



Greater Brunswick
Charter School



***Greater Brunswick Charter
School***

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

PREPARED BY

GREATER BRUNSWICK CHARTER SCHOOL

GREATER BRUNSWICK CHARTER SCHOOL

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January 30, 2024

The Commissioner
New Jersey Department of Education
Riverview Executive Plaza – Bldg. 100
P. O. Box 500
Trenton, New Jersey 08625-0500

Dear Commissioner:

We hereby submit the Annual Comprehensive Financial Report of the Greater Brunswick Charter School (the “Charter School” or “GBCS”) for the fiscal year ended June 30, 2023.

Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Charter School. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and are reported in a manner designed to fairly present the financial position and result of operations of the various funds of the Charter School. All disclosures necessary to enable the reader to gain an understanding of the Charter School’s financial activities have been included.

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction overview and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Greater Brunswick Charter School’s MD&A can be found immediately following the Independent Auditor’s Report.

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the Charter School’s organizational chart and a list of principal officials. The financial section includes the independent auditor’s report, management’s discussion and analysis (MD&S) and the basic financial statements including the Charter School-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements and required supplemental information (RSI). The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

New Jersey Department of Education
The Commissioner
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The Charter School is required to undergo an annual single audit in conformity with the provisions of the *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the New Jersey OMB's Circular 15-08, "*Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*". Information related to this single audit, including the auditor's report on internal control and compliance with applicable *laws and regulations* and findings and recommendations are included in the single audit section of this report.

Information related to this single audit, including the auditor's report on internal control and compliance with applicable *laws and regulations* and findings and recommendations are included in the single audit section of this report.

1) Reporting Entity and Its Services

The Greater Brunswick Charter School is an independent reporting entity within the criteria adopted by the Government Accounting Standards Board (GASB) as established by National Council on Governmental Accounting (NCGA) Statement No. 3. All funds and account groups of the Charter School are included in this report.

The overarching mission of the Charter School is to inspire and empower its students, families and staff with opportunities to successfully shape and transform their lives by becoming successful, lifelong learners who possess the critical-thinking, academic, advocacy, and leadership skills required to continuously open new doors in their lives and the lives of others.

The Charter School is open to all New Brunswick students on a space available basis and does not discriminate in its admission policies or practices on the basis of intellectual or athletic ability, measures of achievement or aptitude, status as a handicapped person, proficiency in the English language, or any other basis that would be illegal if used by a charter school.

By the end of 2022-2023 school year, the Charter School had a student enrollment of 395.

2) Economic Outlook

The Greater Brunswick Charter School is located in the City of New Brunswick, (the City), in the County of Middlesex within the State of New Jersey. The City of New Brunswick is experiencing a period of normalization after considerable development and expansion with its revitalization program. The City of New Brunswick continues to be a leader in municipal growth and revitalization. The City has supported the school district and charter schools at a high funding level for many years, and the taxation level continues to be above the state averages. Due to the state's dire economic condition there may continue to be increases in the near future concerning local funding.

2) **Economic Outlook** - *continued*

The Greater Brunswick Charter School receives a nominal 90% of the per pupil funding from each of its sending districts, as determined by the New Jersey Department of Education-in fact, given the method of calculating that aid (which excludes facilities aid and Abbott aid), the school receives far less than 90%. This reduced level of funding requires the Charter School to find economies where possible, and to rely on participation from its membership to perform tasks that support the School. The region of residence encompasses three districts: Edison, Highland Park and New Brunswick, which provide a large pool of potential students. The region is growing, and enrollments in all districts are expected to increase. The large number of resident students, and the School's ability to draw students from outside the region of residence, should ensure adequate enrollment to meet projected growth. However, the financial stability of charter schools throughout the State of New Jersey is in jeopardy. With per pupil funding levels rising slowly or remaining flat over the past several years and costs - particularly health benefits, facility costs, and salaries – increasing substantially, charter schools, including GBCS, face tightening budgets and potential revenue shortfalls. The continued economic viability of GBCS will depend on careful planning and management, fundraising outside the traditional revenue sources, and significant changes in the public policy that determines the amount and type of funding that charter schools receive.

4) Internal Accounting Controls

Management of the Charter School is responsible for establishing and maintaining internal control designed to ensure the assets of the Charter School 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). The system of internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5) Budgetary Controls

In addition to internal accounting controls, the Charter School maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with the statutory requirements of charter school budgets. Annual appropriated budgets are adopted for general and special revenue funds. The final budget amount, as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year end are either canceled or are included as re-appropriations of fund balance in the subsequent year.

During the 2022-2023 fiscal school, the Charter School continued its efforts to improve its audit status and operational processes and procedures, correcting deficiencies identified in previous audits and reviews and on maintaining general compliance with sound fiscal practices.

6) **Accounting System and Report**

The Charter School’s accounting records reflect generally accepted accounting principles (GAAP), as promulgated by the Governmental Accounting Standards Board (GASB). The accounting records also reflect New Jersey State Statute (N.J.S.A 18:4-14) that requires a uniform system of double-entry bookkeeping consistent with the GAAP established by GASB for us in all school districts and charter school. The accounting system is organized on the basis of funds in accordance with the Uniform Charter of Accounts (Handbook 2R2) for New Jersey Public Schools. These funds are explained in “Notes to the Financial Statements”, Note 1.

7) **Financial Statement Information at Fiscal Year-End**

As demonstrated by the various statements and schedules included in the financial section of this report, the Charter School continues to meet its responsibility for sound financial management. The following schedule presents a summary of the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund for the fiscal year ended June 30, 2023 fiscal year:

**Summary of the General Fund, Special Revenue Fund,
Capital Projects Fund and Debt Service Fund**

Revenue	2023	2022	Increase/ (decrease)	% Change
Local sources	\$ 2,136,423	\$ 2,429,020	\$ (292,597)	-12.05%
State sources	6,071,098	5,566,590	504,508	9.06%
Federal sources	1,276,072	1,178,488	97,584	8.28%
Special item -PPP Loan Forgiveness	-	714,195	(714,195)	-100.00%
	<u>\$ 9,483,593</u>	<u>\$ 9,888,293</u>	<u>\$ (404,700)</u>	<u>-4.09%</u>

The Charter School experienced an insignificant decrease in revenue of about 4.09% which was due to the forgiven PPP loan revenue in the prior year ended June 30, 2022.

7) **Financial Statement Information at Fiscal Year-End** *continued*

The following schedule presents a summary of General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2023:

**Summary of the General Fund, Special Revenue Fund,
Capital Projects Fund and Debt Service Fund**

Expenditures	2023	2022	Increase/ (decrease)	% Change
Instruction	\$ 3,489,812	\$ 3,586,157	\$ (96,345)	-2.69%
Administrative	3,584,309	3,299,193	285,116	8.64%
Support	1,552,492	1,137,953	414,539	36.43%
Capital outlay	60,911	85,660	(24,749)	100.00%
Debt service	550,981	549,133	1,848	0.34%
	<u>\$ 9,238,505</u>	<u>\$ 8,658,096</u>	<u>\$ 578,561</u>	<u>6.68%</u>

The Charter School’s expenditures increased by about 6.68% over last year’s – a small increase because enrollment was at the same level as last year’s.

8) **Cash Management**

The investment policy of the Charter School is guided in large part by state statute as detailed in “Notes to the Financial Statements”. The Charter School has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provision of 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. The law requires governmental units to deposit public funds in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9) **Risk Management**

The Board carries various forms of insurance, including but not limited to general liability and comprehensive/collision, hazard and theft insurance on property and contents, fidelity bonds and worker’s compensation.

10) **Other Information**

Independent Audit

State statute requires an annual audit by independent Certified Public Accountants or registered Municipal Accountants. The Charter School appointed the accounting firm of Olugbenga Olabintan, CPA. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet 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 Circular Letter 15-08 “*Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*”.

The auditor’s report on the basic financial statements is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.

11) **Acknowledgments**

A note of appreciation is extended to the Finance Committee of the Charter School for their ongoing support and commitment to fiscal integrity and to the Greater Brunswick Charter School Board of Trustees for their selfless dedication to improving student achievement.

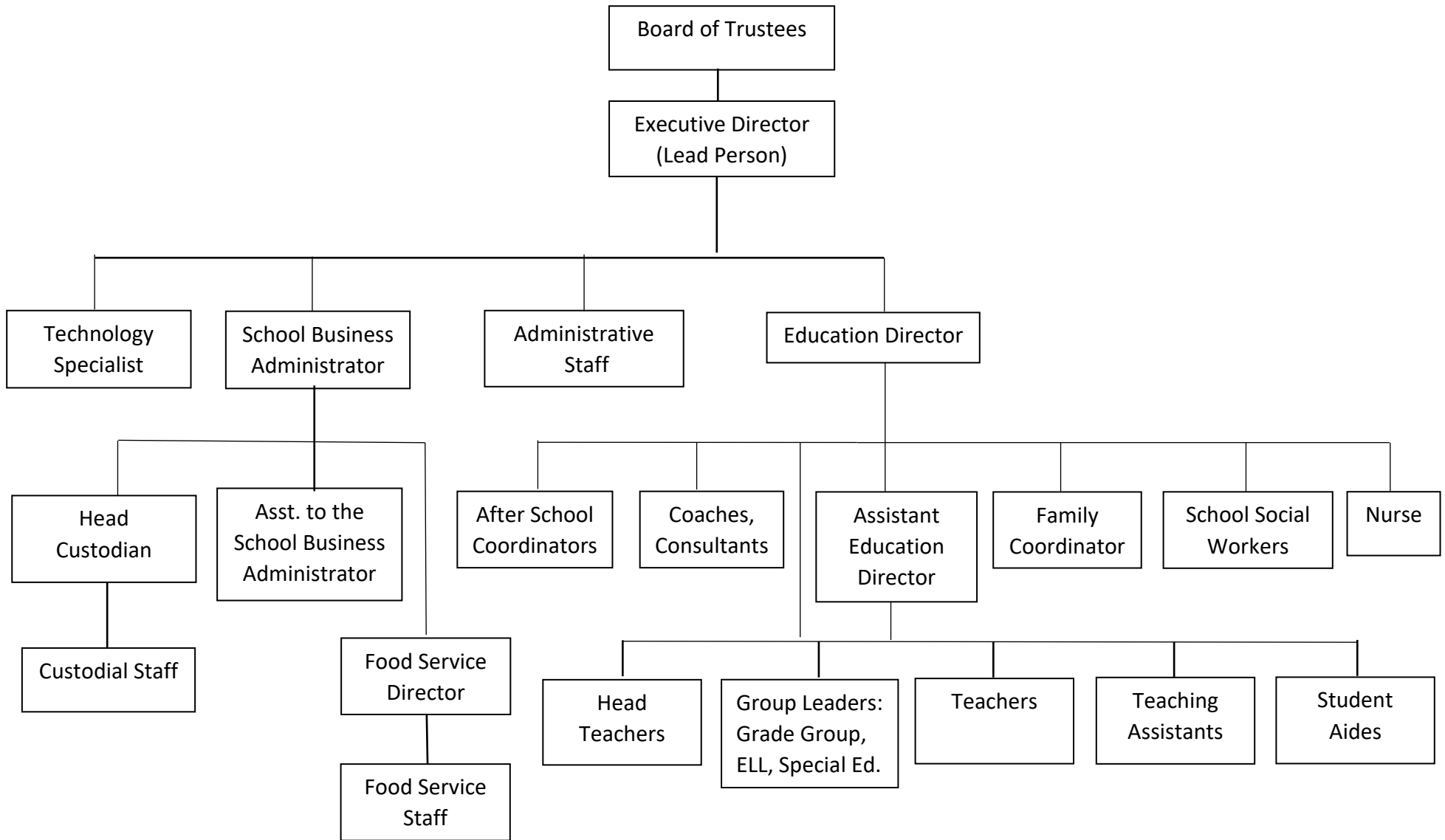
A special note of appreciation is extended to the Business Office and to all of the business operations staff members for their untiring efforts to improve processes, procedures and audit outcomes. Their contributions in support of the students and staff of the Greater Brunswick Charter School are truly noteworthy. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial, accounting and administrative staff.

Respectively submitted

Dr. Brian Falkowski

Dr. Brian Falkowski
Board Secretary/School Business Administrator

Greater Brunswick Charter School – Organizational Chart



GREATER BRUNSWICK CHARTER SCHOOL

Roster of Trustees and Officers

June 30, 2023

Members of Board of Trustees

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Susan Jackson	Chairperson	June 2023
Lynell Burgos	Vice Chairperson	June 2024
Shamara Gatling-Davila	Trustee	June 2023
Sean Hewitt	Trustee	June 2025
Jonina Mazzeo	Trustee	June 2023
Miriam Santana	Trustee	June 2024
Danielle Clement	Trustee	June 2024
Kenneth King	Trustee	June 2025
Arthur J. Tippin	Trustee	June 2025

Two Teacher Representatives in Rotating Schedule

Administration

Vanessa Jones, Education Director

Dr. Brian Falkowski, Business Administrator/Board Secretary

GREATER BRUNSWICK CHARTER SCHOOL

Consultants and Advisor

Independent Auditors

Olugbenga Olabintan
Certified Public Accountant/Consultant
137 Camden Street
Newark, NJ 07103

Attorney

Johnston Law Firm LLC
75 Midland Avenue Suite 1
Montclair, NJ 07042

Official Depository

PNC Bank
New Brunswick, New Jersey

US Bank
333 Thornall Street, 4th Floor
Edison, New Jersey 08837

Financial Section

Olugbenga Olabintan

Certified Public Accountant/Consultant

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Newark, NJ 07103

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Independent Auditors' Report

The Honorable President and
Members of the Board of Trustees
Greater Brunswick Charter School
New Brunswick, New Jersey
County of Middlesex

Report on the Financial Statements

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Charter School as of June 30, 2023, and the respective changes in net position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the 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 Charter School 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 the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 Charter School'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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 (GAAS), *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 judgement 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 Charter School, Inc.'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 Charter School, Inc.'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension information and other postemployment benefits information be presented to supplement the basic financial statements. Such information is the responsibility of management and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter School's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB 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 of the Charter School. Such information is the responsibility of management and was derived from and relate 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 combining and individual nonmajor fund financial statements, 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 section, financial schedules and statistical section 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 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 January 30, 2024 on our consideration of the Charter School'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 the 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 Charter School's internal control over financial reporting and compliance.

Olugbenga Olabintan, CPA

January 30, 2024
Newark, New Jersey

OLUGBENGA OLABINTAN
Certified Public Accountant/Consultant



Olugbenga Olabintan, CPA
Licensed Public School Accountant
No. 20CS00230200

Required Supplementary Information

Part I

Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) provides an analysis of the Charter School's overall financial position and results of operations.

GREATER BRUNSWICK CHARTER SCHOOL
Management's Discussion and Analysis
Year Ended June 30, 2023
(Unaudited)

Introduction

This section of the Greater Brunswick Charter School's annual financial report presents our discussion and analysis of the Charter School's financial performance and provides an overview of the Charter School's financial activities for the fiscal year ended June 30, 2023. It should be read in conjunction with the transmittal letter at the front of this report and the Charter School's financial statements, which follow this section.

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

Financial Highlights

Key financial highlights for fiscal year 2023 are as follows:

- Net position of governmental activities ended the fiscal year with a positive \$1,703,291. Net position of business-type activities, which represent food service operations ended the fiscal year with \$-0-.
- General revenues accounted for \$8,173,770 in revenue or 83 percent of total revenues of \$9,851,292. Program specific revenues, in the form of charges for services, grants, and contributions accounted for \$1,677,522 or 17 percent of total revenues.
- The Charter School had \$9,063,406 in expenses related to governmental activities; \$1,311,062 of these expenses is offset by operating grants and contributions. General revenues (primarily State aid) of \$8,113,601 helped to provide for the balance of these programs.
- The General Fund reported fund surplus at June 30, 2023, of \$2,969,784.
- During the previous fiscal year ended June 30, 2020, the Charter School applied for and was approved a \$714,195 loan under the Paycheck Protection Program created as part of the relief efforts related to COVID-19. The loan was funded on May 18, 2020. On September 24, 2021 the Organization was informed by the SBA that the entire PPP loan balance has been forgiven. The loan amount of \$714,195 was recognized as revenue during the prior year ended June 30, 2022.

GREATER BRUNSWICK CHARTER SCHOOL
Management's Discussion and Analysis
Year Ended June 30, 2023
(Unaudited)

Using the Basic Financial Statements

This annual report consists of a series of basic financial statements, required supplementary information, other supplementary information and notes to those statements and information.

The report is organized so the reader can understand the Greater Brunswick Charter School as a financial whole, or as an entire operating entity. The first two basic financial Statements, the Statement of Net Position and the Statement of Activities, are governmental-wide financial statements and provide overall information about the activities of the entire Charter School, presenting both an aggregate view of the Charter School's finances and a long-term view of those finances. The remaining basic financial statements are fund financial statements that focus on the individual parts of the government, reporting the Charter School's operation in more detail than the government-wide statements. The fund financial statements also look at the Charter School's most significant funds with all other non-major funds presented in total in a single column. For the Greater Brunswick Charter School, the General Fund is the most significant fund.

The governmental funds statements tell how general government services were financed in the short-term as well as what remains for future spending.

Proprietary fund statements offer short and long-term financial information about the activities, the government operates like a business, such as food service.

Fiduciary fund statements provide information about financial relationship in which the Charter School acts solely as a trustee or agent for the benefits of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of Required Supplementary Information that further explains and supports the information in the financial statements.

Reporting the Charter School as a Whole

Statement of Net Position and Statements of Activities

While this report contains the fund used by the Charter School to provide programs and activities, the view of the Charter School as a whole looks at all financial transactions and asks the question, "how did we do financially during fiscal year 2023?" The statements of Net Position and the Statement of Activities answer this question. These Statements include all the Charter School's assets and liabilities using the accrual basis of accounting similar to the accounting system used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash was received or paid.

GREATER BRUNSWICK CHARTER SCHOOL
Management's Discussion and Analysis
Year Ended June 30, 2023
(Unaudited)

Statement of Net Position and Statement of Activities-continued

These two statements report the Charter School's net position and changes in those assets. This change in net position is important because it identifies whether the financial position of the Charter School has improved or diminished for the Charter School as a whole. The cause of this change may be the result of many factors some financial, some not. Non-financial factors include the property tax base of the School District where the Charter School is located, current educational funding laws in New Jersey, facilities conditions, required educational programs, and other factors. In the Statements of Net Position and the Statements of Activities, the Charter School is divided into two distinct kinds of activities:

Governmental Activities – Most of the Charter School's programs and services are reported here including instructions, extracurricular activities, curriculum, staff development, special education and other support services, operation and maintenance of plant, pupil transportation, health services and general administration.

Business-Type Activity – Services are provided on a charge for goods or services or reimbursement basis to recover the expenses of the goods or services provided. The food service operations/after care programs enterprise fund is reported as a business activity.

Reporting the Charter School's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the Charter School's major funds-not the Charter School as a whole. Funds are accounting devices that the Charter School uses to keep track of a multitude of financial transactions. The Charter School's only major governmental fund is the General Fund.

