

**SCHOOL DISTRICT  
OF**

**CRANBURY  
TOWNSHIP**

**Cranbury Board of Education  
Cranbury, New Jersey**

**Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2024**

**Annual Comprehensive  
Financial Report**

**of the**

**Cranbury Township Board of Education**

**Cranbury, New Jersey**

**For the Fiscal Year Ended June 30, 2024**

**Prepared by  
Cranbury Township Board of Education  
Finance Department**

# CRANBURY TOWNSHIP SCHOOL DISTRICT

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## **Introductory Section**

# Cranbury School District

2016 National Blue Ribbon Recipient



Jennifer K. Diszler, Ed. D., Superintendent  
Karin Weiner, School Business Administrator  
Jennifer Casazza, Ed. D., Assistant Principal  
Ashley Kipness, Psy. D., Supervisor of Special Services  
Shanna Weber, Supervisor of C, I & A  
Meghan Mannarino, Supervisor of C & I

November 27, 2024

Honorable President and Members of the Board of Education  
Cranbury Township School District  
23 North Main Street  
Cranbury, New Jersey 08512

Dear Members of the Board:

The Annual Comprehensive Financial Report (ACFR) of the Cranbury Township School District for the fiscal year ending June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of the operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of federal regulations, cost principals, and audit requirements for federal awards (uniform guidance); and the State of New Jersey Circular OMB 15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

## 1. **REPORTING ENTITY AND ITS SERVICES:**

Cranbury Township School District is an independent reporting entity within the criteria adopted by the GASB as established by the NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Cranbury Township Board of Education and the Cranbury School constitute the District's reporting entity.

23 North Main Street • Cranbury, NJ • 08512  
Main Office: 609/395-1700 • Fax: 609/860-9655  
Web Site – [www.cranburyschool.org](http://www.cranburyschool.org)

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The Cranbury Township School District is a comprehensive PK – 8 Public School District. High School students attend Princeton High School through a sending-receiving contract with Princeton Public Schools in Mercer County. High School students include regular, vocational, and special education students. The school district reported a total enrollment of 661 students within its Application for School State Aid during the 2023-2024 fiscal year. In prior years, student enrollment at the Cranbury School has seen its ebbs and flows but there is a continuing trend of declining enrollment, even if only slightly. During the 2023-2024 school year, student enrollment at the Cranbury School decreased slightly but enrollment among the high school level saw a more significant decrease. Expected trends ahead may show a leveling out in enrollment, staying steady for the most part with the potential to increase or decrease only in the slightest. The following data illustrates the changes in student enrollment of the district over the past ten years.

## STUDENT ENROLLMENT

<u>Fiscal Year</u>	<u>PK-8 Enrollment</u>	<u>Percent Change</u>	<u>High School Enrollment</u>	<u>Percent Change</u>	<u>Total Enrollment</u>
2013-2014	556	-0.18%	254	-0.78%	810
2014-2015	518	-6.83%	246	-3.15%	764
2015-2016	494	-4.63%	273	10.98%	767
2016-2017	468	-5.26%	277	1.47%	745
2017-2018	477	1.92%	276	-0.36%	753

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2018-2019	479	0.42%	270	-2.10%	749
2019-2020	479	0.00%	250	-7.41%	729
2020-2021	458	-4.38%	243	-2.80%	701
2021-2022	472	3.06%	244	0.41%	716
2022-2023	445	-5.72%	249	2.05%	694
2023-2024	437	-1.80%	224	-10.04%	661

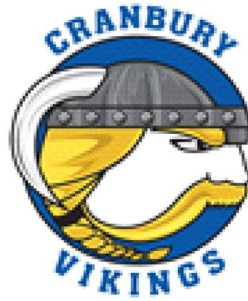
## 2. ECONOMIC CONDITION AND OUTLOOK:

During the 2023-2024 school year, the Cranbury Township School District received \$ 1,100,536 in General Fund State Aid funds for the 2024-2025 Budget, which is 4.74% of the General Fund total budget. Given the recent economic climate with inflation and costs increasing in many industries as well as the fiscal state of the State, future budgets will most likely continue to be funded by the local taxpayer. Cranbury Township Board of Education continues to prioritize initiatives to optimize operating expenditures. The District has completed numerous ROD Grant projects in previous years when available that provided approximately 40% subsidy. The Cranbury Township School District has been accepted for another ROD grant project to upgrade some existing boilers within the school during the summer of 2025. The District held its official groundbreaking ceremony to commence the start of the bond referendum projects coined with the moniker: Full STEAM Ahead. The initial construction phases of those bond referendum projects began during the spring of the 2023-2024 school year and will continue through the next two school years. The District remains steadfast in our commitment to proactively plan for capital projects and is regularly reviewing its most recent Long Range Facilities Plan (LRFP) that will guide decision-making moving forward. Additionally,

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the Cranbury Township School District is preparing for the long-term investment of numerous network infrastructure upgrades over the coming years. The District still holds its AAA credit rating which could benefit the District with lower costs on future financing should the need or opportunity arise.

### 3. MAJOR INITIATIVES:

Cranbury School uses a comprehensive, standards-based core curriculum consisting of English Language Arts, World language, Mathematics, Science and Social Studies. These subjects are taught in a thoughtful progression from kindergarten through eighth grade. In addition to the core curriculum, students are also instructed in art, vocal music, instrumental music (grades 4-8), computer literacy, physical education, health/family life, self awareness management education (grades K-5), study skills, and media science. Supplemental support and services are available before, during, and after school hours.

There are a number of key strategies used within the school that encourage and challenge all students to develop their full potential. Instruction is student-centered and constantly being adapted to current research. Multi-sensory learning strategies and materials, progress monitoring through a Multi-Tiered Systems of Supports (MTSS) framework, and a flexible continuum of enrichment and acceleration opportunities are designed to actively challenge and engage students within the learning continuum while also building their competence and confidence. Students are provided with support for social, emotional, and behavioral needs in addition to academic needs. The District will continue to expand key educational strategies and overarching frameworks during the 2024-25 school year. Through the work of teacher teams there is collaborative planning; conversations about student learning; classroom-based assessment development; and the monitoring of student learning results. All curricula are maintained in a searchable database that allows for on-going analysis and revision and enables the public to view our program of studies. We continue to expand the breadth and depth of the use of this important technology. During the 2024-2025 school year, the District will work to develop the planning stages of our next upcoming Strategic Plan.

### 4. INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial

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

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations by the District Management.

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

## 5. BUDGETARY CONTROLS:

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. These amounts to be re-appropriated are reported as reservations of fund balance on June 30, 2024.

## 6. ACCOUNTING SYSTEM AND REPORT:

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

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## 7. CASH MANAGEMENT:

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

## 8. RISK MANAGEMENT:

The Cranbury Township School District carries various forms of insurance, including but not limited to general liability, hazard and theft insurance on property and contents, and fidelity bonds.

## 9. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accounts. The accounting firm of Inverso & Stewart, LLC, performs the annual statutory audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (uniform guidance): and State of New Jersey Circular OMB 15-08. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

## 10. ACKNOWLEDGEMENTS:

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

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Respectfully submitted:

