4,385,579
Debt Service Fund	-	656,447	656,447
Food Service Fund	412,107	9,876	421,983
Total Awards & Financial Assistance	<u>\$ 3,240,490</u>	<u>\$ 11,674,926</u>	<u>\$ 14,915,416</u>

Note 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.

Note 5. Federal and State Loans Outstanding

The Eatontown Public School District had no loan balances outstanding at June 30, 2023.

**EATONTOWN PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified	
Internal control over financial reporting:		
1) Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> none reported
Noncompliance material to financial statements noted?	_____ yes	_____ <u>X</u> no

Federal Awards

Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> none reported
Type of auditor's report issued on compliance for major programs	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?	_____ yes	_____ <u>X</u> no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425	S425D210027 S425U210027 S425W210027	Education Stablization Fund

Dollar threshold used to determine Type A programs	\$ _____	750,000
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Auditee qualified as low-risk auditee?	_____ <u>X</u> yes	_____ no
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**EATONTOWN PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I - Summary of Auditor's Results (Continued)

State Financial Assistance

Dollar threshold used to determine Type A programs	\$	750,000
Auditee qualified as low-risk auditee?	<u> X </u>	yes <u> </u> no
Internal control over major programs:		
1) Material weakness(es) identified?	<u> </u>	yes <u> X </u> no
2) Significant deficiency(ies) identified?	<u> </u>	yes <u> X </u> none reported
Type of auditor's report issued on compliance for major programs		Unmodified
Any audit findings disclosed that are required to be reported in accordance with New Jersey OMB's Circular 15-08?		
	<u> </u>	yes <u> X </u> no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5120-089	State Aid Public:
495-034-5120-084	Special Education Categorical Aid
495-034-5120-078	Security Aid
495-034-5120-135	Equalization Aid
495-034-5120-128	Other State Aids
495-034-5120-114	Maintenance of Equity State Aid
495-034-5120-148	Stabilization Aid
	Supplemental Stabilization Aid

**EATONTOWN PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.

**EATONTOWN PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section III - Federal Awards & State Financial Assistance Findings & Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**EATONTOWN PUBLIC SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
YEAR ENDED JUNE 30, 2023**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with Government Auditing Standards, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.