Governmental Funds

Most of the Charter School's activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal year-end for spending in future periods. These funds are reported using an accounting method called modified accrual accounting. Which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statement provides a detailed short-term view of the Charter School's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs. The relationship, or differences, between governmental activities reported in the Statement of Net Position and the Statement of Activities and the governmental funds are reconciled in the financial statements.

GREATER BRUNSWICK CHARTER SCHOOL
Management's Discussion and Analysis
Year Ended June 30, 2023
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Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The Charter School as a Whole

The perspective of the Statement of Net Position is of the Charter School as a whole. Net position may serve over time as useful indicator of a government's financial position. In the case of the Charter School, liabilities exceeded assets by \$1,703,291 at the close of 2023. The following table provides a summary of net position relating to the Charter School's governmental and business type activities:

	Governmental Activities		Business Type Acvtivities		Total	
	2023	2022	2023	2022	2023	2022
Assets and deferred outflows of resources						
Current assets	\$ 4,294,566	\$ 4,145,799	\$ 90,809	\$ 101,565	\$ 4,385,375	\$ 4,247,364
Capital assets, net	6,545,284	6,713,448	-	-	6,545,284	6,713,448
Deferred outflows of resources	347,469	222,242	-	-	347,469	222,242
Total assets and deferred outflows of resources	11,187,319	11,081,489	90,809	101,565	11,278,128	11,183,054
Liabilities and deferred outflows of resources:						
Current liabilities	137,191	173,343	90,809	(8,793)	228,000	164,550
Long term liabilities	9,011,604	8,631,750	-	-	9,011,604	8,631,750
Deferred outflows of resources	335,233	934,362	-	-	335,233	934,362
Total liabilities and deferred inflows of resources	9,484,028	9,739,455	90,809	(8,793)	9,574,837	9,730,662
Net position						
Invested in						
Capital assets						
(net of related debt)	(659,720)	(611,139)	-	-	(659,720)	(611,139)
Restricted for student activity	87,944	89,183	-	-	87,944	89,183
Restricted for debt service	881,890	857,592	-	-	881,890	857,592
Restricted for capital projects	217,757	187,638	-	-	217,757	187,638
Unrestricted	1,175,420	818,760	-	110,358	1,175,420	929,118
Total net position	\$ 1,703,291	\$ 1,342,034	\$ -	\$ 110,358	\$ 1,703,291	\$ 1,452,392

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The largest portion of the Charter School's net position is its current assets. The Charter School uses these current assets to provide services.

The total net position of the Charter School increased by \$250,899 during the current fiscal year ended June 30, 2023. The majority of the increase is attributable to a surplus of \$361,257 in the Governmental Activities.

The table that follows reflects the change in net position for fiscal year 2023.

	Governmental Activities		Business Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charge for services			\$1,720	\$5,451	\$1,720	\$5,451
Operating grants and contributions	\$1,311,062	\$1,191,487	364,740	464,627	1,675,802	1,656,114
Total program revenues	<u>1,311,062</u>	<u>1,191,487</u>	<u>366,460</u>	<u>470,078</u>	<u>1,677,522</u>	<u>1,661,565</u>
General revenues:						
Local aid	2,050,584	2,068,691	-	-	2,050,584	2,068,691
Federal and state aid	6,037,952	5,557,127	-	-	6,037,952	5,557,127
Miscellaneous	85,234	351,143	-	-	85,234	351,143
Transfers	(60,169)	-	60,169	-	-	-
Special items		714,195			-	714,195
Total general revenues	<u>8,113,601</u>	<u>8,691,156</u>	<u>60,169</u>	<u>-</u>	<u>8,173,770</u>	<u>8,691,156</u>
Total revenues	<u>9,424,663</u>	<u>9,882,643</u>	<u>426,629</u>	<u>470,078</u>	<u>9,851,292</u>	<u>10,352,721</u>
Expenses:						
Instructions	3,489,812	3,586,157	-	-	3,489,812	3,586,157
Administrative & support services	4,913,121	4,090,791	-	-	4,913,121	4,090,791
Debt service - interest	431,398	434,553	-	-	431,398	434,553
Unallocated depreciation	229,075	233,755	-	-	229,075	233,755
Food service	-	-	536,987	461,202	536,987	461,202
After school programs	-	-	-	1,140	-	1,140
Total expenses	<u>9,063,406</u>	<u>8,345,256</u>	<u>536,987</u>	<u>462,342</u>	<u>9,600,393</u>	<u>8,807,598</u>
Change in net position	<u>\$ 361,257</u>	<u>\$ 1,537,387</u>	<u>\$ (110,358)</u>	<u>\$ 7,736</u>	<u>\$ 250,899</u>	<u>\$ 1,545,123</u>

Governmental Activities

The Statement of Activities reflects the cost of program services and the charges for services and operating grants and contributions offsetting those services. The table below, for government activities, indicates the total cost of services and the net cost of services. It identifies the cost of these services supported by unrestricted state entitlements for the fiscal year ended June 30, 2023.

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Governmental Activities - *continued*

	Total Cost of Services	Net Cost of Services
	<u> </u>	<u> </u>
Instruction	\$ 3,489,812	\$ 2,671,000
Administrative & support services	4,913,121	4,481,782
Debt service	431,398	431,398
Unallocated depreciation	229,075	168,164
Total Expenses	<u>\$ 9,063,406</u>	<u>\$ 7,752,344</u>

Business-Type Activity

The business-type activity of the Charter School consists of the food service operation and the after-school programs. These programs had revenues of \$426,629 (including a board contribution of \$60,169) and operating expenses of \$536,987 for fiscal year 2023. The Charter School intended to have food services be self-operating without assistance from the General Fund.

The Charter School's Funds

The Charter School's governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had revenues of \$9,483,593 and expenditures of \$9,238,505. The positive change in fund balance for the year was \$184,919. The cumulative fund balance from the prior years was 3,972,456.

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

During the course of fiscal 2023, the Charter School amended its General Fund budget as needed. The Charter School uses state-aid and other revenue-based budget. The budgeting systems are designed to tightly control total budget, but provide flexibility for Charter School's management teams.

For the General Fund, final budgeted revenues were \$6,848,586, which included a local tax levy of \$2,050,584. Expenditures and other financing uses were budgeted at \$7,269,656. The Charter School anticipated budgeted fund balance of \$2,416,976 in its 2022-2023 budget year.

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The State of New Jersey reimbursed the Charter School \$162,489 during the year ended June 30, 2023 for the employer's share of social security contributions for TPAF members. Also, the State paid \$1,049,696 into the TPAF pension representing on-behalf employer's portion of the TPAF Pension System Contributions, TPAF Post-Retirement Medical Benefits Contributions and TPAF Long Term Disability Insurance Premium Contributions for the Charter School. The unbudgeted amounts were included in both revenues and expenditures.

Capital Assets

At the end of fiscal year 2023, the Charter School had \$6,545,284 invested in capital assets in its governmental activities.

The Charter School's 2023-2024 budget does not anticipate any significant spending on capital projects.

Long-term debt

At June 30, 2023, the Charter School had \$7,205,004 in long-term debt (\$129,167 of which was due within a year) – Serial Bonds issued in 2014. The Charter School had \$1,806,600 at June 30, 2023 in net pension liability regarding the Public Employees Retirement System. More detailed information about the Charter School's long term obligations is presented in the notes to the financial statements.

Economic Factors and Next Year's Budget

The State of New Jersey and indeed the entire United States continue to face serious budgetary constraints and a result of the sharp downturn in the economy. These impact the amount of state and federal aids allocated to charter schools. This reality was taken into account when adopting the general fund budget for 2023-2024. Nothing was done to compromise the quality of the programs in place in our Charter School during the regular instructional day. The budget was prepared to ensure that all students have the textbooks, materials, supplies, equipment and programs they need to meet New Jersey's Core Curriculum Content Standards. The budget was adopted with a redirection of funds to maintain the quality of the regular school day.

GREATER BRUNSWICK CHARTER SCHOOL
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COVID-19 and Paycheck Protection Program Loan

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, as of March 21, 2020, New Jersey State Governor Phil Murphy ordered the closure of the physical location of every “non-life sustaining” and “non-essential” business for what may be an extended period of time. The Charter School had to close its physical locations. Future potential impacts may include continued disruptions or restrictions on its employees’ ability to work and impairment of its ability to obtain grants and contributions. Though the impact on the Charter School’s operations cannot be reasonably estimated at this date, it is likely that there will be an impact on certain revenue in the General Fund and other state aid and the local tax levy. Nonetheless, the degree of any future impact to the Charter School's operations and finances is difficult to predict due to the dynamic nature of the COVID-19 pandemic and any additional actions that may be taken by governmental and other health care authorities to manage the COVID-19 pandemic.

To date, the overall finances and operations of the Charter School have not been materially adversely affected by the COVID-19 pandemic.

During the previous fiscal year ended June 30, 2022, the Charter School applied for and was approved a \$714,195 loan under the Paycheck Protection Program created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration.

The loan was funded on May 18, 2020. On September 24, 2021 the Organization was informed by the SBA that the entire PPP loan balance has been forgiven. The loan amount of \$714,195 was recognized as revenue during the prior year ended June 30, 2022.

Contacting the Charter School’s Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Charter School’s finances and to reflect the Charter School’s accountability for the monies it receives. Questions about this report or additional financial information needs should be directed to:

GREATER BRUNSWICK CHARTER SCHOOL
Business Office, 429 Joyce Kilmer Avenue
New Brunswick, New Jersey 07017
Tel: (732) 448-1052* Fax: (732) 448-1055

Basic Financial Statements

Government-wide Financial Statements

The government-wide financial statements provide a financial overview of the Charter School's operations. These financial statements present the financial position and operating results of all governmental activities and business-type activities as of and for the Year Ended June 30, 2023.

Statement of Net Position

June 30, 2023

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 2,267,539	\$ 15,742	\$ 2,283,281
Restricted cash and cash equivalents	956,963	-	956,963
Accounts receivable	979,255	75,067	1,054,322
Other current assets	-	-	-
Interfund receivables	90,809	-	90,809
Capital assets (net of accum deprec of \$3,363,782)	6,545,284	-	6,545,284
Right-of-use assets (net of accum amort of \$-0-)	-	-	-
Total assets	<u>10,839,850</u>	<u>90,809</u>	<u>10,930,659</u>
Deferred outflows of resources			
Pension deferred outflows	<u>347,469</u>	<u>-</u>	<u>347,469</u>
Total assets and deferred outflows of resources	<u>\$ 11,187,319</u>	<u>\$ 90,809</u>	<u>\$ 11,278,128</u>
Liabilities			
Accounts payable	\$ 1,956	\$ -	\$ 1,956
Intergovernmental payables - state	13,709	-	13,709
Interfunds payables	-	90,809	90,809
Payroll deductions and withholdings	119,500	-	119,500
Deferred revenue	2,026	-	2,026
Current portion of long term obligations	129,167	-	129,167
Noncurrent portion of long term obligations	7,075,837	-	7,075,837
Net pension liability	1,806,600	-	1,806,600
Lease liabilities	-	-	-
Total liabilities	<u>9,148,795</u>	<u>90,809</u>	<u>9,239,604</u>
Deferred inflows of resources			
Pension deferred inflows	<u>335,233</u>	<u>-</u>	<u>335,233</u>
Total liabilities and deferred inflows of resources	<u>9,484,028</u>	<u>90,809</u>	<u>9,574,837</u>
Net position			
Invested in capital assets net of related debt	(659,720)	-	(659,720)
Restricted for student activity	87,944	-	87,944
Restricted for debt service	881,890	-	881,890
Restricted for capital projects	217,757	-	217,757
Unrestricted, undesignated	1,175,420	-	1,175,420
Total net position	<u>1,703,291</u>	<u>-</u>	<u>1,703,291</u>
Total liabilities, deferred inflows of resources & net position	<u>\$ 11,187,319</u>	<u>\$ 90,809</u>	<u>\$ 11,278,128</u>

See independent auditor's report and accompanying notes to basic financial statements.

GREATER BRUNSWICK CHARTER SCHOOL

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Statement of Activities

Year ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:						
Instruction:						
Regular	\$ 3,489,812	\$ -	\$ 818,812	\$ (2,671,000)	\$ -	\$ (2,671,000)
Administrative & Support services:						
General administration	3,360,629	-	-	(3,360,629)	-	(3,360,629)
Support services	1,552,492	-	431,339	(1,121,153)	-	(1,121,153)
Capital outlay	-	-	60,911	60,911	-	60,911
Debt service:						
Interest	431,398	-	-	(431,398)	-	(431,398)
Unallocated depreciation	229,075	-	-	(229,075)	-	(229,075)
Total governmental activities	9,063,406	-	1,311,062	(7,752,344)	-	(7,752,344)
Business-type activities:						
Food services	536,987	-	364,740	-	(172,247)	(172,247)
After care programs	-	1,720	-	-	1,720	1,720
Total business-type activities	536,987	1,720	364,740	-	(170,527)	(170,527)
Total primary government	\$ 9,600,393	\$ 1,720	\$ 1,675,802	(7,752,344)	(170,527)	(7,922,871)
General revenues and transfers:						
Local sources				2,050,584	-	2,050,584
Federal and state sources				6,037,952	-	6,037,952
Miscellaneous				85,234	-	85,234
Transfers				(60,169)	60,169	-
Total general revenues and transfers				8,113,601	60,169	8,173,770
Change in net position				361,257	(110,358)	250,899
Net position - beginning				1,342,034	110,358	1,452,392
Net position - ending				\$ 1,703,291	\$ -	\$ 1,703,291

See independent auditor's report and accompanying notes to basic financial statements.

Funds Financial Statements

Governmental Funds

GREATER BRUNSWICK CHARTER SCHOOL
Governmental Funds

B-1

Balance Sheet

June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Totals Governmental Funds
Assets					
Cash and cash equivalents	\$ 1,961,838	\$ 87,944	\$ 217,757	\$ -	\$ 2,267,539
Restricted cash and cash equivalents	75,000	-	-	881,963	956,963
Accounts receivable:	-	-	-	-	-
State	21,910	-	-	-	21,910
Federal	-	259,957	-	-	259,957
Other	696,783	605	-	-	697,388
Other current assets	-	-	-	-	-
Interfund receivable	349,418	-	-	-	349,418
Total assets	\$ 3,104,949	\$ 348,506	\$ 217,757	\$ 881,963	\$ 4,553,175
Liabilities and Fund Balances					
Interfund accounts payables	\$ -	\$ 258,536	\$ -	\$ 73	\$ 258,609
Accounts payable	1,956	-	-	-	1,956
Intergovernmental payables - federal	-	-	-	-	-
Intergovernmental payables - state	13,709	-	-	-	13,709
Payroll deductions and withholdings	119,500	-	-	-	119,500
Deferred revenue	-	2,026	-	-	2,026
Total liabilities	135,165	260,562	-	73	395,800
Fund balances:					
Restricted	-	87,944	-	-	87,944
Undesignated	2,969,784	-	217,757	881,890	4,069,431
Total fund balances	2,969,784	87,944	217,757	881,890	4,157,375
Total liabilities and fund balances	\$ 3,104,949	\$ 348,506	\$ 217,757	\$ 881,963	-
Amounts reported for governmental activities in the statement of net position (A-1) are different because:					
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.					
Cost of capital assets	\$ 9,909,066				
Accumulated depreciation	(3,363,782)				
	\$ 6,545,284				6,545,284
Long-term liabilities, including capital leases and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds.					
					(7,205,004)
Deferred Outflows related to pension contributions subsequent to the Net Pension Liability measurement date and other deferred items are not current financial resources and therefore are not reported in the fund statements. (See Note 7)					
					347,469
Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund statements. (See Note 7)					
					(335,233)
Long-term liabilities, including net pension liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)					
					(1,806,600)
Right-of-use assets used in governmental activities are not financial resources and therefore are not reported in the funds (see Note 4):					
Cost of right-of-use assets	\$*****				
Accumulated amortization	-				
Cost of right-of-use assets, net of accumulated amortization	\$*****				*****
Lease liabilities used in governmental activities are not financial resources and therefore are not reported in the funds (see Note 5).					

Net position of governmental activities - A-1					\$ 1,703,291

*****Note
The Charter School adopted GASB 87 for Leases during the prior year ended June 30, 2022. However, the Charter School's leases did not meet the requirements for GASB 87, therefore the information available for reporting for the year ended June 30, 2023

See independent auditor's report and accompanying notes to basic financial statements.

GREATER BRUNSWICK CHARTER SCHOOL
Governmental Funds

B-2

Statement of Revenues, Expenditures and Changes in Fund Balances
Year ended June 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
Revenues:					
Local sources:					
Local tax levy	\$ 2,050,584	\$ -	\$ -	\$ -	\$ 2,050,584
Miscellaneous	64,763	605	6,122	14,349	85,839
Total revenues - local sources	<u>2,115,347</u>	<u>605</u>	<u>6,122</u>	<u>14,349</u>	<u>2,136,423</u>
Federal sources	27,765	1,248,307	-	-	1,276,072
State sources	4,798,002	60,911	-	-	4,858,913
Reimbursed TPAF-Social Security (non-budgeted)	162,489	-	-	-	162,489
TPAF pension, post retirement medical and long-term disability premium benefits on-behalf payments (non-budgeted)	-	-	-	-	-
	<u>1,049,696</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,049,696</u>
Total revenues	<u>8,153,299</u>	<u>1,309,823</u>	<u>6,122</u>	<u>14,349</u>	<u>9,483,593</u>
Current expense:					
Instruction	2,671,000	818,812	-	-	3,489,812
Administrative	2,372,124	-	-	-	2,372,124
Support services	1,118,800	431,339	-	2,353	1,552,492
Capital outlay	-	60,911	-	-	60,911
Reimbursed and on-behalf payments:					
Reimbursed TPAF-Social Security (non-budgeted)	162,489	-	-	-	162,489
TPAF pension, post retirement medical and long-term disability premium benefits on-behalf payments (non-budgeted)	-	-	-	-	-
	<u>1,049,696</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,049,696</u>
Debt service:					
Principal	-	-	-	119,583	119,583
Interest	-	-	-	431,398	431,398
Total expenditures	<u>7,374,109</u>	<u>1,311,062</u>	<u>-</u>	<u>553,334</u>	<u>9,238,505</u>
Excess (deficiency) of revenues over (under) expenditures	779,190	(1,239)	6,122	(538,985)	245,088
Other financing sources:					
Transfer to cover aftercare deficit	(60,169)	-	-	-	(60,169)
Transfer to capital projects fund	(16,000)	-	24,000	(8,000)	-
Transfer to debt service fund - principal	(124,024)	-	-	124,024	-
Transfer to debt service fund - interest	(447,259)	-	-	447,259	-
	<u>(647,452)</u>	<u>-</u>	<u>24,000</u>	<u>563,283</u>	<u>(60,169)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	131,738	(1,239)	30,122	24,298	184,919
Fund balances, beginning of year	2,838,046	89,183	187,635	857,592	3,972,456
Prior period adjustment	-	-	-	-	-
Fund balances, beginning of year (restated)	<u>2,838,046</u>	<u>89,183</u>	<u>187,635</u>	<u>857,592</u>	<u>3,972,456</u>
Fund balances, end of year	<u>\$ 2,969,784</u>	<u>\$ 87,944</u>	<u>\$ 217,757</u>	<u>\$ 881,890</u>	<u>\$ 4,157,375</u>

See independent auditor's report and accompanying notes to basic financial statements.