*Karin Weiner*

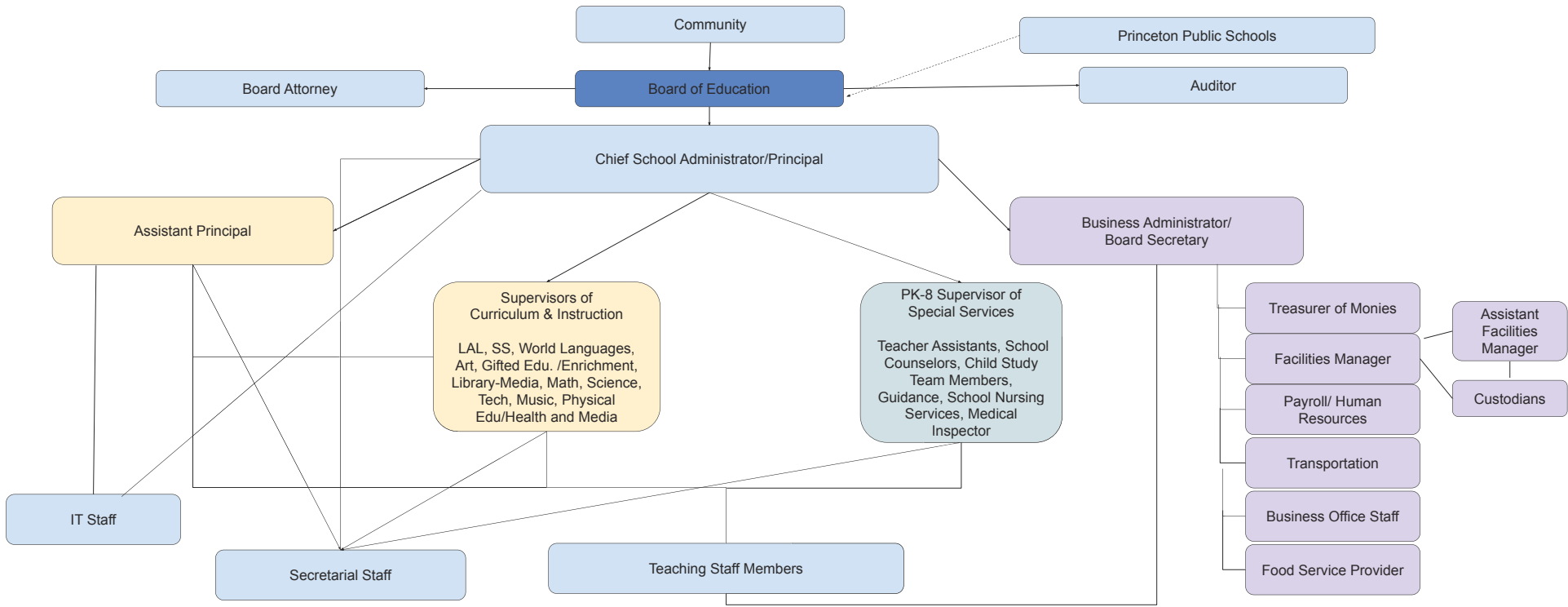
Karin Weiner  
Board Secretary/School Business Administrator

*Jennifer K. Diszler Ed.D.*

Jennifer K. Diszler, Ed.D.  
Chief School Administrator/Principal

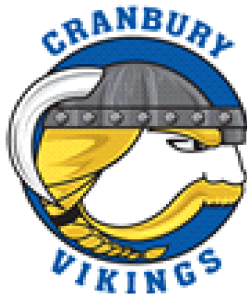
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**Cranbury School District  
Organization Chart  
Board Approved: January 4, 2023**



# Cranbury School District

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## CRANBURY TOWNSHIP SCHOOL DISTRICT

### Roster of Officials

June 30, 2024

Members of the Board of Education: Term Expires

Dr. Pramod Chivate, President 2025

Dominique Jones, Vice President 2024

Emma Bossard 2024

Rob Christopher 2026

Milton Georges 2025

Vikal Kapoor 2026

Katherine Lara 2024

Les Polk 2026

Sehrope Sarkuni 2025

Other Officials:

Jennifer K. Diszler, Ed. D., Chief School Administrator/Principal

David P. Weidele, Business Administrator/Board Secretary 7/1/2023 - 1/31/2024 Steven Robinson and Dana Sullivan of School Accounting Services, LLC, Interim Business Administrator/Board Secretary 2/1/2024 - 4/28/2024 Karin Weiner, Business Administrator/Board Secretary 4/29/2024-6/30/2024

Jennifer A. Casazza, Ed. D., Assistant Principal

Denise Marabello, Treasurer of School Monies

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## CRANBURY TOWNSHIP SCHOOL DISTRICT

### Consultants and Advisors

#### Audit Firm

Inverso & Stewart, LLC  
651 Route 73 North, Suite 402  
Marlton, NJ 08053

#### Board Attorney

Chasen, Lamparello, Mallon & Cappuzzo, PC  
300 Lighting Way  
Suite 200  
Secaucus, NJ 07094

#### Special Education Attorney

Methfessel & Werbel, PA  
2025 Lincoln Highway  
Suite 200  
Edison, NJ 08817

#### Architect

Parette Somjen Architects  
439 Route 46 East  
Rockaway, NJ 07866

#### Broker of Record

CBIZ Insurance Services, Inc.  
44 Baltimore Street  
Cumberland, MD 21502

#### Official Depositories

Investors Bank Citizens Bank  
18 Princeton-Hightstown Road 18 Princeton-Hightstown Road  
East Windsor, NJ 08520 East Windsor, NJ 08520

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Lakeland Bank  
74 North Main Street  
Cranbury, NJ 08512

First Bank  
2664 Rte 130  
Cranbury, NJ 08512

**Financial Section**

# ***INVERSO & STEWART, LLC***

**Certified Public Accountants**

651 Route 73 North, Suite 402  
Marlton, New Jersey 08053  
(856) 983-2244  
Fax (856) 983-6674  
E-Mail: rinverso@inversocpa.com

**-Member of-  
American Institute of CPAs  
New Jersey Society of CPAs**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
of the Board of Education  
Cranbury Township School District  
County of Middlesex  
Cranbury, New Jersey

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

I 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 Cranbury Township School District (the "District"), in the County of Middlesex, State of New Jersey, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

I conducted my audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the District, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

My 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 my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices 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, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post-employment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey and are not a required part of the basic financial statements. The accompanying schedules of federal awards and state financial assistance, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost principles, and Audit Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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 my opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued my report dated November 27, 2024, on my consideration of the District's internal control over financial reporting and my 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 my 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 District's internal control over financial reporting and compliance.

Respectfully submitted,

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant No. CS001095

Marlton, New Jersey  
November 27, 2024

Required Supplementary Information - Part I  
Management's Discussion and Analysis

**Cranbury School District  
Management’s Discussion and Analysis  
For the Fiscal Year Ended June 30, 2024**

As management of the Board of Education of the Township of Cranbury, New Jersey (School District), we offer readers of the School District’s financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$16,377,815 (*net position*).
- Governmental activities have a deficit unrestricted net position of \$1,154,656. The accounting treatment in the governmental funds for compensated absences payable, pension liability, the June state aid payments, and state statutes that prohibit a school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this amount.
- The total net position of the School District increased by \$2,684,063 or a 19.60% increase from the prior fiscal year-end balance. The majority of the increase is attributable to the payment of current debt obligations and capital outlays.
- Fund balance of the School District’s governmental funds decreased by \$575,686 resulting in an ending fund balance of \$22,909,337. This decrease was due primarily to the results of operations in the Capital Projects Fund.
- Business-type activities have an unrestricted net position of \$65,883, which may be used to meet the School District’s ongoing obligations of the enterprise-related activities (Food Service Fund).
- The School District’s long-term obligations decreased by \$908,966 which is the net result of current year payments on existing debt obligations, a decrease in compensated absences payable, a decrease in leases payable, an increase in financed purchases payable, and an increase in the net pension liability.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School District’s basic financial statements. Comparison to the prior year’s activity is provided in this document. The basic financial statements are comprised of three components: 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

## District-wide Financial Statements

The *district-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The district-wide financial statements include the statement of net position and the statement of activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets and liabilities is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the district-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover all or most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities consolidate the Food Service Fund.

## Fund Financial Statements

*Fund financial statements* are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

*Governmental funds* account for essentially the same information reported in the governmental activities of the district-wide financial statements. However, unlike the district-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

*Proprietary funds* are used to present the same functions as the business-type activities presented in the district-wide financial statements. The School District maintains one type of proprietary fund - the Enterprise Fund. The fund financial statements of the enterprise fund provide the same information as the district-wide financial statements, only in more detail.

The School District's enterprise fund (Food Service Fund) is listed individually and is considered to be a major fund.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the School District's programs.

### **Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

### **District-wide Financial Analysis**

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements and equipment. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2025. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2025.

The assets of the primary government activities exceeded liabilities by \$16,304,696 with a deficit unrestricted net position balance of \$1,154,656. The net position of the primary government does not include internal balances.

As mentioned earlier, the deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable, net pension liability, the June state aid payments, and state statutes that prohibit a school district from maintaining more than 2% of its adopted budget as unrestricted fund balance.