GREATER BRUNSWICK CHARTER SCHOOL
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

B-3

Total net change in fund balances - governmental funds (B-2) \$ 184,919

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

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expenses in the period. Additionally, in the Statement of Activities gains or (losses) are recognized upon disposition.

	Depreciation expense	\$ (229,075)	
	Capital outlays	60,911	(168,164)

Repayment of long term loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and it is not reported in the Statement of Activities.

	Repayment of long term loan principal	119,583	
			119,583

Adoption of GASB 87 resulted in an increase in right-to-use lease assets offset by the current year amortization of the right-to-use assets, allocated over the term of the leases

	Amortization expense	*****	
--	----------------------	-------	--

Adoption of GASB 87 resulted in an increase in lease liabilities offset by the current year principal payments on lease liabilities. Principal payments on lease liabilities decrease liabilities in the statement of net position, but are included in the governmental funds as expenses

	Principal payments	*****	
--	--------------------	-------	--

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period.

224,919

	Change in net position of governmental activities (A-2)	\$ 361,257	
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*****Note

The Charter School adopted GASB 87 for Leases during the prior year ended June 30, 2022. However, the Charter School's leases did not meet the requirements for GASB 87, therefore the information available for reporting for the year ended June 30, 2023

See independent auditor's report and accompanying notes to basic financial statements.

Proprietary Funds

**GREATER BRUNSWICK CHARTER SCHOOL
Proprietary Funds**

B-4

Statement of Net Position

June 30, 2023

Assets	
Current assets:	
Cash and cash equivalents	\$ 15,742
Accounts receivable:	-
Federal	74,461
State	606
Other	-
Interfunds receivable	-
Total current assets	<u>\$ 90,809</u>
Liabilities	
Current liabilities:	
Interfunds payable	\$ 90,809
Accounts payable	-
Total current liabilities	<u>\$ 90,809</u>
Net position	
Unrestricted	-
Total net position	<u><u>\$ -</u></u>

See independent auditor's report and accompanying notes to basic financial statements.

GREATER BRUNSWICK CHARTER SCHOOL
Proprietary Funds

B-5

Statement of Revenues, Expenditures and Changes in Net Assets

Year ended June 30, 2023

Operating revenues:	
Charges for services:	
Daily sales - reimbursable program	\$ -
Daily sales - non-reimbursable program	-
Miscellaneous revenue	1,720
Total Operating revenues	<u>1,720</u>
Operating expenses:	
Cost of sales - reimbursable program	444,620
Cost of sales - non-reimbursable program	-
Salaries	88,744
Employee benefits	-
Other purchased services	-
Supplies and materials	3,623
Depreciation	-
Utilities	-
Total operating expenses	<u>536,987</u>
Operating income/(loss)	<u>(535,267)</u>
Nonoperating revenues:	
State sources:	
State school lunch program	4,686
State school breakfast program - after bell	8,552
Federal sources:	
National school lunch program	167,920
National school breakfast program	140,106
After school snacks program	39,822
Healthy, Hunger-Free Kids Act	3,654
Total nonoperating revenues	<u>364,740</u>
Net income/(loss) before contributions & transfers	(170,527)
Other financing sources:	
Transfers within fund	
Transfer in/(out) - board contribution	60,169
	<u>60,169</u>
Change in net position	(110,358)
Total net position-beginning of year	<u>110,358</u>
Total net position-end of year	<u>\$ -</u>

See independent auditor's report and accompanying notes to basic financial statements.

**GREATER BRUNSWICK CHARTER SCHOOL
Proprietary Fund**

B-6

Statement of Cash Flows

Year ended June 30, 2023

Cash flows from operating activities

Operating loss	\$ (535,267)
Adjustment to reconcile operating loss to net cash used in operating activities:	
Changes in assets and liabilities:	
Accounts receivable	(30,590)
Due to/from general fund	99,602
Accounts payable	-
Net cash used in operating activities	<u>(466,255)</u>

Cash flows from noncapital financing activities:

Cash received from state reimbursements	13,238
Cash received from federal reimbursements	351,502
Transfers within fund	-
Operating subsidies and transfers from other funds	60,169
Net cash provided by noncapital financing activities	<u>424,909</u>

Cash flows from investing activities

Net change in cash and cash equivalents	(41,346)
Cash and cash equivalents, beginning	57,088
Cash and cash equivalents, ending	<u>\$ 15,742</u>

See independent auditor's report and accompanying notes to basic financial statements.

**Fiduciary Funds
Not Applicable**

Notes to Basic Financial Statements

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

1 Description of the Charter School and Reporting Entity

Greater Brunswick Charter School (the “Charter School” was incorporated in the State of New Jersey in January 1998 as a non-for-profit corporation for the purpose of operating and maintaining a public school under a charter granted by the State of New Jersey, which promotes comprehensive educational reform by infusing innovation into the public education system. It is an instrumentality of the State of New Jersey, established to function as an education institution. The Charter School’s Board of Trustees (the Board) is responsible for the fiscal control of the Charter School. A Principal/Chief School Administrator is appointed by Board and is responsible for the administrative control of the Charter School. Under the existing the statutes, the Charter School’s duties and powers include, but not limited to the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the Charter School are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Charter School. For the Charter School, this includes general operations, food service and student related activities of the Charter School.

The primary criterion for including activities within the Charter School’s reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the Charter School. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, and ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the Charter School over which the Board exercises operating control. Based on the aforementioned criteria, the Charter School has no component units to be included in the reporting entity. Further, the Charter School is not includable in any other reporting entity on the basis of such criteria.

The Greater Brunswick Charter School Board of Trustees also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

Its mission is to establish a character school to serve as a neighborhood resource and as a model for other similar schools. The Greater Brunswick Charter School is committed to achieving the New Jersey Core Curriculum Content Standards and producing high academic achievement by all students. The Charter School will integrate a holistic curriculum, utilize learner center techniques, family and care giver centered approaches, comprehensive community involvement, cutting edge technology and an intimate nurturing environment that will enhance positive self-images.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

2 Summary of Significant Accounting Policies

This summary of significant accounting policies of Greater Brunswick Charter School is presented to assist in understanding the Charter School's financial statements and notes are a representation of the Charter School's management, who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles in the United States as applied to governmental units and have been consistently applied in the preparation of these financial statements.

The financial statements of the Greater Brunswick Charter School (the "Charter School") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Charter School also applies Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise fund unless they conflict with or contradict GASB pronouncements. The most significant of the Charter School's accounting policies are described below:

A Basis of Presentation

The Charter School's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements that provide a more detailed level of financial information.

Charter School Government-wide Financial Statements

The statement of net position and the statement of activities display information about the Charter School as a whole. These statements include the financial activities of the Charter School, except for fiduciary funds.

The statement of net position presents the financial condition of the governmental and business-type activities of the Charter School at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Charter School's governmental and business-type activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the Charter School, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Charter School.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

2 Summary of Significant Accounting Policies - continued

The governmental activities generally are financed through federal and state awards, taxes and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

Fund financial statements of the Charter School are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Charter School. The New Jersey Department of Education (NJDOE) requires that all funds be reported as major, as it is considered important for public interest and to promote consistency among Charter Schools financial reporting in the State of New Jersey.

B Fund Accounting

The Charter School segregates transactions related to certain Charter School functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Charter School at a more detailed level.

Governmental Funds

Governmental funds are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Charter Schools' major governmental funds:

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

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

2 Summary of Significant Accounting Policies - *continued*

As required by the New Jersey Department of Education, the Charter School included 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 and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of ground, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major Capital Projects, Debt Service or the Enterprise Funds) and local appropriations that legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Proprietary Funds

The focus of Proprietary Funds' measurement is upon determination of net income, changes in net position, financial position and cash flows. The generally accepted accounting principles applicable are those similar to business in the private sector. The following is a description of the Proprietary Funds of the Charter School:

Enterprise Funds - The Enterprise Fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the Charter School is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods and services to the students on a continuing basis be financed or recovered primarily through user charges; or where the Charter School has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability or other purposes.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

2 Summary of Significant Accounting Policies - *continued*

All proprietary funds are accounted for on a cost of services or “capital maintenance” measurement focus. This means that all assets and all liabilities, whether current or non-current, associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenue) and decreases (expenses) in net total assets.

Fiduciary Funds

Fiduciary or trust and Agency Funds are used to account for assets held by the Charter School in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. This fund category includes:

Trust Funds - Expendable Trust Funds (unemployment compensation) are accounted for in essentially the same manner as the governmental funds. The unemployment compensation trust fund is used to account for contributions from employees and the employer (the Charter School) and interest earned on the balance as well as payments to the State for reimbursements of unemployment claims. ***Agency Funds*** – Agency funds (*Payroll, Health Benefits and Student Activity Fund*) are used to account for the assets that the Charter School holds on behalf of others as their agent. Agency funds are custodial in nature and do not involved measurement of results of operations.

GASB Statement No 84 Fiduciary Activities – As of June 30, 2023, there was no Fiduciary Fund due to the adoption of GASB Statement 84, Fiduciary Activities.

C Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. ***Basis of accounting*** refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statements of net position and the statement of activities, both governmental and business-like activities are presented using the economic resources measurement focus. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statement of these funds present increases (i.e., revenues and other financing sources), and decreases (i.e. Expenditures and other finances uses) during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

2 Summary of Significant Accounting Policies - *continued*

All proprietary funds are accounted for on a flow economic resources measurement focus. With this measurement focus, the accounting adjectives are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flow. All assets and all liabilities, whether current or non-current, associated with their activities are included on the balance sheet. Fund equity (i.e., net total assets) is classified as net position.

Basis of Accounting

In the government wide statement of net position and statements of activities, both governmental and business like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting revenues are recognized when earned and expenses are recognized when the liability, resulting from exchange and exchange like transactions, is incurred (i. e the exchange takes place).

In the fund financial statements, governmental fund and agency funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. “Measurable” means the amount of the transaction can be determine and “available” means collectible with the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental funds revenues.

D Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue fund. The budgets are submitted to the County Office and the Education Commissioner for approval. Budgets except for the special revenue fund which is prepared using a non-GAAP budgetary basis, 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. 6:20-2A.2(m)1. Transfers of appropriations may be made by Charter School Board resolution at any time during the fiscal year subject to the limitation of P.L. 2004 c73 (S1701). The Board of Trustees did not make any material supplemental budgetary appropriations during the fiscal year.

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 Special Revenue Fund as noted below.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

2 Summary of Significant Accounting Policies - *continued*

Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental funds 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 recognized encumbrances as expenditures and also recognized the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow of the presentation of GAAP basis financial reports.

E Cash, Cash Equivalent and Investments

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investment with a maturity of three months or less at the time of purchases and are stated at cost plus accrued interest. US Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchases are stated at cost. All other investments are stated at fair value.

New Jersey Charter Schools are limited as to the types of the investments and types of financial institution they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investment that may be purchased by New Jersey Charter Schools.

Additionally, the Charter School has adopted a cash management plan that requires it to deposit public fund in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from loss funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-41 et. seq. established the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan Institutions, bank (both state and national banks) and saving bank 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 deposit 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.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

2 Summary of Significant Accounting Policies - *continued*

F Short-Term Interfund Receivables/Payables

On the fund financial statement, receivable and payables resulting from short-term (due within one year) interfund loans are classified as interfund receivables/payables. Interfund balances within governmental activities and within business-type activities are eliminated on the Government Wide Statements of Net Position.

G Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund are recorded as expenditure during the year of purchase. Inventories in the proprietary funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method.

H Capital Assets

Capital assets, which include leasehold improvements, equipment, furniture & fixtures and vehicles are reported in the applicable governmental or business-type activities columns of the Government-wide financial statements. Capital assets are defined by the Charter School as assets with initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or through estimation procedures performed by an independent appraisal company.

The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend the assets lives are not capitalized. Donated capital assets are capitalized at estimated fair market value on the date donated. Depreciation of capital assets is computed and recorded by the straight-line method.

<u>Description of Capital Assets</u>	<u>Estimated Lives (Years)</u>
Buildings and improvements	40
Furniture and equipment	5 to 20
Vehicles	5

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

2 Summary of Significant Accounting Policies - *continued*

I 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 specific event that is outside the control of the Charter School 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 specific event that is outside the control of the Charter School and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

For governmental fund financial statements, the current portion of unpaid compensated absences is in the amount expected to be paid using expendable available resources. These amounts are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

The entire sick leave and vacation leave liabilities are reported on the school-wide financial statements.

The Charter School had no compensated absences as of June 30, 2023.

J Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, the non-current portion of compensated absences and mortgage payable (if any) that will be paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are normally expected to be paid with expendable, available financial resources.

K Deferred Revenue

Deferred revenue in special revenue fund represent cash that has been received but not yet earned.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

2 Summary of Significant Accounting Policies - *continued*

L Fund Balance and Equity

In February 2009, the GASB issued GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (“GASB 54”). GASB 54 is effective for periods beginning after June 15, 2010 and establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which government is bound to observe constraints imposed upon the use of resources reported in governmental funds. Under GASB 54, fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five categories, as defined below:

1. Non-spendable – includes amounts that cannot be spent because they either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.
2. Restricted – includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed – includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority.
4. Assigned – amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.
5. Unassigned – includes all spendable amounts not contained in the other classifications.

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

M Net Position

Net Position represent the difference between assets and liabilities in the Government-wide financial statements. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position are reported as restricted in the Government-wide financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

2 Summary of Significant Accounting Policies - *continued*

N Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates that affect the recorded amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

O On-Behalf Payments

Revenues and expenditures of the General Fund include payment made by the state of New Jersey for Pension and social security contributions for certified teacher members of the New Jersey Teachers' Pension and Annuity Fund. The amounts are not required to be included in the Charter School's annual budget.

P GASB Pronouncements

Adoption of New Accounting Standards

During the previous fiscal year ended June 30, 2021, the Charter School adopted **GASB Statement No. 84, *Fiduciary Activities (GASB 84)***. GASB 84 enhances the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Specifically, GASB 84 establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists.

As part of the adoption, the Charter School no longer considers activities in the Unemployment Fund Account, Payroll Agency Fund and Student Activities as fiduciary activities applicable under GASB 84. As a result, the Charter School no longer presents a Statement of Fiduciary Net Position, and records payroll deductions and withholding payable, unemployment activities in the General Fund in the Governmental Fund financial statements.

During the prior fiscal year ended June 30, 2022, the Charter School adopted **the GASB issued Statement No. 87, *Leases***. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

2 Summary of Significant Accounting Policies - *continued*

Q Fair Value of Financial Instruments

The Charter School follows the accounting and disclosure standards pertaining to GASB 72, Fair Value Measurement and Application, for qualifying assets and liabilities. Fair value is defined as the price that the Charter School would receive upon selling an asset or pay to settle a liability in an orderly transaction between market participants at the measurement date.

The Charter School uses a framework for measuring fair value that included a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. This hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments based on market data obtained from sources independent of the Charter School. Inputs refer broadly to the assumptions that market participants would use in pricing the financial instruments, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that are developed using market data, such as publicly available information about actual events or transactions, and which reflect the assumptions that market participants would use when pricing an asset or liability. Unobservable inputs are inputs for which market data are not available and that is developed using the best information available about the assumptions that market participants would use when pricing an asset or liability.

The three-tier hierarchy of inputs is summarized in the three broad levels as follows:

Level 1 – inputs that reflect unadjusted quoted prices in active markets for identical assets at the measurement date.

Level 2 – inputs other than quoted prices that are observable for the asset either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 – inputs that are unobservable and which require significant judgement or estimation.

An asset or liability level within the framework is based upon the lowest level of any input that is significant to the fair value measurement.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

3 Deposits and Investments

New Jersey statutes require that Charter Schools deposit public funds in public depositories located in New Jersey that are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. Charter schools are also permitted to deposit public funds in the State of New Jersey Cash Management Fund (NJCMF), the New Jersey Arbitrage Rebate Management Fund (NJARM) and the M.B.I.A Class.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows: The market value of the collateral must equal at least 5% of the average daily balance of collected funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%. All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

The Charter School’s cash and cash equivalents are classified below to inform financial statement users about the extent to which the Charter School’s deposits and investments are exposed to custodial credit risk. As of June 30, 2023, the Charter School’s carrying amount of deposits and investments are as follows:

	General Fund	Special Revenue	Capital Projects	Debt Service	Enterprise Funds	Agency Funds	Total
Operating A/C	\$ 1,961,838	\$ 87,944	\$ 217,757	\$ -	\$ 15,742	\$ -	\$ 2,283,281
Restricted	75,000	-	-	881,963	-	-	956,963
Total	<u>\$ 2,036,838</u>	<u>\$ 87,944</u>	<u>\$ 217,757</u>	<u>\$ 881,963</u>	<u>\$ 15,742</u>	<u>\$ -</u>	<u>\$ 3,240,244</u>

Operating cash accounts are held in the Charter School’s name by two banking institutions. At June 30, 2023, the Charter School’s carrying amount of deposits was \$3,240,244 and the bank balance was \$3,549,568. Of the bank balance, up to a maximum of \$500,000 of the Charter School’s cash deposits on June 30, 2023 were secured by federal deposit insurance and \$3,049,568 was covered by a collateral pool maintained by the bank as required by New Jersey statutes in accordance with the New Jersey Governmental Unit Deposit Protection Act (“GUDPA”).

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

3 Deposits and Investments - *continued*

Establishment of an Escrow Account

The Charter School has established and funded a portion of an Escrow Account pursuant to an agreement signed with the New Jersey Department of Education. The required maximum is \$75,000. The Charter School has fully funded \$75,000. The agreement stipulates that the intended use of the escrow amount is “to pay for legal and audit expenses and any other outstanding pension benefits that would be associated with a dissolution should it occur.”

GASB Statement No. 40 requires that the Charter School disclose whether its deposits are exposed to custodial risk (risk that in the event of failure of the counterparty, the Charter School would not be able to recover the value of its deposit or investment). In general deposits are considered to be exposed to custodial risk by three categories described below:

Category 1 - Insured or collateralized with securities held by the Charter School or by its agent in the Charter School’s name. **Category 2** - Collateralized with securities held by the pledging public depository’s trust department or agent in the Charter School’s name. **Category 3** - Uncollateralized, including any deposits that are collateralized with securities held by the pledging public depository, or by its trust department or agent, but not in the Charter School’s name.

The Charter School does not have a policy for the management of the custodial risk, other than depositing all of its funds in banks covered by GUDPA.

Investments

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

1. Bonds or other obligations of the United States or obligations guaranteed by the United States.
2. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal national Mortgage Agency or of any United States Bank for Cooperatives which have a maturity date not greater than twelve months from the date of purchase.
3. Bonds or other obligations of the Charter School.
4. New Jersey Cash Management Fund, New Jersey Arbitrage Rebate Management Fund and MBIA CLASS.