A net investment of (\$4,382,115), in land, improvements, buildings and equipment provides the services to the School District's public school students. Net position of \$21,841,467 has been restricted as follows:

Restricted for Future Capital Projects	\$ 18,740,516
Restricted for Future Tuition Costs	900,000
Restricted for Future Maintenance Costs	523,816
Restricted for Future Budget Appropriation	395,683
Restricted for Future Debt Costs	1,190,197
Restricted for Unemployment Compensation	55,778
Restricted for Student Activities	31,492
Restricted for Scholarships	<u>3,985</u>
	<u>\$ 21,841,467</u>

**Comparative Summary of Net Position  
As of June 30, 2024 and 2023**

	Governmental Activities		Business-Type Activities		District-Wide	
	2024	2023	2024	2023	2024	2023
<b>ASSETS</b>						
Current assets	\$ 22,954,237	\$ 23,503,864	\$ 101,216	\$ 103,214	\$ 23,055,453	\$ 23,607,078
Capital assets	13,281,128	11,170,580	7,236	20,322	13,288,364	11,190,902
Total assets	<u>36,235,365</u>	<u>34,674,444</u>	<u>108,452</u>	<u>123,536</u>	<u>36,343,817</u>	<u>34,797,980</u>
Deferred Outflows of Resources	<u>263,492</u>	<u>323,115</u>	-	-	<u>263,492</u>	<u>323,115</u>
<b>LIABILITIES</b>						
Current liabilities	1,170,140	1,236,668	35,333	31,508	1,205,473	1,268,176
Noncurrent liabilities	18,773,978	19,587,569	-	-	18,773,978	19,587,569
Total Liabilities	<u>19,944,118</u>	<u>20,824,237</u>	<u>35,333</u>	<u>31,508</u>	<u>19,979,451</u>	<u>20,855,745</u>
Deferred Inflows of Resources	<u>250,043</u>	<u>571,598</u>	-	-	<u>250,043</u>	<u>571,598</u>
Net Position	<u>\$ 16,304,696</u>	<u>\$ 13,601,724</u>	<u>\$ 73,119</u>	<u>\$ 92,028</u>	<u>\$ 16,377,815</u>	<u>\$ 13,693,752</u>
Net Position Consists of:						
Net investment in:						
Capital Assets	\$ (4,382,115)	\$ (7,315,472)	\$ 7,236	\$ 20,322	\$ (4,374,879)	\$ (7,295,150)
Restricted Assets	21,841,467	22,310,924			21,841,467	22,310,924
Unrestricted Assets	<u>(1,154,656)</u>	<u>(1,393,728)</u>	<u>65,883</u>	<u>71,706</u>	<u>(1,088,773)</u>	<u>(1,322,022)</u>
Net Position	<u>\$ 16,304,696</u>	<u>\$ 13,601,724</u>	<u>\$ 73,119</u>	<u>\$ 92,028</u>	<u>\$ 16,377,815</u>	<u>\$ 13,693,752</u>

**Cranbury Township School District**  
**Comparative Schedule of Changes in Net Position**  
**As of and for the Fiscal Year Ended June 30, 2024 and 2023**

	Governmental Activities		Business-Type Activities		District-Wide	
	2024	2023	2024	2023	2024	2023
<b>Revenues:</b>						
Charges for services	\$ 30,000	\$ 37,600	\$ 163,434	\$ 174,114	\$ 193,434	\$ 211,714
Operating Grants and contributions	4,427,255	3,008,705	54,554	85,222	4,481,809	3,093,927
Capital Grants and contributions					-	-
Property taxes	19,682,345	19,301,940			19,682,345	19,301,940
State aid - unrestricted	1,627,840	1,201,782			1,627,840	1,201,782
Other revenues	947,504	629,849		4,050	947,504	633,899
<b>Total Revenues</b>	<b>26,714,944</b>	<b>24,179,876</b>	<b>217,988</b>	<b>263,386</b>	<b>26,932,932</b>	<b>24,443,262</b>
<b>Expenses:</b>						
<b>Governmental Activities:</b>						
Instruction	6,129,243	6,323,024			6,129,243	6,323,024
Tuition	5,442,546	5,678,917			5,442,546	5,678,917
Related Services	1,733,706	1,696,617			1,733,706	1,696,617
Administrative Services	958,830	963,036			958,830	963,036
Operations and Maintenance	1,408,701	1,162,233			1,408,701	1,162,233
Transportation	1,613,474	1,690,172			1,613,474	1,690,172
Employee benefits	6,150,202	4,561,621			6,150,202	4,561,621
Special Schools					-	-
Interest on debt	427,056	430,361			427,056	430,361
Other	148,214	148,254			148,214	148,254
<b>Business-Type Activities:</b>						
Food Service			224,230	237,515	224,230	237,515
<b>Total Expenses</b>	<b>24,011,972</b>	<b>22,654,235</b>	<b>224,230</b>	<b>237,515</b>	<b>24,236,202</b>	<b>22,891,750</b>
Increase (Decrease) in Net Position before transfers	2,702,972	1,525,641	(6,242)	25,871	2,696,730	1,551,512
Adjustment to fixed assets	-	(654,530)	(12,667)		(12,667)	(654,530)
Transfers						
<b>Change in Net Position</b>	<b>2,702,972</b>	<b>871,111</b>	<b>(18,909)</b>	<b>25,871</b>	<b>2,684,063</b>	<b>896,982</b>
Net Position, July 1	13,601,724	12,730,613	92,028	66,157	13,693,752	12,796,770
<b>Net Position, June 30</b>	<b>\$ 16,304,696</b>	<b>\$ 13,601,724</b>	<b>\$ 73,119</b>	<b>\$ 92,028</b>	<b>\$ 16,377,815</b>	<b>\$ 13,693,752</b>

**Governmental Activities**

Governmental activities increased the net position of the School District by \$2,702,972 during the current fiscal year. Key elements of the increase in net position for governmental activities are as follows:

- Capital outlays exceeded depreciation by \$2,122,079.
- Repayment of bond debt in the amount of \$857,000.
- Results of operations of the governmental funds in the amount of (\$575,686).

**Business-type Activities**

Business-type activities decreased the School District's net position by \$18,909. Key elements of the decrease in net position for governmental activities are as follows:

- The results of operations in the Food Service Fund.

## **Financial Analysis of the Governmental Funds**

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

*Governmental Funds* - The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$22,909,337, a decrease of \$575,686 in comparison with the prior year. This decrease is due primarily to the results of operations in the General and Capital Projects Fund.

The unassigned fund balance for the School District at the end of the fiscal year includes unassigned fund balance for the General Fund of \$345,768. The remainder of the fund balance is reserved to indicate that it is not available for new spending, because it has already been committed: 1) restricted cash reserved for future capital outlay expenditures \$18,740,516, 2) reserved for encumbrances \$433,375, 3) reserved for future maintenance costs \$523,816, 4) reserved for future budget appropriation \$395,683 5) reserved for future debt service payments \$1,190,197, 6) reserved for future tuition payments \$900,000, 7) reserved for unemployment compensation \$55,778, 8) reserved for subsequent year's expenditures \$288,727, 9) reserved for student activities \$31,492 and 10) reserved for scholarships \$3,985.

The General Fund is the chief operating fund of the School District. As discussed earlier, the balance in the unassigned fund balance is due primarily to the accounting treatment of the June state aid payments and state statutes that prohibit a New Jersey school district from maintaining more than 2% of its adopted budget as unassigned fund balance. See the notes to the basic financial statements for additional information.

### **General Fund Budgetary Highlights**

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$443,879, while total fund balance (budgetary basis) was \$7,496,343. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance (budgetary basis) and total fund balance (budgetary basis) to total General Fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$21,652,833. Unassigned fund balance (budgetary basis) represents 2.05% of expenditures while total fund balance (budgetary basis) represents 34.62% of that same amount.

### **Capital Assets and Debt Administration**

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2024, totaled \$13,288,364 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment, and right-to-use assets. The total increase in the District's investment in capital assets for the current fiscal year was \$2,097,462 or 18.74%. The increase is due to improvements and the purchase of assets less current year depreciation expense.