As of June 30, 2023, the Charter School did not hold any investments.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

4 Capital Assets

The following schedule is a summarization of the governmental activities changes in capital assets for the year ended June 30, 2023:

	<u>Beginning Balance</u>	<u>Net Additions (Deletions)</u>	<u>Ending Balance</u>
Governmental activities			
Capital assets not depreciated:			
Land	\$ 1,111,663	\$ -	\$ 1,111,663
Capital assets, being depreciated:			
Buildings and building improvements	8,308,433	-	8,308,433
Machinery and equipment	428,059	60,911	488,970
	<u>8,736,492</u>	<u>60,911</u>	<u>8,797,403</u>
Less accumulated depreciation			
Buildings and building improvements	2,782,816	208,288	2,991,104
Machinery and equipment	351,891	20,787	372,678
	<u>3,134,707</u>	<u>229,075</u>	<u>3,363,782</u>
Total capital assets net	<u>\$ 6,713,448</u>	<u>\$ (168,164)</u>	<u>\$ 6,545,284</u>

Depreciation expense of \$229,075 was charged to an unallocated function.

5 Lease Obligations

Equipment Leases

The Charter School leases office equipment (computers and copiers) under several operating lease agreements. For the year ended June 30, 2023, the Charter School incurred \$19,733 in equipment lease expenditures.

<u>Year ending June 30:</u>	<u>Equipment Leases</u>
2024	\$ 6,828
2025-2028	-
Thereafter	-
	<u>\$ 6,828</u>

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

6 Pension Plans

Description of Plans

Substantially all of the employees of the Charter School are covered by either the Public Employee's Retirement System or the Teacher's Pension and Annuity Fund (both of which are contributory defined benefits plans). Both were established by state statute and are administered by the New Jersey Division of Pension and Benefit (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate.

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

Teachers' Pension and Annuity Fund (TPAF)

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

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

6 Pension Plans - *continued*

Public Employees' Retirement System (PERS)

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

Defined Contribution Retirement Program (DCRP)

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

Funding Policy

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

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

6 Pension Plans - *continued*

Annual Pension Costs (APC)

Per the requirements of GASB Statement No. 27 for the year ended June 30, 2011 for TPAF, which is a cost sharing plan with special funding situations, annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board.

PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

The Charter School's contribution to PERS for the year ended June 30, 2023 was \$150,961.

In accordance with N.J.S.A 18A:66-66 the State of New Jersey reimbursed the Charter School \$162,489 during the year ended June 30, 2023 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. Also, the State paid \$1,049,696 into the TPAF pension representing on-behalf employer's portion of the TPAF Pension System Contributions, TPAF Post-Retirement Medical Benefits Contributions and TPAF Long Term Disability Insurance Premium Contributions for the Charter School. These amounts have been included in the school wide financial statements and the fund financial statements as a revenue and expenditure in accordance with GASB No. 24.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

7 Pension Plans – GASB 68 Disclosures

Teachers' Pension and Annuity Fund (TPAF)

Summary of Significant Accounting Policies

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.

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

The employer contributions for the Charter School are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the Charter School (employer) is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension - continued

Since the Charter School (employer) 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 Charter School. However, the state's portion of the net pension liability that was associated with the Charter School was \$8,560,677 as measured on June 30, 2022 and \$10,241,704 as measured on June 30, 2021, respectively.

For the year ended June 30, 2023, the Charter School recognized pension expense of \$230,392 and revenue of \$230,392 for support provided by the State. The measurement period for the pension expense and revenue reported in the Charter School's financial statements (A-2) at June 30, 2023 is based upon changes in the collective net pension liability with a measurement period of June 30, 2021 through June 30, 2022. Accordingly, the pension expense and the related revenue associated with the support provided by the State are based upon the changes in the collective net pension liability between July 1, 2021 and June 30, 2022.

GREATER BRUNSWICK CHARTER SCHOOL
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Notes to the Basic Financial Statements
Year Ended June 30, 2023

7 Pension Plans – GASB 68 Disclosures - *continued*

Teachers’ Pension and Annuity Fund (TPAF) - *continued*

Although the Charter School does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the Charter School. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	June 30, 2022	June 30, 2021
Collective deferred outflows of resources	\$ 4,885,289,911	\$ 6,230,825,389
Collective deferred inflows of resources	\$19,563,805,393	\$27,221,092,460
Collective net pension liability (non-employer State of New Jersey)	\$51,594,415,806	\$48,075,188,642
State's portion of the net pension liability that was associated with the Charter School	\$ 8,560,677	\$ 10,241,704
State's portion of the net pension liability that was associated with the Charter School as a percentage of the collective net pension liability	0.016592%	0.021304%

Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2022, 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%
Inflation rate - wage	3.25%
Salary increases: thereafter	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 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.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

7 Pension Plans – GASB 68 Disclosures - *continued*

Teachers' Pension and Annuity Fund (TPAF) - *continued*

Actuarial Assumptions - continued

Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2022.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2022.

Long-Term Expected Rate of Return - continued

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:

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

7 Pension Plans – GASB 68 Disclosures - *continued*

Teachers' Pension and Annuity Fund (TPAF) - *continued*

Long-Term Expected Rate of Return - continued

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
US Equity	27.00%	8.12%
Non-US 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%

Discount Rate

The discount rate used to measure the State's 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 based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

GREATER BRUNSWICK CHARTER SCHOOL
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Notes to the Basic Financial Statements
Year Ended June 30, 2023

7 Pension Plans – GASB 68 Disclosures - *continued*

Teachers' Pension and Annuity Fund (TPAF) - *continued*

Sensitivity of the Charter School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

Since the Charter School's has no proportionate share of the net pension liability because of the special funding situation, the Charter School would not be sensitive to any changes in the discount rate. Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at: <https://www.nj.gov/treasury/pensions/documents/financial/gasb/gasb68-tpaf22.pdf>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at: <https://www.nj.gov/treasury/pensions/gasb-notices.shtml>

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

7 Pension Plans – GASB 68 Disclosures - *continued*

Public Employees' Retirement System (PERS)

Summary of Significant Accounting Policies

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 PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

At June 30, 2023, the Charter School reported a liability of \$1,806,600 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability 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 total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2021. The Charter School's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2022 and 2021. At June 30, 2022, the Charter School's proportion was 0.0119710746% which was an increase of 0.0009369008% from its proportion measured as of June 30, 2021 which was 0.0110341738%.

For the year ended June 30, 2023, the Charter School recognized pension expense of \$150,961. At June 30, 2023, the Charter School reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

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Notes to the Basic Financial Statements
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7 Pension Plans – GASB 68 Disclosures - continued

Public Employees’ Retirement System (PERS) - continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension - continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 13,039	\$ 11,499
Changes in assumptions	5,597	270,520
Net difference between projected and actual earnings on pension plan investments	74,774	-
Changes in proportion and differences between Charter School's contributions and proportionate share of contributions	254,059	53,214
Subtotal	347,469	335,233
Charter School's contributions subsequent to the measurement date	150,961	-
Total	\$ 498,430	\$ 335,233

\$150,961 reported as deferred outflows of resources related to pensions resulting from school Charter School contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2023, the plan measurement date is June 30, 2022) will be recognized as a reduction of the net pension liability measured as of June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	Pension Expense
2023	\$ 10,054
2024	5,122
2025	2,498
2026	(5,449)
2027	12
Thereafter	-
	\$ 12,236

GREATER BRUNSWICK CHARTER SCHOOL
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7 Pension Plans – GASB 68 Disclosures - *continued*

Public Employees’ Retirement System (PERS) - *continued*

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension - continued

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Collective deferred outflows of resources	\$ 1,715,543,211	\$ 1,164,739,169
Collective deferred inflows of resources	\$ 4,112,583,758	\$ 8,339,123,762
Collective net pension liability (Non-State Local Group)	\$ 15,091,376,611	\$ 11,846,499,172
Charter School's portion of the net pension liability	\$ 1,806,600	\$ 1,307,163
Charter School's proportion (percentage)	0.01197107%	0.01103417%

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 actuarial assumptions:

Inflation rate - price	2.75%
Inflation rate - wage	3.25%
Salary increases: thereafter	2.75%-6.55% based on years of service
Investment rate of return	7.00%

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.

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.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

7 Pension Plans – GASB 68 Disclosures - *continued*

Public Employees’ Retirement System (PERS) - *continued*

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 Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS’s target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
US Equity	27.00%	8.12%
Non-US 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%

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

7 Pension Plans – GASB 68 Disclosures - *continued*

Public Employees’ Retirement System (PERS) – *continued*

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 based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make 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 to determine the total pension liability.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

7 Pension Plans – GASB 68 Disclosures - *continued*

Public Employees’ Retirement System (PERS) - *continued*

Sensitivity of the Charter School’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Charter School's proportionate share of the pension liability	\$ 2,340,608	\$ 1,806,600	\$ 1,380,459
	2021		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Charter School's proportionate share of the pension liability	\$ 1,799,067	\$ 1,307,163	\$ 915,473

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at: <https://www.nj.gov/treasury/pensions/gasb-notices.shtml>

GREATER BRUNSWICK CHARTER SCHOOL
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Notes to the Basic Financial Statements
Year Ended June 30, 2023

8 Post Retirement Benefits

Plan Description and Benefits Provided

The Charter School is in a "special funding situation", as described in GASB Statement No. 75, in that OPEB contributions and expenses are legally required to be made by and are the sole responsibility of the State of New Jersey, not the Charter School.

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the State Health Benefit Local Education Retired Education 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 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The State Health Benefits Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A. 52:14-17.32f. 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 years or more 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 non-employer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits, if any, is the responsibility of the individual education employers.

Employees Covered by Benefit Terms.

At June 30, 2022, the following employees were covered by the benefit terms:

Active plan member = 213,148

Inactive plan members entitled to but not yet receiving benefits = 151,669

Inactive plan members or beneficiaries currently receiving benefits = -0-

Total plan members = 364,817

GREATER BRUNSWICK CHARTER SCHOOL
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Notes to the Basic Financial Statements
Year Ended June 30, 2023

8 Post Retirement Benefits – continued

Total Non-employer OPEB Liability

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The Charter School’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the Charter School did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State’s level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in the NJ State’s ACFR (<https://www.nj.gov/treasury/omb/publications/archives.shtml>)

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 total nonemployer OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2021.

Actuarial Assumptions and Other Inputs

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.

Inflation Rate	2.50%	TPAF/ABP	PERS
Salary increases:			
Through 2029		2.75 to 5.65% based on years of service	2.75 to 6.55% based on years of service
Thereafter		2.75 to 5.65% based on years of service	2.75 to 6.55% based on years of service

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

8 Post Retirement Benefits – *continued*

Actuarial Assumptions and Other Inputs - *continued*

Preretirement mortality rates were based on the Pub-2010 Health "Teachers" (TP AF) and "General" (PERS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2010 "General" (PERS) and "Teachers" (TPAF) 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 TP AF and PERS actuarial experience studies for the period July 1, 2018 to June 30, 2021. 100% of active members are considered to participate in the plan upon retirement.

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 PPO, 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 4.5% 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 for June 30, 2022 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.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

8 Post Retirement Benefits – continued

Changes in the Total OPEB Liability Reported by the State of New Jersey

	Increase/(Decrease) Total OPEB Liability
Balance as of June 30, 2021 measurement date	\$ 60,007,650,970
Changes recognized for the fiscal year:	
Service cost	\$ 2,770,618,025
Interest on total OPEB liability	1,342,187,139
Changes of benefit terms	-
Difference between expected and actual experiences	1,399,200,736
Effect of changes of assumptions	(13,586,368,097)
Gross benefits paid by the State	(1,329,476,059)
Contributions from the members	42,650,252
Net changes	\$ (9,361,188,004)
Balance as of June 30, 2022 measurement date	\$ 50,646,462,966

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate

The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.54%; as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54 percent) or 1-percentage-point higher (4.54 percent) than the current rate:

	2022		
	At 1% Decrease (2.54%)	At 1% Discount Rate (3.54%)	At 1% Increase (4.54%)
Total OPEB liability attributable to the Charter School	\$ 6,684,007	\$ 5,686,606	\$ 4,887,239
	2021		
	At 1% Decrease (1.16%)	At 1% Discount Rate (2.16%)	At 1% Increase (3.16%)
Total OPEB liability attributable to the Charter School	\$ 7,676,050	\$ 6,408,227	\$ 5,409,893

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

8 Post Retirement Benefits – continued

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Healthcare Trend Rate

The following presents the total nonemployer OPEB Liability attributable to the Charter School as of June 30, 2022 and 2021, respectively, calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the Charter School would be if it were calculated using a healthcare trend rate that is I-percentage-point lower or I-percentage-point higher than the current rate:

	2022		
	<u>At 1% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>At 1% Increase</u>
Total OPEB liability attributable to the Charter School	<u>\$ 4,700,327</u>	<u>\$ 5,686,606</u>	<u>\$ 6,982,143</u>
	2021		
	<u>At 1% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>At 1% Increase</u>
Total OPEB liability attributable to the Charter School	<u>\$ 5,187,481</u>	<u>\$ 6,408,227</u>	<u>\$ 8,047,599</u>

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

For the fiscal year ended June 30, 2023 the Charter School recognized OPEB expense of \$491,745 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Statement 75, in which there is a special funding situation.

In accordance with GASB Statement 75, as the Charter School's proportionate share of the OPEB liability is \$-0, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2022 the State had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

8 Post Retirement Benefits – continued

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 9,042,402,619	\$ 15,462,950,679
Net difference between expected and actual earnings on OPEB plan investments	-	-
Assumption changes	8,765,620,577	17,237,289,230
Subtotal	17,808,023,196	32,700,239,909
Contributions made in fiscal year 2019 after June 30, 2018 measurement date	TBD	N/A
Total	\$ TBD	\$ 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:

Measurement Period - Fiscal Year Ending June 30:	Total
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)

9 Deferred Compensation

The Charter School offers its employees a deferred compensation plan created in accordance with the IRS code 403(b). The plan which is administered by AXA Equitable, Mass Mutual and First Investors permits participants to defer a portion of their salaries until future years.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

10 Economic Dependency

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

11 Fund Balance Appropriated – General Fund (Exhibit B- 1)

Of the \$2,969,784 General Fund balance at June 30, 2023, \$75,000 is reserved for a cash escrow account as required by an agreement with New Jersey Department of Education, \$2,894,784 is unreserved and undesignated.

12 Contingent Liabilities

The Charter School participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Charter School may be required to reimburse the grantor government. As of June 30, 2023, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Charter School believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the Charter School.

The Charter School's attorney's letter advises that that they have not been engaged to give substantive attention to, nor represent the Charter School in connection with, any pending or overtly threatened litigation likely to be filed against the Charter School, to which they have devoted substantial attention.

13 Risk Management

The Charter School 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.

Property and Liability Insurance - The Charter School maintains commercial insurance coverage for property, liability and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section (UNAUDITED) of this Annual Comprehensive Financial Report.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

13 Risk Management - continued

New Jersey Unemployment Compensation - The Charter School has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the Charter School 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 Charter School is billed quarterly for amounts due to the State.

14 Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2023 is as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 349,418	\$ -
Special Revenue Fund	-	258,536
Capital Projects Fund	-	73
Enterprise Fund	-	90,809
Trust and Agency Fund	-	-
	<u>\$ 349,418</u>	<u>\$ 349,418</u>

The above balances are the results of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund and/or to cover cash balances which were in negative position. Liquidation of this interfund balances is expected within the next fiscal year.

15 Receivables

Receivables as of June 30, 2023 consisted of accounts, intergovernmental, grants and miscellaneous. All receivables are considered collectible in full. A summary of the principal items of receivables are as follows:

State aid	\$ 22,516
Federal aid	334,418
Other	697,388
Total receivables	<u>\$ 1,054,322</u>

16 Subsequent Events

The Charter School has evaluated all subsequent events occurring through the date of the independent auditor’s report which is the date the financial statements were available to be issued. Based on this evaluation, the Charter School has determined that no subsequent event requires disclosure in the financial statements.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

17 Note Payable – Paycheck Protection Program Loan

During the previous fiscal year ended June 30, 2020, the Charter School applied for and was approved a \$714,195 loan under the Paycheck Protection Program (PPP) created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration.

The loan was funded on May 18, 2020. On September 24, 2021 the Organization was informed by the SBA that the entire PPP loan balance has been forgiven. The loan amount of \$714,195 was recognized as revenue during the prior year ended June 30, 2022.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

18 Long Term Liabilities – Bonds Payable

On August 29, 2014, the Charter School issued Charter School Revenue Bonds in the sum of \$8,090,000 at variable interest rates from 4.75% to 6.375%. The Bonds consisted of Series 2014A (Tax Exempt) in the sum of \$7,850,000 and Series 20148 (Taxable) in the sum of \$240,000. Part of the proceeds from the bond was used to refinance two existing long-term loans in the sum of \$6,775,823 for principal and \$143,737 for interest. Also, part of the proceeds from the bond was used to establish a debt service reserve fund in the sum of \$533,623 for the Series 2014A and \$16,315 for the Series 20148.

The schedule of future principal and interest payments for the serial bonds is as follows:

Year ending June 30:	Serial Bonds		
	Principal	Interest	Total
2024	\$ 129,167	\$ 425,955	\$ 555,122
2025	134,583	420,275	554,858
2026	139,583	414,140	553,723
2027	149,167	406,664	555,831
2028	159,167	398,813	557,980
2029	164,583	390,422	555,005
2030	174,167	381,469	555,636
2031	184,167	372,211	556,378
2032	194,167	362,414	556,581
2033	204,167	352,055	556,222
2034	218,750	341,133	559,883
2035	229,167	329,649	558,816
2036	243,750	317,344	561,094
2037	258,750	303,926	562,676
2038	273,750	289,606	563,356
2039	288,750	274,404	563,154
2040	308,333	258,321	566,654
2041	323,750	241,357	565,107
2042	343,333	223,243	566,576
2043	363,333	204,222	567,555
2044	383,333	184,052	567,385
2045	407,917	162,706	570,623
2046	432,917	140,185	573,102
2047	457,917	115,750	573,667
2048	482,916	89,775	572,691
2049	512,500	62,300	574,800
2050	42,917	2,575	45,492
	<u>\$ 7,205,001</u>	<u>\$ 7,464,966</u>	<u>\$ 14,669,967</u>

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

18 Long Term Liabilities – Bonds Payable - *continued*

During the year ended June 30, 2023, the following changes in long-term debt occurred:

	Balance June 30, 2022	Additions	Budget Appropriation	Balance June 30, 2023
Serial Bonds	\$ 7,324,584	\$ -	\$ 119,583	\$ 7,205,001
	\$ 7,324,584	\$ -	\$ 119,583	\$ 7,205,001
Amounts due within one year				\$ 129,167
Long term portion				7,075,834
				\$ 7,205,001

19 Risk and Uncertainties – COVID-19 and Its Impact

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, as of March 21, 2020, New Jersey State Governor Phil Murphy ordered the closure of the physical location of every “non-life sustaining” and “non-essential” business.

The Charter School’s operations are heavily dependent on both federal and state grant revenues. Its physical locations were closed from March 2020 through September 2020. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such it is uncertain as to the full impact that the pandemic will have on the Charter School’s financial condition, liquidity, and future results of operations. Management is actively monitoring the situation on its financial condition, liquidity and operations. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the COVID-19 pandemic. Nevertheless, the COVID-19 pandemic presents material uncertainty and risk with respect to the Charter School its performance, and its financial results.

However, it should be noted that as of the date of this report, the Charter School’s various federal and state grants have not been materially impacted.