**Capital Assets/Leases (net of accumulated depreciation/amortization)  
June 30, 2024 and 2023**

	Governmental Activities		Business-Type Activities		District-Wide	
	2024	2023	2024	2023	2024	2023
Land	\$ 451,596	\$ 451,596	\$ -	\$ -	\$ 451,596	\$ 451,596
Const. in Progress	2,769,118				2,769,118	-
Site Improvements	592,778	641,635			592,778	641,635
Building and Building Improvements	9,002,013	9,633,652			9,002,013	9,633,652
Equipment	451,151	417,694	7,236	20,322	458,387	438,016
Leases/Subscriptions	14,472	26,003			14,472	26,003
<b>Capital Assets, net</b>	<b>\$ 13,281,128</b>	<b>\$ 11,170,580</b>	<b>\$ 7,236</b>	<b>\$ 20,322</b>	<b>\$ 13,288,364</b>	<b>\$ 11,190,902</b>

Additional information on the School District’s capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

**Long-term debt** – During the fiscal year ended June 30, 2024, the School District had total bonded debt outstanding of \$17,605,000 backed by the full faith and credit of the School District. General obligation bonds for the School District decreased during the current fiscal year due to the normal schedule of payments. In addition, the School District had \$143,948 in compensated absences payable, \$43,388 in financed purchases payable, and \$14,855 in leases payable as of June 30, 2024.

Additional information on the School District’s long-term obligations can be found in the notes to the basic financial statements (Note 8) of this report.

**Economic Factors and Next Year’s Budgets and Rates**

The following factors were considered and incorporated into the preparation of the School District’s budget for the 2024-25 fiscal year:

- For the 2024-25 fiscal year, the School District will be receiving an increase in state aid. The local tax levy in the General Fund increased by \$405,604 or 2.16%. Salaries continue to increase contractually, however, the District has managed to control costs. The 2024-25 General Fund Budget is \$2,018,601 more than the previous year or a 9.51% increase. The tax rate for 2024 is \$0.997 which represents an increase of \$0.002 from the previous year.
- The Cranbury Township School district has committed itself to strong financial controls. The School District closely monitors its budget, scrutinizes spending requests, and continuously reviews internal controls.

**Requests for Information**

This financial report is designed to provide a general overview of the School District’s finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Cranbury School District Business Administrator, 23A North Main Street, Cranbury, New Jersey 08755.

Basic Financial Statements

District-Wide Financial Statements

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2024**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 17,591,394	\$ 92,779	\$ 17,684,173
Internal Balances			
Accounts Receivables, net	383,942	5,288	389,230
Inventory		3,149	3,149
Restricted assets:			
Cash and cash equivalents	4,978,901		4,978,901
Capital assets, net	13,266,656	7,236	13,273,892
Right-to-use lease assets, net	14,472		14,472
Right-to-use subscription assets, net	-		-
Total Assets	36,235,365	108,452	36,343,817
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows of resources from pensions	263,492	-	263,492
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
	36,498,857	108,452	36,607,309
<b>LIABILITIES:</b>			
Accounts payable:			
Other	51,007	4,802	55,809
Related to pensions	170,702		170,702
Internal Balances	(22,618)	22,618	
Intergovernmental accounts payable:			
State	852		852
Accrued Liabilities:			
Interest payable	151,092		151,092
Unearned revenue	15,659	7,913	23,572
Noncurrent liabilities:			
Due within one year	803,446		803,446
Due beyond one year	18,773,978		18,773,978
Total Liabilities	19,944,118	35,333	19,979,451
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred inflows of resources from pensions	250,043	-	250,043
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>			
	20,194,161	35,333	20,229,494
<b>NET POSITION:</b>			
Net investment in capital assets	(4,382,115)	7,236	(4,374,879)
Restricted for:			
Capital projects	18,740,516		18,740,516
Maintenance	523,816		523,816
Tuition	900,000		900,000
Excess Surplus	395,683		395,683
Unemployment Compensation	55,778		55,778
Debt Service	1,190,197		1,190,197
Student Activities	31,492		31,492
Scholarships	3,985		3,985
Unrestricted (Deficit)	(1,154,656)	65,883	(1,088,773)
Total Net Position	\$ 16,304,696	\$ 73,119	\$ 16,377,815

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

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2024**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities:							
Instruction:							
Regular	\$ 4,459,059	\$ 30,000	\$ 212,238	\$ -	\$ (4,216,821)	\$ -	\$ (4,216,821)
Special Education	1,259,815		123,847		(1,135,968)		(1,135,968)
Other instruction	410,369				(410,369)		(410,369)
Support Services:							
Tuition	5,442,546				(5,442,546)		(5,442,546)
Student & instruction related services	1,733,706		130,198		(1,603,508)		(1,603,508)
General administrative services	410,043				(410,043)		(410,043)
School administrative services	256,940				(256,940)		(256,940)
Central administrative services	291,847				(291,847)		(291,847)
Plant operations and maintenance	1,408,701				(1,408,701)		(1,408,701)
Pupil transportation	1,613,474				(1,613,474)		(1,613,474)
Unallocated employee benefits	6,150,202		3,960,972		(2,189,230)		(2,189,230)
Interest on long-term debt	427,056				(427,056)		(427,056)
Unallocated depreciation and amortization	148,214				(148,214)		(148,214)
Total Governmental Activities	<u>24,011,972</u>	<u>30,000</u>	<u>4,427,255</u>	<u>-</u>	<u>(19,554,717)</u>	<u>-</u>	<u>(19,554,717)</u>
Business-Type Activities:							
Food service	224,230	163,434	54,554	-	-	(6,242)	(6,242)
Total Business-Type Activities	<u>224,230</u>	<u>163,434</u>	<u>54,554</u>	<u>-</u>	<u>-</u>	<u>(6,242)</u>	<u>(6,242)</u>
Total Primary Government	<u>\$ 24,236,202</u>	<u>\$ 193,434</u>	<u>\$ 4,481,809</u>	<u>\$ -</u>	<u>(19,554,717)</u>	<u>(6,242)</u>	<u>(19,560,959)</u>
General Revenues:							
Taxes:							
Property taxes, levied for general purposes					18,797,571		18,797,571
Taxes levied for debt service					884,774		884,774
Federal and State aid unrestricted					1,627,840		1,627,840
Investment and Interest earnings - restricted					773,325		773,325
Miscellaneous					174,179		174,179
Adjustments to capital assets						(12,667)	(12,667)
Total general revenues, special items, extraordinary items and transfers					<u>22,257,689</u>	<u>(12,667)</u>	<u>22,245,022</u>
Change in Net Position					2,702,972	(18,909)	2,684,063
Net Position - July 1					<u>13,601,724</u>	<u>92,028</u>	<u>13,693,752</u>
Net Position - June 30					<u>\$ 16,304,696</u>	<u>\$ 73,119</u>	<u>\$ 16,377,815</u>

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

Fund Financial Statements

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2024**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 6,991,639	\$ 35,477	\$ 15,543,179	\$ -	\$ 22,570,295
Interfund Accounts Receivable					
General Fund					
Special Revenue Fund	306,397	174,626			481,023
Capital Projects Fund	53,430			1,204,318	1,257,748
Debt Service Fund	14,121				14,121
Enterprise Fund	22,618				22,618
Intergovernmental Accounts Receivables:					
State	235,864				235,864
Federal		143,978			143,978
Other Accounts Receivable	4,100				4,100
<b>Total Assets</b>	<u>\$ 7,628,169</u>	<u>\$ 354,081</u>	<u>\$ 15,543,179</u>	<u>\$ 1,204,318</u>	<u>\$ 24,729,747</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Interfund Accounts Payable					
General Fund			53,430	14,121	67,551
Special Revenue Fund	174,626	306,397			481,023
Debt Service Fund			1,204,318		1,204,318
Intergovernmental Accounts Payable					
State		852			852
Accounts Payable:					
Payroll Deductions and Withholdings Payable	1,526				1,526
Unemployment Claims Payable	22,460				22,460
Other	26,825	196			27,021
Unearned Revenue	4,500	11,159			15,659
<b>Total Liabilities</b>	<u>229,937</u>	<u>318,604</u>	<u>1,257,748</u>	<u>14,121</u>	<u>1,820,410</u>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Capital Reserve	4,455,085				4,455,085
Maintenance Reserve	523,816				523,816
Tuition Reserve	900,000				900,000
Excess Surplus	395,683				395,683
Unemployment Compensation	55,778				55,778
Capital projects			712,027		712,027
Debt service				710,140	710,140
Student Activities		31,492			31,492
Scholarships		3,985			3,985
Assigned to:					
Other Purposes	433,375		13,573,404		14,006,779
Designated for subsequent year's expenditures	288,727			480,057	768,784
Unassigned	345,768				345,768
<b>Total Fund Balances</b>	<u>7,398,232</u>	<u>35,477</u>	<u>14,285,431</u>	<u>1,190,197</u>	<u>22,909,337</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 7,628,169</u>	<u>\$ 354,081</u>	<u>\$ 15,543,179</u>	<u>\$ 1,204,318</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$27,072,027 and the accumulated depreciation is \$13,805,371. 13,266,656

Leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$36,945 and the accumulated amortization is \$22,473. 14,472

Accrued interest on debt is not due and payable in the current period and therefore is not reported as a liability in the funds. (151,092)

Accounts payable related to the April 1, 2025 required PERS contribution that is not to be liquidated with current financial resources. (170,702)

The District's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:

Deferred Outflows of resources from Pensions	\$ 263,492	
Net Pension Liability	(1,770,233)	
Deferred Inflows of resources from Pensions	<u>(250,043)</u>	(1,756,784)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds:

General Obligation Bonds	(17,605,000)
Financed Purchases Payable	(43,388)
Leases Payable	(14,855)
Compensated Absences Payable	<u>(143,948)</u>
	<u>(17,807,191)</u>

Net position of governmental activities \$ 16,304,696

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2024**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local property tax levy	\$ 18,797,571	\$ -	\$ -	\$ 884,774	\$ 19,682,345
Tuition charges	30,000				30,000
Rents and royalties					
Interest earned on capital reserve	55,984				55,984
Interest earned on maintenance reserve	6,430				6,430
Other restricted miscellaneous revenues	771		710,140		710,911
Unrestricted miscellaneous revenues	174,179				174,179
Federal sources		410,481			410,481
State sources	4,084,174			389,729	4,473,903
Local sources		55,996			55,996
<b>Total Revenues</b>	<b>23,149,109</b>	<b>466,477</b>	<b>710,140</b>	<b>1,274,503</b>	<b>25,600,229</b>
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	3,758,597	212,238			3,970,835
Special education instruction	1,135,968	123,847			1,259,815
Other instruction	410,369				410,369
Support services and undistributed costs:					
Tuition	5,442,546				5,442,546
Student & instruction related services	1,604,645	129,061			1,733,706
General administrative services	372,011				372,011
School administrative services	256,940				256,940
Central administrative services	254,305				254,305
Plant operations and maintenance	1,252,327				1,252,327
Pupil transportation	1,604,169				1,604,169
Employee benefits	5,337,186	194			5,337,380
Capital outlay	223,770		2,769,118		2,992,888
Special schools					
Debt service:					
Principal				857,000	857,000
Interest and other charges				431,624	431,624
<b>Total Expenditures</b>	<b>21,652,833</b>	<b>465,340</b>	<b>2,769,118</b>	<b>1,288,624</b>	<b>26,175,915</b>
Excess (Deficiency) of Revenues over (under) Expenditures	1,496,276	1,137	(2,058,978)	(14,121)	(575,686)
<b>Other Financing Sources (Uses):</b>					
Proceeds of serial bonds					
Transfers in				710,140	710,140
Transfers out			(710,140)		(710,140)
<b>Total Other Financing Sources (Uses)</b>			<b>(710,140)</b>	<b>710,140</b>	
Net Change in Fund Balances	1,496,276	1,137	(2,769,118)	696,019	(575,686)
Fund Balances - July 1	5,901,956	34,340	17,054,549	494,178	23,485,023
Fund Balances - June 30	<u>\$ 7,398,232</u>	<u>\$ 35,477</u>	<u>\$ 14,285,431</u>	<u>\$ 1,190,197</u>	<u>\$ 22,909,337</u>

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

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2024**

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ (575,686)

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

Governmental Funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Depreciation expense	\$ (750,371)	
Fixed asset net deletions	30,134	
Capital outlay additions	2,842,316	2,122,079

Capital outlays related and to leases and subscriptions are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as amortization expense. This the amount by which capital outlays exceeded amortization in the current fiscal year.

Amortization expense	(9,786)	
Lease Asset Additions/(Deletions)	-	
Subscription Asset Additions/(Deletions)	(1,745)	(11,531)

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

857,000

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

9,197

The proceeds of a financed purchase is an other financing source of revenue in the governmental funds but is not reported in the statement of activities.

(48,176)

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

4,788

Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This amount is the net effect of the difference in the treatment of interest on long-term debt.

4,568

Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.

301,893

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

38,840

Change in net position of Governmental Activities

\$ 2,702,972

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

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2024**

	<b>Business-Type Activities Enterprise Funds</b>
	<b>Food Service Fund</b>
<b>ASSETS:</b>	
Current Assets:	
Cash and cash equivalents	\$ 92,779
Intergovernmental receivables:	
State	368
Federal	4,920
Inventories	3,149
Total current assets	101,216
Noncurrent assets:	
Machinery and equipment	71,177
Less - accumulated depreciation	(63,941)
Total noncurrent assets	7,236
Total Assets	108,452
<b>LIABILITIES:</b>	
Current liabilities:	
Accounts payable	4,802
Interfund payable	22,618
Unearned revenue	7,913
Total current liabilities	35,333
<b>NET POSITION:</b>	
Net investment in capital assets	7,236
Unrestricted	65,883
Total Net Position	\$ 73,119

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

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2024**

	<b>Business-Type Activities Enterprise Funds</b>
	<b>Food Service Fund</b>
<b>Operating Revenues:</b>	
Charges for Services:	
Daily sales:	
Reimbursable programs	\$ 101,675
Non-reimbursable programs	57,480
Special functions	3,279
Miscellaneous	1,000
Total Operating Revenue	163,434
<b>Operating Expenses:</b>	
Salaries	79,506
Employee benefits	16,991
Management fee	13,271
Supplies and materials	5,257
Repairs and maintenance	4,358
Miscellaneous	21,951
Depreciation	419
Cost of sales - reimbursable programs	17,970
Cost of sales - nonreimbursable programs	64,507
Total Operating Expenses	224,230
Operating Income (Loss)	(60,796)
<b>Non-Operating Revenues:</b>	
State sources:	
State school lunch program	1,949
Federal sources:	
Food distribution program	9,024
National school lunch program	26,454
Supply chain assistance	15,176
Summer P-EBT	653
Local food for schools	1,298
Local sources:	
Adjustments to capital assets	(12,667)
Total Non-Operating Revenues	41,887
Changes in Net Position	(18,909)
Net Position - July 1	92,028
Net Position - June 30	\$ 73,119

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

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2024**

	<b>Business-Type Activities Enterprise Funds</b>
	<b>Food Service Fund</b>
<b>Cash Flows from Operating Activities:</b>	
Cash receipts from customers	\$ 165,324
Cash payments to employees for services	(96,497)
Cash payments to suppliers for goods and services	(114,813)
Net Cash Provided by (used for) Operating Activities	(45,986)
<b>Cash Flows from Noncapital Financing Activities:</b>	
Cash received from state sources	1,710
Cash received from federal sources	40,977
Net Cash Provided by (used for) Noncapital Financing Activities	42,687
<b>Cash Flows from Capital Financing Activities:</b>	
Purchases of fixed assets	-
Net Cash Provided by (used for) Capital Financing Activities	-
<b>Cash Flow Provided by Investing Activities:</b>	
Interest on Cash Equivalents	-
Net Increase (Decrease) in Cash and Cash Equivalents	(3,299)
Cash and Cash Equivalents - July 1	96,078
Cash and Cash Equivalents - June 30	\$ 92,779
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:</b>	
Operating Income (Loss)	\$ (60,796)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by (used for)	
Operating Activities:	
Depreciation	419
Federal Commodities	9,024
Change in Assets and Liabilities:	
(Increase) Decrease in Inventories	1,542
Increase (Decrease) in Unearned Revenue	417
Increase (Decrease) in Interfund Payables	19
Increase (Decrease) in Accounts Payables	3,389
Net Cash Provided by (used for) Operating Activities	\$ (45,986)

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

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity** - The Cranbury Township School District (“School District”) is a Type II district located in the County of Middlesex, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member’s terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 8. Students in grades 9 through 12 attend on a tuition basis, the Princeton Regional High School District. The Cranbury Township School District has an approximate enrollment at June 30, 2024 of 441 students.