Further, it should be noted that the United States government has expedited the process of vaccinating its people against the virus and it appears the restrictions on movement imposed earlier are gradually easing.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to the Basic Financial Statements
Year Ended June 30, 2023

20 Reconciliation of Government-Wide and Fund Financial Statements
Explanation of Certain Differences Between the Governmental Fund Balance Sheet (B-1) and the Government-wide Statement of Net Position (A-1).

The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net position - governmental activities as reported in the Government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including deferred pension liability are not due and payable in the current period and therefore are not reported in the funds. The reconciliation is as follows:

Fund balance per B-1 as of June 30, 2023	\$ 4,157,375
Cost of capital assets net accumulated depreciation	6,545,284
Long term liabilities - the Serial Bonds	(7,205,004)
Pension deferred outflows	347,469
Pension deferred inflows	(335,233)
Deferred pension liability as of June 30, 2023	(1,806,600)
Net position (per A-1) as of June 30, 2023	<u>\$ 1,703,291</u>

Required Supplementary Information

Part II

Budgetary Comparison

**GREATER BRUNSWICK CHARTER SCHOOL
General Fund**

C-1

Budget Comparison Schedule

Year ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues					
Local Sources:					
Local tax levy	\$ 2,050,584	\$ -	\$ 2,050,584	\$ 2,050,584	\$ -
Miscellaneous	-	-	-	64,763	64,763
Total revenues -local sources	<u>2,050,584</u>	<u>-</u>	<u>2,050,584</u>	<u>2,115,347</u>	<u>64,763</u>
State sources:					
State sources	5,196,792	(398,790)	4,798,002	4,798,002	-
Federal source - SEMI				27,765	27,765
Reimbursed TPAF-Social Security (non-budgeted)	-	-	-	162,489	162,489
TPAF - Post Retirement Medical (On-Behalf - Non-Budgeted)	-	-	-	218,263	218,263
Teacher's Pension & Annuity Fund (On-Behalf-Non-Budgeted)	-	-	-	830,852	830,852
Long Term Disability Insurance (On-Behalf-Non-Budgeted)	-	-	-	581	581
Total -state sources	<u>5,196,792</u>	<u>(398,790)</u>	<u>4,798,002</u>	<u>6,037,952</u>	<u>1,239,950</u>
Total revenues	<u>7,247,376</u>	<u>(398,790)</u>	<u>6,848,586</u>	<u>8,153,299</u>	<u>1,304,713</u>
Expenditures					
Current expense:					
Instruction					
Salaries of teachers	2,139,759	(383,133)	1,756,626	1,706,023	50,603
Other salaries for instruction	845,520	92,134	937,654	881,425	56,229
Purchased professional technical services	19,500	(18,902)	598	175	423
Other purchased services	-	-	-	-	-
General educational supplies	101,000	(28,936)	72,064	65,795	6,269
Textbooks	40,000	(32,693)	7,307	1,530	5,777
Miscellaneous expenses	38,600	(18,000)	20,600	16,052	4,548
	<u>3,184,379</u>	<u>(389,530)</u>	<u>2,794,849</u>	<u>2,671,000</u>	<u>123,849</u>

**GREATER BRUNSWICK CHARTER SCHOOL
General Fund**

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Budget Comparison Schedule

Year ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Administrative cost:					
Salaries	669,661	56,250	725,911	708,386	17,525
Total benefit costs	1,439,515	7,530	1,447,045	1,324,724	122,321
Professional /Technical service	184,492	33,666	218,158	204,011	14,147
Other purchased services	15,000	-	15,000	1,670	13,330
Communications and Telephones	24,964	17,063	42,027	42,027	-
Supplies and materials	17,600	2,511	20,111	17,333	2,778
Interest on current loans	-	-	-	-	-
Mortgage interest	-	-	-	-	-
Miscellaneous expenses	85,365	(2,086)	83,279	73,973	9,306
	<u>2,436,597</u>	<u>114,934</u>	<u>2,551,531</u>	<u>2,372,124</u>	<u>179,407</u>
Support services:					
Salaries	695,195	196,906	892,101	847,515	44,586
Purchased prof/tech service	64,000	15,991	79,991	73,643	6,348
Other purchased services	25,000	31,159	56,159	10,749	45,410
Rent on land and buildings	-	-	-	-	-
Insurance-fidelity, liability property	50,000	(30,000)	20,000	8,317	11,683
Supplies and materials	63,000	59,868	122,868	112,234	10,634
Energy & Utilities	106,000	(6,258)	99,742	66,342	33,400
Miscellaneous expenses	-	-	-	-	-
Transportation other than to/from school	-	-	-	-	-
Total support services	<u>1,003,195</u>	<u>267,666</u>	<u>1,270,861</u>	<u>1,118,800</u>	<u>152,061</u>

**GREATER BRUNSWICK CHARTER SCHOOL
General Fund**

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Budget Comparison Schedule

Year ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Capital outlay:					
Instructional equipment	-	-	-	-	-
Non-instructional equipment	-	-	-	-	-
Purchase land/improvements	-	-	-	-	-
Lease purchase agreements - principal	-	-	-	-	-
Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reimbursed TPAF-Social Security (non-budgeted)	-	-	-	162,489	(162,489)
TPAF - Post Retirement Medical (On-Behalf - Non-Budgeted)				218,263	(218,263)
Teacher's Pension & Annuity Fund (On-Behalf-Non-Budgeted)				830,852	(830,852)
Long Term Disability Insurance (On-Behalf-Non-Budgeted)	-	-	-	581	(581)
Total expenditures	<u>6,624,171</u>	<u>(6,930)</u>	<u>6,617,241</u>	<u>7,374,109</u>	<u>292,828</u>
Excess (deficiency) of revenues over (under) expenditures	623,205	(391,860)	231,345	779,190	1,011,885
Other financing sources:					
Transfer to cover aftercare deficit	-	(60,169)	(60,169)	(60,169)	-
Transfer to capital projects fund	(100,000)	84,000	(16,000)	(16,000)	-
Transfer to debt service fund - principal	(94,583)	(29,441)	(124,024)	(124,024)	-
Transfer to debt service fund - interest	(450,902)	(1,320)	(452,222)	(447,259)	(4,963)
Total other financing sources/(uses)	<u>(645,485)</u>	<u>(6,930)</u>	<u>(652,415)</u>	<u>(647,452)</u>	<u>(4,963)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(22,280)	(398,790)	(421,070)	131,738	1,006,922
Fund balances, beginning of year	<u>2,838,046</u>	<u>-</u>	<u>2,838,046</u>	<u>2,838,046</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,815,766</u>	<u>\$ (398,790)</u>	<u>\$ 2,416,976</u>	<u>\$ 2,969,784</u>	<u>\$ 1,006,922</u>

**GREATER BRUNSWICK CHARTER SCHOOL
Special Revenue Fund**

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Budget Comparison Schedule

Year ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues					
Federal sources	\$ 1,248,307	\$ -	1,248,307	\$ 1,248,307	\$ -
State sources	60,911		60,911	60,911	-
Local sources	605		605	605	-
Total revenues -all sources	<u>\$ 1,309,823</u>	<u>\$ -</u>	<u>\$ 1,309,823</u>	<u>\$ 1,309,823</u>	<u>\$ -</u>
Expenditures					
Current Expenditures:					
Instruction:					
Salaries of teachers	\$ 409,253	\$ -	\$ 409,253	\$ 409,253	\$ -
Purchased Prof. and technical services	126,821	-	126,821	126,821	-
Other purchased services	78,254	-	78,254	78,254	-
General supplies	204,484	-	204,484	204,484	-
Miscellaneous expenditures	-	-	-	-	-
Total instruction	<u>818,812</u>	<u>-</u>	<u>818,812</u>	<u>818,812</u>	<u>-</u>
Support services					
Support services salaries	34,248	-	34,248	34,248	-
Employee benefits	15,585	-	15,585	15,585	-
Purchased professional services	295,143	-	295,143	295,143	-
Other purchased services	23,240	-	23,240	23,240	-
Supplies	63,123	-	63,123	63,123	-
Miscellaneous expenditures	-	-	-	-	-
Total support services	<u>431,339</u>	<u>-</u>	<u>431,339</u>	<u>431,339</u>	<u>-</u>
Capital Outlay:					
Facilities acquisition and construction services					
Instructional equipment	-	-	-	-	-
Noninstructional equipment	-	-	-	-	-
Construction services	60,911	-	60,911	60,911	-
Total facilities acquisition and construction services	<u>60,911</u>	<u>-</u>	<u>60,911</u>	<u>60,911</u>	<u>-</u>
Total expenditures	<u>\$ 1,311,062</u>	<u>\$ -</u>	<u>\$ 1,311,062</u>	<u>\$ 1,311,062</u>	<u>\$ -</u>

Notes to Required Supplementary Information

GREATER BRUNSWICK CHARTER SCHOOL
Note to Required Supplementary Information
Budget to GAAP Reconciliation

C-3

Year ended June 30, 2023

		General Fund	Special Revenue Fund
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule:	[C-1]	\$ 8,153,299	
	[C-2]		\$ 1,309,823
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-	-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	[B-2]	\$ 8,153,299	\$ 1,309,823
Note 1			
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule			
	[C-1]	\$ 7,374,109	
	[C-2]		\$ 1,309,823
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.			-
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.			
Net transfer (outflows) to general fund		-	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	\$ 7,374,109	\$ 1,309,823

Note 1) The general fund budget basis of the use/outflow of resources is GAAP, therefore no reconciliation is required.

GREATER BRUNSWICK CHARTER SCHOOL

L-1

Schedule of the Charter School's Proportionate Share of the Net Pension Liability - PERS
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	#REF!
Charter School's proportion of the net pension liability (assets)	0.0119710746%	0.0110341738%	0.0104833901%	0.0105108902%	0.0114731726%	0.0099707122%	0.0109684339%	0.0126245184%	0.0122354154%	0.0089060145%
Charter School's proportionate share of the net pension liability (assets)	1,806,600	1,307,163	1,709,567	1,893,903	2,259,011	2,321,022	3,248,536	2,833,951	2,290,804	1,702,116
Charter School's covered employee payroll	\$ 990,351	\$ 943,191	\$ 745,878	\$ 705,167	\$ 744,629	\$ 773,468	\$ 773,468	\$ 742,963	\$ 833,908	\$ 825,620
Charter School's proportionate share of the net pension liability (assets) as a percentage of its covered employee payroll	182.42%	138.59%	229.20%	268.58%	303.37%	300.08%	420.00%	381.44%	274.71%	206.16%
Plan fiduciary net position as a percentage of the total pension liability - local	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Note
Until a full ten year trend is compiled, information will be presented for those years for which information is available.

GREATER BRUNSWICK CHARTER SCHOOL

Schedule of the Charter School's Contributions - PERS
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	#REF!
Contractually required contribution	\$ 150,961	\$ 129,223	\$ 114,683	\$ 103,235	\$ 115,349	\$ 96,351	\$ 99,953	\$ 108,537	\$ 100,867	\$ 67,105
Contribution in relation to the contractually required contribution	(150,961)	(129,223)	(114,683)	(103,235)	(115,349)	(96,351)	(99,953)	(108,537)	(100,867)	(67,105)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charter School's covered employee payroll	\$ 990,351	\$ 943,191	\$ 745,878	\$ 705,167	\$ 744,629	\$ 773,468	\$ 773,468	\$ 742,963	\$ 833,908	\$ 825,620
Contributions as a percentage of covered employee payroll	15.24%	13.70%	15.38%	14.64%	15.49%	12.46%	12.92%	14.61%	12.10%	8.13%

Note
Until a full ten year trend is compiled, information will be presented for those years for which information is available.

GREATER BRUNSWICK CHARTER SCHOOL

Schedule of the Charter School's Proportionate Share of the Net Pension Liability - TPAF
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	#REF!
Charter School's proportion of the net pension liability (assets)**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Charter School's proportionate share of the net pension liability (assets)**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State's proportionate share of the net pension liability (assets) associated with the Charter School	\$ 8,560,677	\$ 10,241,704	\$ 14,410,264	\$ 13,496,241	\$ 12,506,541	\$ 15,064,727	\$ 16,066,357	\$ 11,979,356	\$ 9,477,362	\$ 8,462,968
Total	<u>\$ 8,560,677</u>	<u>\$ 10,241,704</u>	<u>\$ 14,410,264</u>	<u>\$ 13,496,241</u>	<u>\$ 12,506,541</u>	<u>\$ 15,064,727</u>	<u>\$ 16,066,357</u>	<u>\$ 11,979,356</u>	<u>\$ 9,477,362</u>	<u>\$ 8,462,968</u>
Charter School's covered employee payroll	\$ 1,787,018	\$ 2,421,435	\$ 1,787,018	\$ 2,260,234	\$ 2,201,015	\$ 2,161,203	\$ 2,161,203	\$ 2,246,307	\$ 1,964,881	\$ - *
Charter School's proportionate share of the net pension liability (assets) as a percentage of its covered employee payroll**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan 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%

**Note
TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. Since the Charter School (employer) does not contribute directly to the plan there is no net pension liability to report in the financial statements of the Charter School.

GREATER BRUNSWICK CHARTER SCHOOL

M-1

Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the Charter School
and Changes in the Total OPEB Liability and Related Ratios
Public Employee's Retirement System and Teachers' Pension and Annuity Fund
Last Six Fiscal Years

	Fiscal Year Ending					
	2022	2021	2020	2019	2018	2017
Total OPEB Liability						
Service cost	\$ 585,456	\$ 873,856	\$ 518,769	\$ 487,753	\$ 496,043	\$ 596,989
Interest cost	150,701	166,236	209,577	223,334	225,315	188,829
Change of benefit terms	-	(6,821)	-	-	-	-
Differences in expected and actual experiences	212,190	(2,841,774)	687,681	(454,637)	(468,645)	-
Changes of assumptions	(1,525,483)	6,322	1,522,903	82,586	(615,646)	(882,198)
Member contributions	4,789	4,250	4,399	5,040	4,958	5,003
Gross benefit payments	(149,274)	(130,948)	(145,142)	(170,028)	(143,455)	(135,876)
Net change in total OPEB liability	(721,621)	(1,928,879)	2,798,187	174,048	(501,430)	(227,253)
Total OPEB liability - beginning	6,408,227	8,337,106	5,538,919	5,364,871	5,866,301	6,093,554
Total OPEB liability, ending	\$ 5,686,606	\$ 6,408,227	\$ 8,337,106	\$ 5,538,919	\$ 5,364,871	\$ 5,866,301
Covered employee payroll - PERS and TPAF	\$ 1,656,513	\$ 1,540,520	\$ 1,754,191	\$ 1,848,880	\$ 1,587,009	\$ 1,475,701
Total OPEB liability as a percentage of covered employee payroll	343%	416%	475%	300%	338%	398%
State's proportionate share of the net OPEB liability (asset) associated with the Charter School	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to Required Supplementary Information
Year Ended June 30, 2023

1. Pension – Public Employees’ Retirement System (PERS)

Benefit Changes

There were none.

Changes of Assumptions

None - The discount rate remained at 7% as of June 30, 2022 same as of June 30, 2021.

2. Pension – Teachers’ Pension and Annuity Fund (TPAF)

Benefit Changes

There were none.

Changes of Assumptions

None - The discount rate remained at 7% as of June 30, 2022 same as of June 30, 2021.

3. Other Post-Retirement Benefit Plan – Public Employees’ Retirement System (PERS) and Teachers’ Pension and Annuity Fund (TPAF)

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 2.16% as of June 30, 2021, to 3.54% as of June 30, 2022.

Other Supplementary Information

School Level Schedules

Special Revenue Fund

GREATER BRUNSWICK CHARTER SCHOOL
Special Revenue Fund

E-1

Combining Schedule of Program, Revenue and Expenditures
Budgetary Basis

Year ended June 30, 2023

	Title IA Current Year 2022-2023	Title IIA Current Year 2022-2023	Title III Current Year 2022-2023	I.D.E.A. Basic Current Year 2022-2023	I.D.E.A. Preschool Current Year 2022-2023	CRRSA ESSER II Learnin Acceleration 2020-2023	CRRSA ESSER II Mental Health 2020-2023	ARP ESSER III 2020-2023	ARP ESSER III Summer Learning 2020-2023	ARP ESSER III Beyond School 2020-2023	ARP ESSER III Mental Health 2020-2023	SDA Emergent Capital Needs	Other Local Donation	Student Activity Fund	Total
Revenues															
Federal sources	\$ 205,943	\$ 19,277	\$ 15,462	\$ 101,663	\$ 2,153	\$ 31,064	\$ 4,500	\$ 743,245	\$ 40,000	\$ 40,000	\$ 45,000	\$ -	\$ -	\$ -	\$ 1,248,307
State sources	-	-	-	-	-	-	-	-	-	-	-	60,911	-	-	60,911
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	605	-	605
Total revenues-all sources	\$ 205,943	\$ 19,277	\$ 15,462	\$ 101,663	\$ 2,153	\$ 31,064	\$ 4,500	\$ 743,245	\$ 40,000	\$ 40,000	\$ 45,000	\$ 60,911	\$ 605	\$ -	\$ 1,309,823
Expenditures															
Instruction															
Salaries of teachers	\$ 69,423	\$ -	\$ -	\$ -	\$ -	\$ 28,856	\$ -	\$ 239,797	\$ 34,020	\$ 37,157	\$ -	\$ -	\$ -	\$ -	\$ 409,253
Purchased Prof. and technical services	-	-	-	-	-	-	-	126,821	-	-	-	-	-	-	126,821
Other purchased services	-	-	-	-	-	-	-	78,254	-	-	-	-	-	-	78,254
General supplies	18,460	-	-	-	-	-	-	182,647	3,377	-	-	-	-	-	204,484
Miscellaneous expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total instruction	87,883	-	-	-	-	28,856	-	627,519	37,397	37,157	-	-	-	-	818,812
Support services															
Support services salaries	21,181	-	13,067	-	-	-	-	-	-	-	-	-	-	-	34,248
Employee benefits	6,931	-	1,000	-	-	2,208	-	-	2,603	2,843	-	-	-	-	15,585
Purchased professional services	80,000	12,800	-	101,663	2,153	-	4,500	49,027	-	-	45,000	-	-	-	295,143
Other purchased services	-	4,477	395	-	-	-	-	18,368	-	-	-	-	-	-	23,240
Supplies	9,948	2,000	1,000	-	-	-	-	48,331	-	-	-	-	605	1,239	63,123
Miscellaneous expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total support services	118,060	19,277	15,462	101,663	2,153	2,208	4,500	115,726	2,603	2,843	45,000	-	605	1,239	431,339
Facilities acquisition and construction services															
Instructional equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Noninstructional equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction services	-	-	-	-	-	-	-	-	-	-	-	60,911	-	-	60,911
Total facilities acquisition and construction services	-	-	-	-	-	-	-	-	-	-	-	60,911	-	-	60,911
Total expenditures	\$ 205,943	\$ 19,277	\$ 15,462	\$ 101,663	\$ 2,153	\$ 31,064	\$ 4,500	\$ 743,245	\$ 40,000	\$ 40,000	\$ 45,000	\$ 60,911	\$ 605	\$ 1,239	\$ 1,311,062
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,239)	(1,239)
Fund balances, beginning of year	-	-	-	-	-	-	-	-	-	-	-	-	-	89,183	89,183
Prior period adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund balances, beginning of year (restated)	-	-	-	-	-	-	-	-	-	-	-	-	-	89,183	89,183
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,944	\$ 87,944