The primary criteria for including activities within the School District’s reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control.

**Component Units** – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit*, provide guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government’s management determines that it would be misleading to exclude them. GASB Statement No. 80, *Blending Requirements for Certain Component Units* - an Amendment of GASB Statement No. 14 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criteria requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

**Basis of Presentation**

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

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

**Government-wide Statements** - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Basis of Presentation (Continued)**

**Government-wide Statements (Continued)** - Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

**Fund Financial Statements** - During the fiscal year, the School District segregates transactions related to certain School District 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 School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

**Governmental Funds** - Governmental funds are those 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 may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

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

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

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

**Special Revenue Fund** - The Special Revenue Fund is used to account for and report the proceeds of specific revenues sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

**Capital Projects Fund** - The Capital Projects Fund is used to account and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Proprietary Funds** - Proprietary funds are used to account for the School District’s ongoing activities, which are similar to those in the private sector.

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

The School District’s enterprise funds are:

**Food Service Fund** - This fund accounts for the financial transactions related to the food service operations of the School District.

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 noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net position) is segregated into investment in capital assets, net of related debt, and unrestricted net position, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

**Measurement Focus**

**Government-wide Financial Statements** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net position.

**Fund Financial Statements** – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Basis of Accounting**

**Fund Financial Statements (Continued)** – Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net total position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

**Revenues - Exchange and Non-exchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: tuition, grants, fees, and rentals.

**Expenses/Expenditures** - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as unearned revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**Budgets/Budgetary Control** - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23A-16.2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds. Note that the School District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the one or more June state aid payments.

**Encumbrances** - Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, and all eligibility and time requirements satisfied are reflected on the balance sheet as unearned grant revenue at fiscal year-end.

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

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (GUDPA), a multiple financial institution collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash, Cash Equivalents and Investments (Continued)** - All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

**Tuition Receivable** - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

**Tuition Payable** - Tuition charges for the fiscal years ended June 30, 2024 and 2023 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

**Inventories** - Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out basis.

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed and is not recorded since any amounts are considered immaterial to the basic financial statements.

Inventories recorded in the government-wide financial statements and in the proprietary fund types are recorded as expenditures when consumed rather than when purchased.

**Prepaid Expenses** - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2024.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

**Deferred Outflows/Inflows of Resources** – In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**Short-Term Interfund Receivables / Payables** - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**Capital Assets** - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and the proprietary fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000.00. The School District does not possess any infrastructure.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Capital Assets (Continued)** - Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land and Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 years

**Lease Assets** - Intangible right-to-use lease assets are assets which the District leases for a term of more than one year. The value of leases are determined by the net present value of the leases at the District's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

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

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

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

**Accrued Liabilities and Long-Term Obligations** - All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, 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, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

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

**Net investment in capital assets** - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

It is the School District’s policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

**Fund Balance** – The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District’s classifications, and policies for determining such classifications, are as follows:

**Nonspendable** – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2024.

**Restricted** – This fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed** – This fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District’s highest level of decision-making authority, which for the School District is the Board of Education. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action imposing the commitment.

**Assigned** – This fund balance classification includes amounts that are constrained by the School District’s *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the Business Administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the School District’s policy to spend restricted fund balances first. Likewise, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

**Operating and Non-Operating Revenues and Expenses** - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and federal and state subsidy reimbursements for the food service program.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Interfunds** – Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed.

**Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**Recently Issued Accounting Pronouncements** – In June 2022, the GASB issued Statement 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

In December 2023, the GASB issued Statement 102, *Certain Risk Disclosures*. This statement requires government financial statements to disclose risks related to concentrations or constraints that could make a government vulnerable. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This statement aims to improve the financial reporting model to provide more effective information for decision making and assessing a government's accountability. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

**2. CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District's deposits may not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17.9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA.

However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District's amount on deposit of \$23,905,139, as of June 30, 2024, \$500,000 was insured under FDIC, and the remaining balance of \$23,405,139 was collateralized under GUDPA.

**3. CAPITAL RESERVE ACCOUNT**

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

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the New Jersey Department of Education, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**3. CAPITAL RESERVE ACCOUNT (Continued)**

A school district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2023 to June 30, 2024 fiscal year is as follows:

Balance July 1, 2023		\$	3,199,101
Increased by:			
Interest Earned	\$	55,984	
Unspent Appropriations		-	
Transfer from Capital Projects		-	
Board Resolution		<u>1,200,000</u>	
			<u>1,255,984</u>
			4,455,085
Decreased by:			
Budget Withdrawal			<u>-</u>
Balance June 30, 2024		\$	<u><u>4,455,085</u></u>

The June 30, 2024 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects.

**4. ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2024 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2024 for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Proprietary Fund</u>	<u>Total</u>
Intergovernmental					
State	\$ 235,864	\$ -	\$ -	\$ 368	\$ 236,232
Federal	-	143,978	-	4,920	148,898
Other	<u>4,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,100</u>
Total	<u>\$ 239,964</u>	<u>\$ 143,978</u>	<u>\$ -</u>	<u>\$ 5,288</u>	<u>\$ 389,230</u>

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**5. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2024, was as follows:

	<u>Balance June 30, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2024</u>
<b>Governmental Activities:</b>				
Land	\$ 451,596	\$ -	\$ -	\$ 451,596
Construction in Progress	-	2,769,118	-	2,769,118
Total Capital Assets not being Depreciated	<u>451,596</u>	<u>2,769,118</u>	<u>-</u>	<u>3,220,714</u>
Capital Assets, being Depreciated:				
Land Improvements	1,300,815	-	-	1,300,815
Building and Improvements	20,576,158	-	-	20,576,158
Equipment	1,901,142	73,198	-	1,974,340
Total Historical Cost	<u>23,778,115</u>	<u>73,198</u>	<u>-</u>	<u>23,851,313</u>
Less Accumulated Depreciation:				
Land Improvements	(659,180)	(48,857)	-	(708,037)
Building and Improvements	(10,942,506)	(631,639)	-	(11,574,145)
Equipment	(1,483,448)	(69,875)	30,134	(1,523,189)
Total Accumulated Depreciation	<u>(13,085,134)</u>	<u>(750,371)</u>	<u>30,134</u>	<u>(13,805,371)</u>
Total Capital Assets, being depreciated, net	<u>10,692,981</u>	<u>(677,173)</u>	<u>30,134</u>	<u>10,045,942</u>
Governmental Activities Capital Assets, Net	<u>\$ 11,144,577</u>	<u>\$ 2,091,945</u>	<u>\$ 30,134</u>	<u>\$ 13,266,656</u>
<b>Business-Type Activities:</b>				
Equipment	\$ 85,559	\$ -	\$ (14,382)	\$ 71,177
Less - Accumulated Depreciation	(65,237)	(419)	1,715	(63,941)
Business-Type Activities Capital Assets, Net	<u>\$ 20,322</u>	<u>\$ (419)</u>	<u>\$ (12,667)</u>	<u>\$ 7,236</u>

Depreciation expense in the amount of \$750,371 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 518,746
Transportation	9,305
Administration	37,053
Business Services	37,053
Unallocated	<u>148,214</u>
Total depreciation expense	<u>\$ 750,371</u>

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**6. LEASE AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ASSETS**

Capital asset activity for the fiscal year ended June 30, 2024, was as follows:

	<b>Balance June 30, 2023</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2024</b>
<b>Governmental Activities:</b>				
Lease Assets, being Amortized:				
Machinery and Equipment	\$ 72,290	\$ -	\$ (35,345)	\$ 36,945
Subscription Assets, being Amortized:				
Subscription-Based IT Arrangements	1,753	-	(1,753)	-
Total Lease & Subscription Assets Being Amortized	74,043	-	(37,098)	36,945
 Governmental Activities				
Lease & Subscription Assets	74,043	-	(37,098)	36,945
 Less Accumulated Amortization for:				
Machinery and Equipment	(48,032)	(9,786)	35,345	(22,473)
Subscription-Based IT Arrangements	(8)	-	8	-
Total Accumulated Amortization	(48,040)	(9,786)	35,353	(22,473)
 Governmental Activities Lease & Subscription Assets, Net	\$ 26,003	\$ (9,786)	\$ (1,745)	\$ 14,472

Amortization expense in the amount of \$9,786 was charged to governmental functions as follows:

<b>Function</b>	<b>Amount</b>
Regular Instruction	\$ 8,318
Administration	979
Central Services	489
	\$ 9,786

**7. INVENTORY**

Inventory in the food service fund at June 30, 2024 consisted of the following:

Food	\$ 1,897
Supplies	1,252
	\$ 3,149

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**8. LONG-TERM OBLIGATIONS**

During the fiscal year ended June 30, 2024, the following changes occurred in long-term obligations:

<b>Governmental Activities:</b>	<b>Balance June 30, 2023</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30, 2024</b>	<b>Due Within One Year</b>
Compensated Absences	\$ 182,788	\$ 25,372	\$ 64,212	\$ 143,948	\$ 1,670
General Obligation Bonds	18,462,000	-	857,000	17,605,000	785,000
Financed Purchases Payable	-	48,176	4,788	43,388	8,679
Leases Payable	24,052	-	9,197	14,855	8,097
Net Pension Liability	1,817,550	-	47,317	1,770,233	-
	<u>\$ 20,486,390</u>	<u>\$ 73,548</u>	<u>\$ 982,514</u>	<u>\$ 19,577,424</u>	<u>\$ 803,446</u>

**Bonds Payable** - Bonds and loans are authorized in accordance with State law by the voters of the School District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Outstanding bonds issued by the School District are as follows:

2023 School Bonds, dated March 9, 2022, in the amount of \$18,462,000, with \$17,605,000 outstanding, due in annual installments through August 15, 2041, bearing interest rates of 1.50% to 2.95%.

As of June 30, 2024, principal and interest due on bonds outstanding is as follows:

<b>Fiscal Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 785,000	\$ 417,346	\$ 1,202,346
2026	800,000	401,496	1,201,496
2027	820,000	385,296	1,205,296
2028	845,000	368,646	1,213,646
2029-2033	4,570,000	1,576,878	6,146,878
2034-2038	5,170,000	1,014,413	6,184,413
2039-2042	4,615,000	272,055	4,887,055
	<u>\$ 17,605,000</u>	<u>\$ 4,436,130</u>	<u>\$ 22,041,130</u>

As of June 30, 2024, the School District had no authorizations to issue additional bonded debt.

**Compensated Absences** - Compensated absences will be paid from the fund from which the employees' salaries are paid.

**Financed Purchase Obligations** - As of June 30, 2024, the District had the following financed purchases:

<b>Equipment</b>	<b>Maturity Date</b>	<b>Interest Rate</b>	<b>Total Value</b>
Copiers	November 28, 2028	7.05%	\$ 43,388
			<u>\$ 43,388</u>

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**8. LONG-TERM OBLIGATIONS (Continued)**

**Financed Purchase Obligations (Continued)**

The following is a schedule of the future payments under the financed purchase obligations:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 8,679	\$ 2,783	\$ 11,462
2026	9,311	2,151	11,462
2027	9,989	1,473	11,462
2028	10,717	745	11,462
2029	4,692	82	4,774
	<u>\$ 43,388</u>	<u>\$ 7,234</u>	<u>\$ 50,622</u>

**Leases Payable** - The School District has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

On February 1, 2021, the School District entered a 60-month lease as lessee for the use of a postage meter. As of July 1, 2021, an initial lease liability was recorded in the amount of \$15,838. The lease liability was \$6,092 as of June 30, 2024. The School District is required to make quarterly payments of \$897. The lease has an interest rate of 3.00%. The value of the right to use asset as of June 30, 2024, was \$6,266 with accumulated amortization of \$9,572.

On May 1, 2021, the School District entered a 60-month lease as lessee for the use of copiers. As of July 1, 2021, an initial lease liability was recorded in the amount of \$21,107. The lease liability was \$8,7963 as of June 30, 2024. The School District is required to make monthly payments of \$423. The lease has an interest rate of 6.32%. The value of the right to use asset as of June 30, 2024, was \$8,206 with accumulated amortization of \$12,901.

As of June 30, 2024, the District had leases outstanding as follows:

<u>Purpose</u>	<u>Commencement Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Value</u>
Postage Meter	July 1, 2021	June 30, 2026	3.00%	\$ 6,092
Copiers	June 1, 2021	May 31, 2026	6.32%	8,763
Total				<u>\$ 14,855</u>

The future annual lease obligations as of June 30, 2024, are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 8,097	\$ 563	\$ 8,660
2026	6,758	159	6,917
Total	<u>\$ 14,855</u>	<u>\$ 722</u>	<u>\$ 15,577</u>

**Subscription-Based IT Arrangements (SBITAs) Payable** – As of June 30, 2024, the District had no outstanding Subscription-Based IT Arrangements.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**9. PENSION PLANS**

**Description of Plans** – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS). In addition, several School District employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan. This plan is administered by Empower (formerly Prudential Financial) for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. For additional information about TPAF, please refer to the Division's annual financial statements which can be found at the following website: <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

*Plan Description* - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey (the "State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement, death and disability, and medical benefits to qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional, and certified. The TPAF's Board of Trustees is primarily responsible for the administration of the TPAF.

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

The following represents the membership tiers for TPAF:

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

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

*Contributions* - The contribution requirements of plan members are determined by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the member contribution rate was 7.50% in State fiscal year 2023. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over the several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**9. PENSION PLANS (Continued)**

**Teachers' Pension and Annuity Fund (TPAF) (Continued)**

The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2024 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2023, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2024 was \$1,758,538 and was paid by April 1, 2024. School District employee contributions to the pension plan during the fiscal year ended June 30, 2024 were \$400,886.

*Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions* - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the 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.

At June 30, 2024, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

For the year ended June 30, 2024, the School District recognized pension expense of \$529,138 and revenue of \$529,138 for support provided by the State. Although the School District 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 School District.

The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>06/30/23</u>	<u>06/30/22</u>
Collective deferred outflows of resources	\$ 2,413,548,676	\$ 4,885,289,911
Collective deferred inflows of resources	14,741,373,312	19,563,805,393
Collective net pension liability (Non-Employer – State of New Jersey)	51,109,961,824	51,676,587,303
State's portion of the net pension liability that was associated with the School District	21,538,491	23,734,778
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.0422052998%	.0460026093%

*Actuarial assumptions* – The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023.

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75 – 5.65%
	based on years of service
Investment Rate of Return:	7.00%

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**9. PENSION PLANS (Continued)**

**Teachers' Pension and Annuity Fund (TPAF) (Continued)**

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) 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, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	<u>100.00%</u>	

*Discount rate.* The discount rate used to measure the State's total pension liability was 7.00% as of June 30, 2023. 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 (State of New Jersey) 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 rate was applied to projected benefit payments after that date in determining the total pension liability.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**9. PENSION PLANS (Continued)**

**Teachers' Pension and Annuity Fund (TPAF) (Continued)**

*Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate. As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2023, the pension plan's measurement date, attributable to the School District is \$0.00, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) that the current rate:*

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	25,397,789	21,538,491	18,288,045
	\$ 25,397,789	\$ 21,538,491	\$ 18,288,045

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 Division of Pensions and Benefits financial report.