Capital Projects Fund

**GREATER BRUNSWICK CHARTER SCHOOL
Capital Projects Fund**

F-1

Summary Schedule of Project Expenditures

Year ended June 30, 2023

<u>Project Title/Issue</u>	<u>Approval Date</u>	<u>Revised Budgetary Appropriation</u>	<u>GAAP Expenditures to Date</u>		<u>Unexpended Appropriation June 30, 2023</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Project fund	05/12/14	\$ 620,537	\$ 579,819	\$ -	\$ 40,718
Repair and replacement fund	05/12/14	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Totals		<u>\$ 820,537</u>	<u>\$ 579,819</u>	<u>\$ -</u>	<u>\$ 240,718</u>

GREATER BRUNSWICK CHARTER SCHOOL
Capital Projects Fund

F-2

Summary Schedule of Revenues, Expenditures and Changes in Fund Balance
Budgetary Basis

Year ended June 30, 2023

Revenues and Other Financing Sources		
Bond proceeds	\$	-
Interest income		6,120
Miscellaneous		2
		<u>6,122</u>
Other purchased professional and technical services		-
Construction services		-
		<u>-</u>
Excess/(deficiency) of revenues over/(under) expenditures		6,122
Other financing sources/(uses)		
Operating transfers in - general fund		24,000
Total other financing sources and uses		<u>24,000</u>
Net change in fund balance		30,122
Fund balance, beginning of year		<u>187,635</u>
Fund balance, end of year	\$	<u><u>217,757</u></u>

GREATER BRUNSWICK CHARTER SCHOOL
Capital Projects Fund

F-2a

Schedule of Revenues, Expenditures, Project Balance and Project Status
Budgetary Basis
Project Fund
Year ended June 30, 2023

	Prior Periods	Current Year	Totals	Revised Authorized Cost
<u>Revenues and Other Financing Sources</u>				
Bond proceeds	\$ 620,503	\$ -	\$ 620,503	\$ 620,503
Miscellaneous	9,384	6,122	15,506	6,156
	<u>629,887</u>	<u>6,122</u>	<u>636,009</u>	<u>626,659</u>
Other purchased professional and technical services	301,195	-	301,195	301,214
Construction services	278,732	-	278,732	325,199
	<u>579,927</u>	<u>-</u>	<u>579,927</u>	<u>626,413</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>\$ 49,960</u>	<u>\$ 6,122</u>	<u>\$ 56,082</u>	<u>\$ 246</u>

Additional Project Information:

Project Number	
Grant Date	05/12/14
Bond Authorization Date	08/29/14
Bonds Authorized	\$ 620,503
Bonds Issues	\$ 620,503
Original Authorized Cost	\$ 620,503
Additional Authorized Cost	\$ 6,156
Revised Authorized Cost	\$ 626,659
Percentage Increase Over Original Authorized Cost	0.0%
Percentage of Completion	91.2%
Original Target Completion Date	12/31/17
Revised Target Completion Date	N/A

GREATER BRUNSWICK CHARTER SCHOOL
Capital Projects Fund

F-2b

Schedule of Revenues, Expenditures, Project Balance and Project Status
Budgetary Basis
Repair and Replacement Fund
Year ended June 30, 2023

	Prior Periods	Current Year	Totals	Revised Authorized Cost
<u>Revenues and Other Financing Sources</u>				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Transfer from General Fund	137,675	24,000	161,675	200,000
	<u>137,675</u>	<u>24,000</u>	<u>161,675</u>	<u>200,000</u>
<u>Expenditures and Other Financing Uses</u>				
Construction services	-	-	-	200,000
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>\$ 137,675</u>	<u>\$ 24,000</u>	<u>\$ 161,675</u>	<u>\$ -</u>

Additional Project Information:

Project Number	
Grant Date	05/12/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issues	N/A
Original Authorized Cost	\$ 200,000
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 200,000
Percentage Increase Over Original Authorized Cost	0.0%
Percentage of Completion	0.0%
Original Target Completion Date	01/01/23
Revised Target Completion Date	N/A

Enterprise Fund

GREATER BRUNSWICK CHARTER SCHOOL
Enterprise Funds

G-1

Combining Statement of Net Position

June 30, 2023

	<u>Food Services</u>	<u>After-Care Program</u>	<u>Total</u>
Assets			
Current assets:			
Cash and cash equivalents	\$ 15,742	\$ -	\$ 15,742
Accounts receivable:	-	-	-
Federal	74,461	-	74,461
State	606	-	606
Other	-	-	-
Interfunds receivable	-	-	-
Total current assets	<u>\$ 90,809</u>	<u>\$ -</u>	<u>\$ 90,809</u>
Liabilities			
Current liabilities:			
Interfunds payable	\$ 90,809	\$ -	\$ 90,809
Accounts payable	-	-	-
Total current liabilities	<u>90,809</u>	<u>-</u>	<u>90,809</u>
Net position			
Unrestricted	-	-	-
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GREATER BRUNSWICK CHARTER SCHOOL
Enterprise Fund

G-2

Combining Statement of Revenues, Expenditures and Changes in Net Position

Year ended June 30, 2023

	Food Services	After School Programs	Total
Operating revenues:			
Charges for services:			
Daily sales - reimbursable program	\$ -	\$ -	\$ -
Daily sales - non-reimbursable program	-	-	-
Miscellaneous revenue	-	1,720	1,720
Total Operating revenues	<u>-</u>	<u>1,720</u>	<u>1,720</u>
Operating expenses:			
Cost of sales - reimburseable program	444,620	-	444,620
Cost of sales - non-reimbursable program	-	-	-
Salaries	88,744	-	88,744
Employee benefits	-	-	-
Other purchased services	-	-	-
Supplies and materials	3,623	-	3,623
Depreciation	-	-	-
Utilities	-	-	-
Miscellaneous	-	-	-
Total operating expenses	<u>536,987</u>	<u>-</u>	<u>536,987</u>
Operating income/(loss)	<u>(536,987)</u>	<u>1,720</u>	<u>(535,267)</u>
Nonoperating revenues:			
State sources:			
State school lunch program	4,686	-	4,686
State school breakfast program - after bell	8,552	-	8,552
Federal sources:			
National school lunch program	167,920	-	167,920
National school breakfast program	140,106	-	140,106
After school snacks program	39,822	-	39,822
Healthy, Hunger-Free Kids Act	3,654	-	3,654
Total nonoperating revenues	<u>364,740</u>	<u>-</u>	<u>364,740</u>
Net income/(loss) before contributions & transfers	(172,247)	1,720	(170,527)
Other financing sources:			
Transfers within fund	-	-	-
Transfer in/(out) - board contribution	50,660	9,509	60,169
	<u>50,660</u>	<u>9,509</u>	<u>60,169</u>
Change in net position	(121,587)	11,229	(110,358)
Total net position-beginning of year	<u>121,587</u>	<u>(11,229)</u>	<u>110,358</u>
Total net position-end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GREATER BRUNSWICK CHARTER SCHOOL
Enterprise Fund

G-3

Statement of Cash Flows

Year ended June 30, 2023

	<u>Food Services</u>	<u>After School Programs</u>	<u>Total</u>
Cash flows from operating activities			
Operating loss	\$ (536,987)	\$ 1,720	\$ (535,267)
Adjustment to reconcile operating loss to net cash used in operating activities:			
Changes in assets and liabilities:			
Accounts receivable	(30,590)	-	(30,590)
Due to/from general fund	110,831	(11,229)	99,602
Accounts payable	-	-	-
Net cash used in operating activities	<u>(456,746)</u>	<u>(9,509)</u>	<u>(466,255)</u>
Cash flows from noncapital financing activities:			
Cash received from state reimbursements	13,238	-	13,238
Cash received from federal reimbursements	351,502	-	351,502
Transfers within fund	-	-	-
Operating subsidies and transfers from other funds	50,660	9,509	60,169
Net cash provided by noncapital financing activities	<u>415,400</u>	<u>9,509</u>	<u>424,909</u>
Cash flows from investing activities			
	-	-	-
Net change in cash and cash equivalents	(41,346)	-	(41,346)
Cash and cash equivalents, beginning	57,088	-	57,088
Cash and cash equivalents, ending	<u>\$ 15,742</u>	<u>\$ -</u>	<u>\$ 15,742</u>

Fiduciary Fund
Not Applicable

Long Term Debt

GREATER BRUNSWICK CHARTER SCHOOL
Long-Term Debt
Schedule of Bonds Payable

I-1

Year ended June 30, 2023

Issue	Date of Issue	Amount of Issue	Annual Principal Payments Outstanding June 30, 2023		Interest Rate	Amount Outstanding June 30, 2022	Issued	Retired	Amount Outstanding June 30, 2023
			Date	Amount					
School Revenue Bonds: Series 2014A (Tax Exempt)	8/24/2014	\$ 7,850,000	8/1/2016	\$ 833	4.750%	\$ -	\$ -	\$ -	\$ -
			9/1/2016	833	4.750%				
			10/1/2016	833	4.750%				
			11/1/2016	833	4.750%				
			12/1/2016	833	4.750%				
			1/1/2017	833	4.750%				
			2/1/2017	833	4.750%				
			3/1/2017	833	4.750%				
			4/1/2017	833	4.750%				
			5/1/2017	833	4.750%				
			6/1/2017	833	4.750%				
			7/1/2017	833	4.750%				
			8/1/2017	7,967	4.750%				
			9/1/2017	7,967	4.750%				
			10/1/2017	7,967	4.750%				
			11/1/2017	7,967	4.750%				
			12/1/2017	7,967	4.750%				
			1/1/2018	7,967	4.750%				
			2/1/2018	7,967	4.750%				
			3/1/2018	7,967	4.750%				
			4/1/2018	7,967	4.750%				
			5/1/2018	7,967	4.750%				
			6/1/2018	7,967	4.750%				
			7/1/2018	7,967	4.750%				
			8/1/2018	8,333	4.750%				
			9/1/2018	8,333	4.750%				
			10/1/2018	8,333	4.750%				
			11/1/2018	8,333	4.750%				
			12/1/2018	8,333	4.750%				
			1/1/2019	8,333	4.750%				
			2/1/2019	8,333	4.750%				
			3/1/2019	8,333	4.750%				
			4/1/2019	8,333	4.750%				
			5/1/2019	8,333	4.750%				
			6/1/2019	8,333	4.750%				
			7/1/2019	8,333	4.750%				
			8/1/2019	8,750	4.750%				
			9/1/2019	8,750	4.750%				

GREATER BRUNSWICK CHARTER SCHOOL
Long-Term Debt
Schedule of Bonds Payable

I-1

Year ended June 30, 2023

Issue	Date of Issue	Amount of Issue	Annual Principal Payments Outstanding June 30, 2023		Interest Rate	Amount Outstanding June 30, 2022	Issued	Retired	Amount Outstanding June 30, 2023
			Date	Amount					
School Revenue Bonds: Series 2014A (Tax Exempt)	8/24/2014	\$ 7,850,000	10/1/2019	\$ 8,750	4.750%				
			11/1/2019	8,750	4.750%				
			12/1/2019	8,750	4.750%				
			1/1/2020	8,750	4.750%				
			2/1/2020	8,750	4.750%				
			3/1/2020	8,750	4.750%				
			4/1/2020	8,750	4.750%				
			5/1/2020	8,750	4.750%				
			6/1/2020	8,750	4.750%				
			7/1/2020	8,750	4.750%				
			8/1/2020	9,167	4.750%				
			9/1/2020	9,167	4.750%				
			10/1/2020	9,167	4.750%				
			11/1/2020	9,167	4.750%				
			12/1/2020	9,167	4.750%				
			1/1/2021	9,167	4.750%				
			2/1/2021	9,167	4.750%				
			3/1/2021	9,167	4.750%				
			4/1/2021	9,167	4.750%				
			5/1/2021	9,167	4.750%				
			6/1/2021	9,116	4.750%				
			7/1/2021	9,167	4.750%				
			8/1/2021-2022	9,583	4.750%				
			8/1/2022-2023	10,000	4.750%				
			8/1/2023-2024	10,833	4.750%				
			8/1/2024-2025	11,250	5.625%				
			8/1/2025-2026	11,667	5.625%				
			8/1/2026-2027	12,500	5.625%				
			8/1/2027-2028	13,333	5.625%				
			8/1/2028-2029	13,750	5.625%				
			8/1/2029-2030	14,583	5.625%				
8/1/2030-2031	15,417	5.625%							
8/1/2031-2032	16,250	5.625%							
8/1/2032-2033	17,083	5.625%							
8/1/2033-2034	18,333	5.625%							
8/1/2034-2035	19,167	5.875%							
8/1/2035-2036	20,417	5.875%							
8/1/2036-2037	21,667	5.875%							
8/1/2037-2038	22,917	5.875%							
8/1/2038-2039	24,167	5.875%							

GREATER BRUNSWICK CHARTER SCHOOL
Long-Term Debt
Schedule of Bonds Payable

I-1

Year ended June 30, 2023

Issue	Date of Issue	Amount of Issue	Annual Principal Payments Outstanding June 30, 2023		Interest Rate	Amount Outstanding June 30, 2022	Issued	Retired	Amount Outstanding June 30, 2023
			Date	Amount					
School Revenue Bonds: Series 2014A (Tax Exempt)	8/24/2014	\$ 7,850,000	8/1/2039-2040	\$ 25,833	5.875%				
			8/1/2040-2041	27,083	5.875%				
			8/1/2041-2042	28,750	5.875%				
			8/1/2042-2043	30,417	5.875%				
			8/1/2043-2044	32,083	5.875%				
			8/1/2044-2045	34,167	6.000%				
			8/1/2045-2046	36,250	6.000%				
			8/1/2046-2047	38,333	6.000%				
			8/1/2047-2048	40,417	6.000%				
			8/1/2048-2049	42,917	6.000%				
Series 2014B (Taxable)	8/29/2014	\$ 240,000	7/1/2015	7,500	6.375%				
			8/1/2015	7,083	6.375%				
			9/1/2015	7,083	6.375%				
			10/1/2015	7,083	6.375%				
			11/1/2015	7,083	6.375%				
			12/1/2015	7,083	6.375%				
			1/1/2016	7,083	6.375%				
			2/1/2016	7,083	6.375%				
			3/1/2016	7,083	6.375%				
			4/1/2016	7,083	6.375%				
			5/1/2016	7,083	6.375%				
			6/1/2016	7,083	6.375%				
			7/1/2016	7,083	6.375%				
			8/1/2016	6,667	6.375%				
			9/1/2016	6,667	6.375%				
			10/1/2016	6,667	6.375%				
			11/1/2016	6,667	6.375%				
			12/1/2016	6,667	6.375%				
1/1/2017	6,667	6.375%							
2/1/2017	6,667	6.375%							
3/1/2017	6,667	6.375%							
4/1/2017	6,667	6.375%							
5/1/2017	6,667	6.375%							
6/1/2017	6,667	6.375%							
7/1/2017	6,667	6.375%							
					-	-	-	-	
					\$ 7,324,587	\$ -	\$ 119,583	\$ 7,205,004	

GREATER BRUNSWICK CHARTER SCHOOL
Long-Term Debt
Schedule of Loans Payable

I-2

Year ended June 30, 2023

Issued			Interest Rate	Amount Outstanding June 30, 2022	Issued	Retired	Amount Outstanding June 30, 2023
Purpose	Date	Amount		-			-
NONE				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -

GREATER BRUNSWICK CHARTER SCHOOL
Budgetary Comparison Schedule
Debt Service Fund

I-3

Year ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive/(Negative) Final to Actual</u>
Revenues				-	
Interest earned on Debt Service Reserve	\$ -	\$ -	\$ -	\$ 13,183	\$ 13,183
Miscellaneous revenue	-	-	-	1,166	1,166
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,349</u>	<u>14,349</u>
Expenditures					
Regular Debt Service:					
Interest	450,902	1,320	452,222	431,398	20,824
Redemption of Principal	94,583	29,441	124,024	119,583	4,441
Early Retirement of Loans					
Interest	-	-	-	-	-
Redemption of Principal	-	-	-	-	-
Other miscellaneous expenditures	-	-	-	2,353	(2,353)
Total expenditures	<u>545,485</u>	<u>30,761</u>	<u>576,246</u>	<u>553,334</u>	<u>22,912</u>
Excess/(deficiency) of revenues over/ (under) expenditures	<u>(545,485)</u>	<u>(30,761)</u>	<u>(576,246)</u>	<u>(538,985)</u>	<u>(8,563)</u>
Other financing sources:					
Bond proceeds				-	-
Operating transfers in - General Fund	545,485	30,761	576,246	563,283	12,963
	<u>545,485</u>	<u>30,761</u>	<u>576,246</u>	<u>563,283</u>	<u>12,963</u>
Excess/(deficiency) of revenues over/ (under) expenditures	-	-	-	24,298	4,400
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>857,592</u>	<u>857,592</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 881,890</u>	<u>\$ 861,992</u>

Statistical Section

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-1

NET POSITION BY COMPONENT

Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities										
Invested in capital assets, net of related debt	\$ (659,720)	\$ (611,139)	\$ (577,516)	\$ (475,403)	\$ (479,492)	\$ (363,941)	\$ (220,362)	\$ (63,423)	\$ 143,009	\$ 1,246,005
Restricted	1,099,647	1,045,230	708,812	684,768	654,047	654,300	644,797	644,417	827,800	1,402
Unrestricted	1,175,420	818,760	(410,182)	(807,355)	(1,229,725)	(1,581,027)	(1,582,231)	(1,328,989)	(1,065,826)	778,972
Total governmental activities net position	<u>\$ 1,615,347</u>	<u>\$ 1,252,851</u>	<u>\$ (278,886)</u>	<u>\$ (597,990)</u>	<u>\$ (1,055,170)</u>	<u>\$ (1,290,668)</u>	<u>\$ (1,157,796)</u>	<u>\$ (747,995)</u>	<u>\$ (95,017)</u>	<u>\$ 2,026,379</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	-	110,358	102,022	65,098	52,661	32,797	1,019	17,593	21,286	11,351
Total business-type activities	<u>\$ -</u>	<u>\$ 110,358</u>	<u>\$ 102,022</u>	<u>\$ 65,098</u>	<u>\$ 52,661</u>	<u>\$ 32,797</u>	<u>\$ 1,019</u>	<u>\$ 17,593</u>	<u>\$ 21,286</u>	<u>\$ 11,351</u>
School-wide										
Invested in capital assets, net of related debt	\$ (659,720)	\$ (611,139)	\$ (577,516)	\$ (475,403)	\$ (479,492)	\$ (363,941)	\$ (220,362)	\$ (63,423)	\$ 143,009	\$ 1,246,005
Restricted	1,099,647	1,045,230	708,812	684,768	654,047	654,300	644,797	644,417	827,800	1,402
Unrestricted	1,175,420	929,118	(308,160)	(742,257)	(1,177,064)	(1,548,230)	(1,581,212)	(1,311,396)	(1,044,540)	790,323
Total charter school net position	<u>\$ 1,615,347</u>	<u>\$ 1,363,209</u>	<u>\$ (176,864)</u>	<u>\$ (532,892)</u>	<u>\$ (1,002,509)</u>	<u>\$ (1,257,871)</u>	<u>\$ (1,156,777)</u>	<u>\$ (730,402)</u>	<u>\$ (73,731)</u>	<u>\$ 2,037,730</u>

Source: Charter School's Records

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-2

CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses										
Governmental activities										
Instruction										
Regular	\$ 3,489,812	\$ 3,586,157	\$ 3,111,317	\$ 2,666,708	\$ 2,714,357	\$ 2,719,136	\$ 2,813,312	\$ 2,888,880	\$ 3,970,385	\$ 3,555,799
Support services:										
School administrative services	3,360,629	2,952,838	2,764,236	2,831,610	2,850,006	2,751,145	2,916,297	2,299,989	840,328	736,092
General administration	1,486,150	1,081,687	981,965	703,026	870,611	808,415	766,460	1,246,864	954,574	919,350
Plant operations and maintenance	66,342	56,266	54,336	60,383	76,193	61,755	73,295	67,625	406,340	427,345
Interest on long term debt	431,398	434,553	437,739	442,667	448,526	451,902	456,464	463,584	626,770	324,272
Unallocated depreciation	229,075	233,755	221,770	219,745	226,241	239,807	246,522	253,514	358,270	237,179
Total governmental activities expenses	<u>9,063,406</u>	<u>8,345,256</u>	<u>7,571,363</u>	<u>6,924,139</u>	<u>7,185,934</u>	<u>7,032,160</u>	<u>7,272,350</u>	<u>7,220,456</u>	<u>7,156,667</u>	<u>6,200,037</u>
Business-type activities:										
Food service	536,987	461,202	301,684	288,186	298,243	299,122	318,646	283,890	271,640	282,797
Child Care	-	1,140	-	72,153	45,505	59,172	74,960	92,342	66,010	71,734
Total business-type activities expense	<u>536,987</u>	<u>462,342</u>	<u>301,684</u>	<u>360,339</u>	<u>343,748</u>	<u>358,294</u>	<u>393,606</u>	<u>376,232</u>	<u>337,650</u>	<u>354,531</u>
Total charter school expenses	<u>\$ 9,600,393</u>	<u>\$ 8,807,598</u>	<u>\$ 7,873,047</u>	<u>\$ 7,284,478</u>	<u>\$ 7,529,682</u>	<u>\$ 7,390,454</u>	<u>\$ 7,665,956</u>	<u>\$ 7,596,688</u>	<u>\$ 7,494,317</u>	<u>\$ 6,554,568</u>
Program revenues										
Governmental activities:										
Charges for services:										
Operating grants and contributions	\$ 1,311,062	\$ 1,191,487	\$ 740,184	\$ 419,003	\$ 408,270	\$ 368,310	\$ 359,430	\$ 359,430	\$ 843,947	\$ 875,359
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>1,311,062</u>	<u>1,191,487</u>	<u>740,184</u>	<u>419,003</u>	<u>408,270</u>	<u>368,310</u>	<u>359,430</u>	<u>359,430</u>	<u>843,947</u>	<u>875,359</u>
Business-type activities:										
Charges for services:										
Food service	-	-	-	3,102	8,466	33,196	15,921	17,694	11,361	21,355
Child care	1,720	5,451	-	27,596	43,521	43,261	64,870	75,579	31,016	45,406
Operating grants and contributions	364,740	464,627	339,208	327,482	311,625	297,956	296,241	279,266	294,209	255,574
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	<u>366,460</u>	<u>470,078</u>	<u>339,208</u>	<u>358,180</u>	<u>363,612</u>	<u>374,413</u>	<u>377,032</u>	<u>372,539</u>	<u>336,586</u>	<u>322,335</u>
Total charter school program revenues	<u>\$ 1,677,522</u>	<u>\$ 1,661,565</u>	<u>\$ 1,079,392</u>	<u>\$ 777,183</u>	<u>\$ 771,882</u>	<u>\$ 742,723</u>	<u>\$ 736,462</u>	<u>\$ 731,969</u>	<u>\$ 1,180,533</u>	<u>\$ 1,197,694</u>
Net (expense)/revenue										
Governmental activities	\$ (7,752,344)	\$ (7,153,769)	\$ (6,831,179)	\$ (6,505,136)	\$ (6,777,664)	\$ (6,663,850)	\$ (6,912,920)	\$ (6,861,026)	\$ (6,312,720)	\$ (5,324,678)
Business-type activities	(170,527)	7,736	37,524	(2,159)	19,864	16,119	(16,574)	(3,693)	(1,064)	(32,196)
Total charter school-wide net expense	<u>\$ (7,922,871)</u>	<u>\$ (7,146,033)</u>	<u>\$ (6,793,655)</u>	<u>\$ (6,507,295)</u>	<u>\$ (6,757,800)</u>	<u>\$ (6,647,731)</u>	<u>\$ (6,929,494)</u>	<u>\$ (6,864,719)</u>	<u>\$ (6,313,784)</u>	<u>\$ (5,356,874)</u>

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-2

CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General revenues and other changes in net position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 2,050,584	\$ 2,068,691	\$ 1,866,071	\$ 1,846,965	\$ 1,882,820	\$ 1,676,285	\$ 1,615,566	\$ 1,671,677	\$ 1,786,211	\$ 1,746,224
Grants and contributions	6,037,952	5,557,127	5,343,905	5,102,140	5,050,149	4,803,331	4,814,628	4,531,724	4,029,021	3,775,172
Miscellaneous income	85,234	351,143	23,840	27,807	80,193	67,021	72,925	4,647	22,103	18,380
Transfers	(60,169)	-	-	(14,596)	-	(15,659)	-	-	(11,000)	(42,000)
Total governmental activities	8,113,601	7,976,961	7,233,816	6,962,316	7,013,162	6,530,978	6,503,119	6,208,048	5,826,335	5,497,776
Business-type activities:										
Transfers	60,169	-	-	14,596	-	15,659	-	-	11,000	42,000
Total business-type activities	60,169	-	-	14,596	-	15,659	-	-	11,000	42,000
Total charter school-wide	\$ 8,173,770	\$ 7,976,961	\$ 7,233,816	\$ 6,976,912	\$ 7,013,162	\$ 6,546,637	\$ 6,503,119	\$ 6,208,048	\$ 5,837,335	\$ 5,539,776
Change in net position										
Governmental activities	\$ 421,426	\$ 823,192	\$ 402,637	\$ 471,776	\$ 235,498	\$ (117,213)	\$ (409,801)	\$ (652,978)	\$ (475,385)	\$ 215,098
Business-type activities	(170,527)	7,736	37,524	(2,159)	19,864	16,119	(16,574)	(3,693)	(1,064)	(32,196)
Total charter school	\$ 250,899	\$ 830,928	\$ 440,161	\$ 469,617	\$ 255,362	\$ (101,094)	\$ (426,375)	\$ (656,671)	\$ (476,449)	\$ 182,902

Source: Charter School's Records

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-3

Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,514	\$ 1,402
Unreserved	2,969,784	2,838,046	1,949,617	1,654,971	1,215,529	779,777	690,377	678,064	689,938	778,972
Total general fund	<u>\$ 2,969,784</u>	<u>\$ 2,838,046</u>	<u>\$ 1,949,617</u>	<u>\$ 1,654,971</u>	<u>\$ 1,215,529</u>	<u>\$ 779,777</u>	<u>\$ 690,377</u>	<u>\$ 678,064</u>	<u>\$ 710,452</u>	<u>\$ 780,374</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	-	-	-	-
Capital projects fund	217,757	187,638	140,030	116,020	91,205	100,379	94,503	94,421	-	-
Debt service fund	881,890	857,592	568,782	568,748	562,842	553,921	550,294	549,996	-	-
Permanent fund	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 1,099,647</u>	<u>\$ 1,045,230</u>	<u>\$ 708,812</u>	<u>\$ 684,768</u>	<u>\$ 654,047</u>	<u>\$ 654,300</u>	<u>\$ 644,797</u>	<u>\$ 644,417</u>	<u>\$ -</u>	<u>\$ -</u>

Source: Charter School's Records

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-4

Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Unaudited)

Function	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues										
Local tax levy	\$ 2,050,584	\$ 2,068,691	\$ 1,866,071	\$ 1,846,965	\$ 1,882,820	\$ 1,676,285	\$ 1,615,566	\$ 1,671,677	\$ 1,786,211	\$ 1,746,224
Miscellaneous	85,839	360,329	23,840	61,862	124,848	76,524	104,310	4,699	22,103	18,380
State sources	6,071,098	5,566,590	5,306,404	5,070,940	5,030,232	4,803,331	4,814,628	4,531,724	4,459,673	4,123,365
Federal sources	1,276,072	1,178,488	777,685	416,148	394,339	368,310	348,285	359,430	403,174	518,751
Private sources	-	-	-	-	-	-	-	-	10,120	8,415
Total revenue	9,483,593	9,174,098	7,974,000	7,395,915	7,432,239	6,924,450	6,882,789	6,567,530	6,681,281	6,415,135
Expenditures										
Instruction	3,489,812	3,586,157	3,111,317	2,666,708	2,714,357	2,719,136	2,813,312	2,888,880	2,797,869	2,613,671
Administration	3,584,309	3,299,193	2,950,296	2,814,538	2,777,661	2,674,097	2,670,172	2,328,788	2,320,360	2,045,812
Support Services	1,552,492	1,137,953	1,036,301	763,409	946,804	870,170	839,755	801,384	971,495	979,102
Capital Outlay	60,911	85,660	10,121	119,251	11,060	-	810	194,735	463,870	77,508
Debt Service	550,981	549,133	547,275	547,250	546,858	546,485	546,047	549,001	7,469,322	548,826
Total expenditures	9,238,505	8,658,096	7,655,310	6,911,156	6,996,740	6,809,888	6,870,096	6,762,788	14,022,916	6,264,919
Excess/(deficiency) of revenues over/(under) expenditures	245,088	516,002	318,690	484,759	435,499	114,562	12,693	(195,258)	(7,341,635)	150,216
Other Financing Sources/(Uses)										
Bond/Loan Proceeds	-	-	-	-	-	-	-	-	8,090,000	-
Prior Years Disallowed Costs	-	-	-	-	-	-	-	-	-	-
Prior Year Accounts Payable Canceled	-	-	-	-	-	-	-	-	-	-
Transfers In	587,283	885,587	571,250	571,250	546,858	546,485	546,047	573,001	567,763	548,826
Transfers (Out)	(647,452)	(171,392)	(571,275)	(585,846)	(546,858)	(562,144)	(546,047)	(573,001)	(578,763)	(590,826)
	(60,169)	714,195	(25)	(14,596)	-	(15,659)	-	-	8,079,000	(42,000)
Net change in fund balances	\$ 184,919	\$ 1,230,197	\$ 318,665	\$ 470,163	\$ 435,499	\$ 98,903	\$ 12,693	\$ (195,258)	\$ 737,365	\$ 108,216
Debt service as a percentage of noncapital expenditures	6.00%	6.41%	7.16%	8.06%	7.83%	8.02%	7.95%	8.36%	55.09%	8.87%

Source: Charter School's Records

Note: Noncapital expenditures are total expenditures less capital outlay.

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-5

General Fund Other Local Revenue by Source
Last Ten Fiscal Years
(Unaudited)

Function	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund raising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 490	\$ -
Rent	-	-	-	-	-	-	-	-	-	-
Prior year's refunds	-	-	-	-	-	-	-	-	3,324	955
Class trip fees	-	-	-	-	-	-	-	-	930	11,333
Yearbook sales	-	-	-	-	-	-	-	-	3,698	3,695
Insurance reimbursements	-	-	-	-	-	-	-	-	3,503	-
Donations	-	-	-	-	-	-	-	-	6,299	287
Interest	-	-	-	-	-	-	-	52	393	939
Miscellaneous	64,763	351,071	23,796	20,443	80,193	67,021	72,925	4,647	3,427	1,171
	-	-	-	-	-	-	-	-	-	-
Total other local revenue	<u>\$ 64,763</u>	<u>\$ 351,071</u>	<u>\$ 23,796</u>	<u>\$ 20,443</u>	<u>\$ 80,193</u>	<u>\$ 67,021</u>	<u>\$ 72,925</u>	<u>\$ 4,699</u>	<u>\$ 22,064</u>	<u>\$ 18,380</u>

Source: Charter School's Records

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-10

Ratio of Outstanding Debt By Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities					Business-Type Activities	Total Charter School	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Capital Leases	Bond Anticipation Notes (BANs)	Long Term Loans	Short Term Loans	Capital Leases			
2014	\$ -	\$ -	\$ -	\$ 6,813,904	\$ -	\$ -	\$ 6,813,904	0.24%	136
2015	8,022,500	-	-	-	-	-	8,022,500	0.27%	153
2016	7,937,083	-	-	-	-	-	7,937,083	0.26%	148
2017	7,847,500	-	-	-	-	-	7,847,500	0.26%	147
2018	7,752,916	-	-	-	-	-	7,752,916	0.25%	145
2019	7,653,286	-	-	-	-	-	7,653,286	0.25%	143
2020	7,548,703	-	-	-	-	-	7,548,703	0.25%	141
2021	7,439,167	-	-	-	-	-	7,439,167	0.24%	139
2022	7,324,587	-	-	-	-	-	7,324,587	0.24%	137
2023	7,205,004	-	-	-	-	-	7,205,004	0.24%	135

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

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-14

Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>County Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2014	56,556	\$ 2,842,900,452	\$ 50,267	7.70%
2015	56,774	2,979,840,164	52,486	6.90%
2016	57,035	3,049,490,345	53,467	6.20%
2017	56,910	3,042,806,970	53,467	6.20%
2018	56,910	3,042,806,970	53,467	6.20%
2019	56,910	3,042,806,970	53,467	6.20%
2020	56,910	3,042,806,970	53,467	6.20%
2021	56,910	3,042,806,970	53,467	6.20%
2022	56,910	3,042,806,970	53,467	6.20%
2021	56,910	3,042,806,970	53,467	6.20%

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income has been estimated based upon the municipal population and per capita personal income presented

^c Personal capital income by municipality estimated based upon the 2000 Cesus published by the US Bureau of Economic Analysis.

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-15

Principal Employers
Current Year
(Unaudited)

<u>Employer</u>	2023		
	Employees	Rank	Percentage of
	Employees	[Optional]	Total Municipal
	a	a	Employment
Robert Wood Johnson University Hospital	5,125	1	16.86%
Novo Nordisk	4,625	2	15.21%
Wakefern Food Corp	3,625	3	11.92%
Bristol-Myers Squibb	3,125	4	10.28%
St. Peter's University Hospital	2,875	5	9.46%
JFK Medical Center	2,625	6	8.63%
Silverline Building Products	2,275	7	7.48%
Johnson & Johnson	2,125	8	6.99%
Raritan Bay Medical Center	2,125	9	6.99%
Home Depot	1,875	10	6.17%
	30,395		100.00%

Source: Web Site: <http://www.middlesexcountynj.gov/Government/Departments/Documents/2014>

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-16

Full-Time Equivalent Charter School Employees by Function/Program
Last Ten Fiscal Years
(Unaudited)

<u>Function/Program</u>	Fiscal Year Ended June 30,									
	<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>
Instruction										
Regular	34	34	34	34	34	34	34	34	32	32
Special education	10	10	10	10	10	10	10	10	10	10
Other instruction	6	4	4	4	4	7	7	7	7	7
Support Services:										
Student & instruction related services	2	2	2	2	2	2	2	2	2	2
General administration	8	8	8	8	8	8	8	10	10	11
School administrative services	-	-	-	-	-	-	-	-	-	-
Other administrative services	-	-	-	-	-	-	-	-	-	-
Central services	-	-	-	-	-	-	-	-	-	-
Administrative Information Technology	1	1	1	1	1	1	1	1	1	1
Plant operations and maintenance	4	4	4	4	4	4	4	4	4	4
Pupil transportation	-	-	-	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	-	-	-	-	-	-	-	-	-	-
Total	<u>65</u>	<u>63</u>	<u>63</u>	<u>63</u>	<u>63</u>	<u>66</u>	<u>66</u>	<u>68</u>	<u>66</u>	<u>67</u>

Source: Charter School Personnel Records

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-17

Operating Statistics

**Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Kindergarten	Elementary				
2014	378	\$ 5,614,165	\$ 14,852	4.09%	32	1:12	1:12	377	360	6.50%	95.49%
2015	382	6,089,724	15,942	7.33%	32	1:12	1:12	381	363	1.06%	95.28%
2016	387	6,089,724	15,736	-1.29%	32	1:12	1:12	381	363	0.00%	95.28%
2017	391	6,869,286	17,569	11.65%	51	1:12	1:12	391	373	2.62%	95.40%
2018	393	6,809,888	17,328	-1.37%	51	1:12	1:12	391	373	0.00%	95.40%
2019	392	6,985,680	17,821	2.84%	48	1:12	1:12	391	371	0.00%	95.00%
2020	394	6,791,905	17,238	-3.27%	48	1:12	1:12	392	372	0.26%	95.00%
2021	395	7,645,189	19,355	12.28%	48	1:12	1:12	392	372	0.00%	95.00%
2022	394	8,572,436	21,757	12.41%	50	1:12	1:12	392	372	0.00%	95.00%
2023	395	9,177,594	23,234	6.79%	50	1:12	1:12	392	372	0.00%	95.00%

Sources: Charter School records

Note: Enrollment based on annual June Charter School count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-18

School Building Information
Last Ten Fiscal Years
(Unaudited)

	2023	2022	2021	2020	Fiscal Year Ended June 30,		2017	2016	2015	2014
					2019	2018				
Square Feet	40,164	40,164	40,164	40,164	40,164	40,164	40,164	40,164	40,164	40,164
Capacity (students)	400	400	400	400	400	400	400	400	400	380
Enrollment	395	394	394	394	392	395	394	387	382	377

Source: School Records

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-19

Schedule of Required Maintenance Expenditures
By School Facility
Last Ten Fiscal Years
(Unaudited)

2014	\$ -
2015	-
2016	271,836
2017	239,007
2018	296,028
2019	357,921
2020	172,414
2021	342,567
2020	245,942
2021	271,285
	-
Total	<u>\$ 2,197,000</u>

* School facilities as defined under EFCFA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: Charter School records

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-20

Insurance Schedule

June 30, 2023

(Unaudited)

	Coverage
Commercial property and general liability:	
Property:	
Building and Contents	\$ 9,400,000
Electronic Data Processing	500,000
Boiler & Machinery	0
Crime Coverage:	
Blanket Faithful Performance	25,000
Money & Securities	10,000
Money Orders/Counterfeit	10,000
Depositors' Forgery	25,000
Bond Board Secretary	161,000
Bond Board Treasurer	161,000
Comprehensive General Liability:	
Single Limit for Bodily Injury/Property Damage	2,000,000
Products/Completed Operations Aggregate	2,000,000
Annual Aggregate for Child Molestations/Sexual Abuse	2,000,000
Each Occurrence for Personal Injury/Advert Injury	2,000,000
Each Claim for Employee Benefits Liability	2,000,000
Premise Medical Payments Per Person	5,000
Premise Medical Payments Per Accident	5,000
Automobile Liability	2,000,000
Supplemental Indemnity - 7-day waiting period	Statutory
School Leaders Errors & Omissions:	
Coverage A - Limit of Liability	1,000,000
Coverage A - Deductible	5,000
Coverage B - Limit of Liability	100,000
Coverage B - Each Policy Period	300,000
Coverage B - Deductible	5,000
Workman's Compensation	
(Each Accident, Each Employee, Policy Limit)	1,000,000
Student Accident	1,000,000

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-21

Charter School Performance Framework Financial Indicators
New Term Indicators

June 30, 2023
(Unaudited)

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Cash	\$ 2,283,281	\$ 1,519,670	\$ 2,305,071
Current assets	2,102,094	2,727,694	1,387,011
Capital assets, net	6,545,284	6,713,448	6,861,651
Total assets	<u>10,930,659</u>	<u>10,960,812</u>	<u>10,553,733</u>
Current liabilities	357,167	168,233	845,020
Long term liabilities	7,075,837	7,205,004	7,324,584
Total liabilities	<u>7,433,004</u>	<u>7,373,237</u>	<u>8,169,604</u>
Net position	<u>\$ 3,497,655</u>	<u>\$ 3,587,575</u>	<u>\$ 2,384,129</u>
Total revenue	\$ 9,791,123	\$ 10,352,721	\$ 8,313,208
Total expenses	(9,600,393)	(8,807,598)	(7,873,047)
Change in net position	<u>\$ 190,730</u>	<u>\$ 1,545,123</u>	<u>\$ 440,161</u>
Depreciation expense	\$ 229,075	\$ 233,755	\$ 221,770
Interest expense	431,398	434,553	437,739
Principal payments	119,583	114,580	109,536
Interest payments	431,398	434,553	437,739
Final average daily enrollment	392	392	392
March 30th budgeted enrollment	383	383	383

	<u>2023</u>	<u>2022</u>	<u>2021</u>	Three Year Cumulative
NEAR TERM INDICATORS:				
Current ratio	12.28	25.25	4.37	41.89
Unrestricted days cash	86.81	62.98	106.86	256.65
Enrollment variance	102%	102%	102%	102%
Default	No	No	No	No

Source: Charter School Records

GREATER BRUNSWICK CHARTER SCHOOL
County of Middlesex New Jersey

J-22

Charter School Performance Framework Financial Indicators
Sustainability Indicators

June 30, 2023
(Unaudited)

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Cash	\$ 2,283,281	\$ 1,519,670	\$ 2,305,071
Current assets	2,102,094	2,727,694	1,387,011
Capital assets, net	6,545,284	6,713,448	6,861,651
Total assets	<u>10,930,659</u>	<u>10,960,812</u>	<u>10,553,733</u>
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Total liabilities	<u>7,433,004</u>	<u>7,373,237</u>	<u>8,169,604</u>
Net position	<u>\$ 3,497,655</u>	<u>\$ 3,587,575</u>	<u>\$ 2,384,129</u>
Total revenue	\$ 9,791,123	\$ 10,352,721	\$ 8,313,208
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Interest expense	431,398	434,553	437,739
Principal payments	119,583	114,580	109,536
Interest payments	431,398	434,553	437,739
Final average daily enrollment	392	392	392
March 30th budgeted enrollment	383	383	383

	<u>2023</u>	<u>2022</u>	<u>2021</u>	Three Year Cumulative
SUSTAINABILITY INDICATORS:				
Total margin	1.9%	14.9%	5.3%	7.6%
Debt to asset	0.65	0.66	0.69	0.71
Cash flow	\$ 763,611	\$ (785,401)	\$ 503,579	\$ 481,789
Debt service coverage ratio	1.54	4.03	2.01	2.528

Source: Charter School Records

Single Audit Section

Olugbenga Olabintan

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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*

The Honorable Chairperson and
Members of the Board of Trustees
Greater Brunswick Charter School
County of Middlesex
New Brunswick, New Jersey

We have audited, 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 audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Greater Brunswick Charter School, in the County of Middlesex, State of New Jersey ("the Charter School"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements, and have issued our report thereon, dated January 30, 2024.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Charter School'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 Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter School'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Charter School's financial statements are free of 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 Charter School'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* in considering the Charter School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Olugbenga Olabintan, CPA

January 30, 2024
Newark, New Jersey

OLUGBENGA OLABINTAN
Certified Public Accountant/Consultant



Olugbenga Olabintan, CPA
Licensed Public School Accountant
No. 20CS00230200

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K-2

Independent Auditors' Report on Compliance for Each Major Federal and State Program and Report on Internal Control over Compliance Required by the Uniform Guidance and *State of New Jersey Department of Treasury Circular 15-08-OMB*

The Honorable Chairperson and
Members of the Board of Trustees
Greater Brunswick Charter School
County of Middlesex,
New Brunswick, New Jersey

Compliance

We have audited the Greater Brunswick Charter School, in the County of Middlesex, State of New Jersey ("the Charter School") compliance with the types of requirements described in the OMB Compliance Supplements and *State of New Jersey Department of Treasury Circular 15-08-OMB Compliance Supplement* that could have a direct and material effect on each of the Charter School's major federal and state programs for the year ended June 30, 2023. The Charter School'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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Charter School's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; *audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey*; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and New Jersey Department of the Treasury Circular Letter 15-08 OMB *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

Those standards, the Uniform Guidance, State of New Jersey Department of Treasury Circular 15-08-OMB and *audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Charter School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Programs

In our opinion, the Charter School 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.

Report on Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance, State of New Jersey Department of Treasury Circular 15-08-OMB and *audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey*. Accordingly, this report is not suitable for any other purpose.

Olugbenga Olabintan, CPA

January 30, 2024
Newark, New Jersey

OLUGBENGA OLABINTAN
Certified Public Accountant/Consultant

A handwritten signature in black ink, appearing to read 'Olugbenga Olabintan', with a stylized flourish at the end.

Olugbenga Olabintan, CPA
Licensed Public School Accountant
No. 20CS00230200

GREATER BRUNSWICK CHARTER SCHOOL

Schedule of Expenditures of Federal Awards

Year ended June 30, 2023

Federal Grant/ Pass-Through Grantor/ Program Title	Assistance Listing (AL) Number	Federal Award Identification Number	Grant Period	Award Amount	(Accounts Receivable) at June 30, 2022	Deferred Revenue at June 30, 2022	Due to Grantor at June 30, 2022	Adjustments	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	(Accounts Receivable) at June 30, 2023	Deferred Revenue at June 30, 2023	Due to Grantor at June 30, 2023
General Fund:															
U.S. Department of Health and Human Services															
Passed-Through State Department of Education															
Special Education Medicaid Initiative - SEMI	93.778	2005NJSMAP	7/1/22-6/30/23	\$ 27,765	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,765	\$ (27,765)	\$ -	\$ -	\$ -	\$ -
Total General Fund/U.S. Department of Health & Human Services					-	-	-	-	-	27,765	(27,765)	-	-	-	-
Special Revenue Fund:															
U.S. Department of Education:															
Passed-Through State Department of Education															
Title I Part A - FY 2022-2023	84.010A	S010A220030	7/1/22-6/30/23	205,943	-	-	-	-	-	205,943	(205,943)	-	-	-	-
Title II A - FY 2022-2023	84.367A	S367A220029	7/1/22-6/30/23	19,277	-	-	-	-	-	19,277	(19,277)	-	-	-	-
Title III - FY 2022-2023	84.365	S365A220030	7/1/22-6/30/23	15,462	-	-	-	-	-	15,462	(15,462)	-	-	-	-
IDEA Part B - FY 2022-2023	84.027	H027A210100	7/1/22-6/30/23	101,663	-	-	-	-	-	101,663	(101,663)	-	-	-	-
IDEA Preschool - FY 2022-2023	84.173	H173A210114	7/1/22-6/30/23	2,153	-	-	-	-	-	2,153	(2,153)	-	-	-	-
CRRSA-ESSER II	84.425D	S425D210027	3/13/20-9/30/23	715,617	(715,617)	-	-	-	-	715,617	-	-	-	-	-
CRRSA-Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	45,925	(14,861)	-	-	-	-	45,925	(31,064)	-	-	-	-
CRRSA-Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(40,500)	-	-	-	-	45,000	(4,500)	-	-	-	-
ARP ESSER III	84.425U	S425U210027	3/13/20-9/30/24	1,608,303	-	-	-	-	-	483,288	(743,245)	(259,957)	-	-	-
ARP ESSER III - Accelerated Learning Coaching and Educator Support Grant	84.425U	S425U210027	3/13/20-9/30/24	-	-	-	-	-	-	-	-	-	-	-	-
ARP ESSER III - Evidence-Based Summer Learning and Enrichment Activities	84.425U	S425U210027	3/13/20-9/30/24	40,000	-	-	-	-	-	40,000	(40,000)	-	-	-	-
ARP ESSER III - Evidence-Based Comprehensive Beyond the School Day Grant	84.425U	S425U210027	3/13/20-9/30/24	40,000	-	-	-	-	-	40,000	(40,000)	-	-	-	-
ARP ESSER III - NJTSS Mental Health Support Staffing Grant	84.425U	S425U210027	3/13/20-9/30/24	45,000	-	-	-	-	-	45,000	(45,000)	-	-	-	-
Total Special Revenue/U.S. Department of Education				3,242,092	(978,368)	-	-	-	-	1,966,718	(1,248,307)	-	(259,957)	-	-
Enterprise Fund:															
U.S. Department of Agriculture															
Passed-Through New Jersey Dept of Agriculture															
National school lunch program	10.555	231NJ304N1199	7/1/22-6/30/23	167,920	-	-	-	-	-	131,589	(167,920)	-	(36,331)	-	-
National school lunch program	10.555	221NJ304N1099	7/1/21-6/30/22	268,040	(28,251)	-	-	-	-	28,251	-	-	-	-	-
Healthy, Hunger-Free Kids Act	10.555	231NJ304N1199	7/1/22-6/30/23	3,654	-	-	-	-	-	2,862	(3,654)	-	(792)	-	-
Healthy, Hunger-Free Kids Act	10.555	221NJ304N1099	7/1/21-6/30/22	-	-	-	-	-	-	-	-	-	-	-	-
After School Snacks	10.555	231NJ304N1199	7/1/22-6/30/23	39,822	-	-	-	-	-	31,031	(39,822)	-	(8,791)	-	-
After School Snacks	10.555	221NJ304N1099	7/1/21-6/30/22	17,177	(1,980)	-	-	-	-	1,980	-	-	-	-	-
Subtotal CFDA # 10.555				496,613	(30,231)	-	-	-	-	195,713	(211,396)	-	(45,914)	-	-
School breakfast program	10.553	231NJ304N1199	7/1/22-6/30/23	140,106	-	-	-	-	-	111,559	(140,106)	-	(28,547)	-	-
School breakfast program	10.553	221NJ304N1099	7/1/21-6/30/22	173,102	(13,595)	-	-	-	-	13,595	-	-	-	-	-
Subtotal CFDA # 10.553				313,208	(13,595)	-	-	-	-	125,154	(140,106)	-	(28,547)	-	-
Total Enterprise Fund/U.S. Department of Agriculture				809,821	(43,826)	-	-	-	-	320,867	(351,502)	-	(74,461)	-	-
Total Expenditures of Federal Awards				\$4,051,913	\$ (1,022,194)	\$ -	\$ -	\$ -	\$ -	\$ 2,315,350	\$ (1,627,574)	\$ -	\$ (334,418)	\$ -	\$ -

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

GREATER BRUNSWICK CHARTER SCHOOL

Schedule of Expenditures of State Awards

Year ended June 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	(Accounts Receivable) at June 30, 2022	Deferred Revenue at June 30, 2022	Due to Grantor at June 30, 2022	Adjustments	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	(Accounts Receivable) at June 30, 2023	Deferred Revenue at June 30, 2023	Due to Grantor at June 30, 2023
State Department of Education														
General Fund:														
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	\$ 6,433,531	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,138,373	\$ (6,433,531)	-	\$ (691,133)	\$ -	\$ 13,709
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	6,118,925	(610,949)	-	25,571	-	-	610,949	-	(25,571)	-	-	-
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	260,575	-	-	-	-	-	260,575	(260,575)	-	-	-	-
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	154,480	-	-	-	-	-	154,480	(154,480)	-	-	-	-
State Adjustment Aid	23-495-034-5120-085	7/1/22-6/30/23	-	-	-	-	-	-	-	-	-	-	-	-
TPAF/FICA Reimbursements	23-495-034-5094-003	7/1/22-6/30/23	162,489	-	-	-	-	-	140,579	(162,489)	-	(21,910)	-	-
TPAF/FICA Reimbursements	22-495-034-5094-003	7/1/21-6/30/22	183,671	(26,743)	-	-	-	-	26,743	-	-	-	-	-
TPAF Post Retirement Medical Contribution	23-495-034-5094-001	7/1/22-6/30/23	218,263	-	-	-	-	-	218,263	(218,263)	-	-	-	-
TPAF Pension Contribution - Normal & NCGI	23-495-034-5094-002	7/1/22-6/30/23	830,852	-	-	-	-	-	830,852	(830,852)	-	-	-	-
TPAF Pension Contribution - Long-Term Disability Insurance	23-495-034-5094-004	7/1/22-6/30/23	581	-	-	-	-	-	581	(581)	-	-	-	-
Total General Fund/State Department of Education				<u>(637,692)</u>	<u>-</u>	<u>25,571</u>	<u>-</u>	<u>-</u>	<u>9,381,395</u>	<u>(8,060,771)</u>	<u>(25,571)</u>	<u>(713,043)</u>	<u>-</u>	<u>13,709</u>
Special Revenue Fund:														
Charter & Renaissance School Project Emergent and Capital Maintenance Funds	23-495-034-5120-071	7/1/22-6/30/23	60,911	-	-	-	-	-	60,911	(60,911)	-	-	-	-
Total Special Revenue Fund				<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,911</u>	<u>(60,911)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total New Jersey State Department of Education				<u>(637,692)</u>	<u>-</u>	<u>25,571</u>	<u>-</u>	<u>-</u>	<u>9,442,306</u>	<u>(8,121,682)</u>	<u>(25,571)</u>	<u>(713,043)</u>	<u>-</u>	<u>13,709</u>
State Department of Agriculture														
Enterprise Fund:														
State school lunch program	23-100-010-3350-023	7/1/22-6/30/23	4,686	-	-	-	-	-	3,685	(4,686)	-	(1,001)	-	-
State school lunch program	22-100-010-3350-023	7/1/21-6/30/22	6,308	(650)	-	-	-	-	650	-	-	-	-	-
State school breakfast program - after bell	23-100-010-3350-023	7/1/22-6/30/23	8,552	-	-	-	-	-	6,874	(8,552)	-	(1,678)	-	-
Total Enterprise Fund/State Department of Agriculture				<u>(650)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,209</u>	<u>(13,238)</u>	<u>-</u>	<u>(2,679)</u>	<u>-</u>	<u>-</u>
Total State Financial Assistance				<u>\$ (638,342)</u>	<u>\$ -</u>	<u>\$ 25,571</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,453,515</u>	<u>(8,134,920)</u>	<u>\$ (25,571)</u>	<u>\$ (715,722)</u>	<u>\$ -</u>	<u>\$ 13,709</u>
Less Amounts Not Subject to Single Audit:														
TPAF Post Retirement Medical Contribution										218,263				
TPAF Pension Contribution - Normal & NCGI										830,852				
TPAF Pension Contribution - Long-Term Disability Insurance										581				
Total Expenditures of State Financial Assistance Subject to Single Audit										<u>\$ (7,085,224)</u>				

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

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)

Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
Year Ended June 30, 2023

1. General

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all expenditures of federal awards and state financial assistance of the Charter School. 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.

2. Basis of Accounting

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the enterprise fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Charter School's 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 the provisions of New Jersey Department of the Treasury Circular Letter 15-08 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in the schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

3. Relationship to Basic Financial Statements

Amounts reported in the accompanying schedules agree with amounts reported in the Charter School's basic financial statements. The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements and schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the fiscal year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or expenditures have been made. The general fund is presented in the accompanying schedules on the modified accrual basis. 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 net adjustment to reconcile from the budgetary basis to GAAP basis is \$-0- for the general fund and \$-0- for the special revenue fund. See Note 1 (the Notes to Required Supplementary Information) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds (C-3).

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
Year Ended June 30, 2023

3. Relationship to Basic Financial Statements - *continued*

Federal awards and state financial assistance revenues are reported in the Charter School's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 27,765	\$ 8,060,771	\$ 8,088,536
Special Revenue Fund	1,248,307	60,911	1,309,218
Enterprise Fund	351,502	13,238	364,740
Total	<u>\$ 1,627,574</u>	<u>\$ 8,134,920</u>	<u>\$ 9,762,494</u>

4. Relationship to Federal and State Financial Reports

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

5. Other Information

TPAF Social Security contribution in the amount of \$162,489 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2023. The amount reported as TPAF pension representing on-behalf employer's portion of the TPAF Pension System Contributions, TPAF Post-Retirement Medical Benefits Contributions and TPAF Long Term Disability Insurance Premium Contributions in the amount of \$1,049,696 represents the amount paid by the State on behalf of the Charter School for the fiscal year ended June 30, 2023.

6. On Behalf Programs Not Subject to State Single Audit

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

7. De Minimis Indirect Cost

The Charter School has not elected to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Part I - Summary of Auditors' Results

Financial Statements Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified? _____ Yes No

Significant deficiencies identified _____ Yes None reported

Noncompliance material to financial statements noted? _____ Yes No

Federal Awards:

Type of auditor's report on compliance for major programs: Unmodified

Internal control over major programs:

Material weaknesses identified? _____ Yes No

Significant deficiencies identified? _____ Yes None reported

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

Identification of major programs:

<u>Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425D	S425D200027	Coronavirus Response and Relief Supplemental Act (CRRSA) ESSER II
84.425U	S425U210027	American Rescue Plan (ARP) ESSER III

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

Auditee qualifies as low-risk auditee? yes _____ No

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Part I Summary of Auditors' Results

State Financial Assistance Section

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

Auditee qualifies as low-risk auditee? yes No

Type of auditor's report on compliance for major programs: Unmodified

Internal control over major programs:

Material weakness(es) identified? Yes No

Significant deficiency(cies) identified that are not
 Considered to be material weaknesses? Yes None reported

Any audit findings disclosed that are required to be reported
 in accordance with NJ OMB Circulars 15-08 as applicable? Yes No

Identification of Major Programs:

<u>State Grant/Program Number(s)</u>	<u>Name of State Program or Cluster</u>
23-495-034-5120-078	Equalization Aid
23-495-034-5120-089	Special Education Aid
23-495-034-5120-084	Security Aid

GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Part II – Schedule of Financial Statement Findings

NONE

**GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023**

Part III – Federal Awards Findings and Questioned Cost

NONE

Part III – State Financial Assistance Findings and Questioned Cost

NONE

**GREATER BRUNSWICK CHARTER SCHOOL
(County of Middlesex)
Summary Schedule of Prior Year Audit Findings
Year Ended June 30, 2023**

There were no prior year's audit findings.