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

*Plan Description* - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting Membership in the PERS is mandatory for substantially all full-time employees of the Authority, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS. For additional information about PERS, please refer to Division's annual financial statements, which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

The following represents the membership tiers for PERS:

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

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**9. PENSION PLANS (Continued)**

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

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

*Contributions* - The contribution requirements of plan members are determined by N.J.S.A 43:15A and requires contributions by active members and contributing employers. The School District's contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19. P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Based on the most recent PERS measurement date of June 30, 2023, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2024 was \$163,346 and was paid by April 1, 2024. School District employee contributions to the pension plan during the fiscal year ended June 30, 2024 were \$81,654.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Normal Contributions</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Longterm Disability</u>	<u>Total Liability Paid by District</u>
2024	\$ 28,991	\$ 127,459	\$ 6,896	\$ -	\$ 163,346
2023	23,132	122,168	6,576	-	151,876
2022	18,397	126,533	7,003	-	151,933

*Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions* – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the 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.

At June 30, 2024, the School District reported a liability of \$1,770,233 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The School District's proportion of the of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**9. PENSION PLANS (Continued)**

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

For the year ended June 30, 2024, the School District recognized pension expense of (\$138,547). At June 30, 2024, the School District reported a liability of \$1,770,233 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 16,926	\$ 7,236
Changes of assumptions	3,889	107,284
Net Difference between projected and actual earnings on pension plan investments	8,152	-
Changes in proportion	63,823	135,523
District contributions subsequent to the measurement date	170,702	
<b>Total</b>	<b>\$ 263,492</b>	<b>\$ 250,043</b>

\$170,702 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date will be recognized as a reduction of the net liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2025	\$ (499,214)
2026	(172,658)
2027	(266,683)
2028	532,375
2029	248,927
<b>Total</b>	<b>\$ (157,253)</b>

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**9. PENSION PLANS (Continued)**

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
June 30, 2023	5.08	-
Changes of assumptions		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
June 30, 2023	-	5.08
Net Difference between projected and actual earnings on pension plan investments		
Year of Pension Plan Deferral:		
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
June 30, 2022	5.00	-
June 30, 2023	5.00	-

**Additional Information**

Collective balances at June 30, 2023 and 2022 are as follows:

	<u>6/30/2023</u>	<u>6/30/2022</u>
Collective deferred outflows of resources	\$ 1,080,204,730	\$ 1,660,772,008
Collective deferred inflows of resources	\$ 1,780,216,457	\$ 3,236,303,935
Collective net pension liability	\$ 14,484,374,047	\$ 15,091,376,611
School District's Proportion	.0122216737%	.0120436333%

*Actuarial assumptions* - The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**9. PENSION PLANS (Continued)**

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

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75 – 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, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
Total	<u>100.00%</u>	

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**9. PENSION PLANS (Continued)**

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

*Discount rate.* The discount rate used to measure the State's total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and nonemployer contributing entity will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied all projected benefit payments to determining the total pension liability.

*Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate.* The following presents the School District's proportionate share of the net pension liability measured as of June 30, 2023, calculated using the discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
School District's proportionate share of the net pension liability	\$ 2,304,467	\$ 1,770,233	\$ 1,315,529

*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 Division of Pensions and Benefits financial report.

**Defined Contribution Retirement Program (DCRP)**

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Empower (formerly Prudential Financial). The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Empower not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<b>Fiscal Year</b>	<b>Total Liability</b>	<b>Paid by School District</b>
2024	\$ 5,381	\$ 5,381
2023	5,312	5,312
2022	9,498	9,498

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**Plan Description and Benefits Provided**

The State Health Benefits Local Education Retired Employees Plan (the “OPEB Plan”) is a multiple-employer defined benefit OPEB plan, with a special funding situation, that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the “Division”) and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

**Contributions**

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

**Plan Membership**

As of June 30, 2023, the program membership consisted of the following:

Active Plan Members	217,212
Retirees	152,383
	369,595

**Total Non-Employer OPEB Liability**

The State of New Jersey, 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 School District’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. 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 ACFR on the Office of Management and Budget webpage: [nj.gov/treasury/omb/fr.shtml](http://nj.gov/treasury/omb/fr.shtml). The State, as a nonemployer contributing entity, reported a Fiscal Year 2023 total OPEB liability of \$52,361,668,239 for this special funding situation.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

**Total Non-Employer OPEB Liability (Continued)**

*Actuarial assumptions and other imputes* - The total OPEB liability in the June 30, 2023 actuarial valuation reported by the State in the State’s most recently issued ACFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational improvement projections from the central year using the Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2010 “Safety” (PFRS), “General” (PERS), and “Teachers” (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the TPAF, PERS, and PFRS actuarial experience studies prepared for July 1, 2018 to June 30, 2021.

*Health Care Trend Assumptions* - For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

*Discount Rate* - The discount rate used to measure the total OPEB liability was 3.65%. 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.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

**Total Non-Employer OPEB Liability (Continued)**

**Changes in the Total Nonemployer OPEB Liability**

The table below summarizes the State's proportionate share of the change in the total nonemployer OPEB liability associated with the School District:

	Total OPEB Liability
Balance as of June 30, 2022	\$ 20,951,419
Changes for the Year	
Service Cost	878,307
Interest	775,338
Changes of benefit terms	-
Differences between expected and actual experience	(50,022)
Changes in assumptions	44,373
Gross Benefit Payments	(604,388)
Contributions from the Non-employer	N/A
Contributions from the Member	19,869
Net Investment Income	N/A
Administrative Expense	N/A
Net Changes	1,063,477
Balance at 06/30/2023	\$ 22,014,896

**Sensitivity of the total nonemployer OPEB liability to changes in the discount rate** - The following presents the total nonemployer OPEB liability as of June 30, 2023, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 25,808,686	\$ 22,014,896	\$ 18,968,923

**Sensitivity of the total nonemployer OPEB liability to changes in the healthcare cost trend rate** - The following presents the total nonemployer OPEB liability as of June 30, 2023 calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 18,275,758	\$ 22,014,896	\$ 26,907,568

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

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

For the year ended June 30, 2024, the School District recognized \$724,124 in OPEB expense and revenue, in the government-wide financial statements, for the State’s proportionate share of the OPEB Plan’s OPEB Expense, associated with the School District. This expense and revenue were based on the OPEB Plan’s June 30, 2023 measurement date.

In accordance with GASBS No. 75, the School District’s proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District.

At June 30, 2023, the State’s proportionate share of the total nonemployer OPEB liability’s deferred outflows of resources and deferred inflows of resources, associated with the School District, from the following sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ 1,623,616	\$ (1,175,462)
Differences between expected and actual experience	3,212,036	(5,798,504)
Changes of assumptions	3,130,546	(6,075,324)
<b>Total</b>	<b>\$ 7,966,198</b>	<b>\$ (13,049,290)</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to State’s proportionate share of the total nonemployer OPEB Liability, associated with the School District, will be recognized in OPEB expense as follows:

For the year ended:	
2025	\$ (1,008,910)
2026	(1,008,910)
2027	(876,885)
2028	(516,978)
2029	(105,819)
Thereafter	(1,565,590)
<b>Total</b>	<b>\$ (5,083,092)</b>

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 Division of Pensions and Benefits financial report.

**11. ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2024, the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long-term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs, and long-term disability insurance were \$1,936,604, \$527,073, and \$862, respectively. In addition, \$381,524 on-behalf payments were made by the state for the employer’s share of social security contributions for TPAF members, as calculated on their base salaries.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**12. RISK MANAGEMENT**

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

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

**Joint Insurance Pool** - The School District is a member of the New Jersey School Alliance Insurance Fund, a public entity risk pool currently operating as a common risk management and insurance program. Insurance coverage as provided by the Fund can be found in the Statistical Section of this Annual Comprehensive Financial Report.

Annual contributions to the Fund are determined by the Fund’s Board of Trustees. The School District is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund’s Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

A complete schedule of insurance coverage can be found in the “Statistical Section” of this report.

The Fund publishes its own financial report which can be obtained by writing to: School Alliance Insurance Fund, c/o PEGAS, 51 Everett Drive, Lawrenceville, New Jersey, 08648.

**New Jersey Unemployment Compensation Insurance** - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method.” Under this plan, the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State.

The following is a summary of the School District’s unemployment compensation contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the current and previous two fiscal years:

<u>Fiscal Year</u>	<u>Interest</u>	<u>Employee Contributions</u>	<u>Board Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024	\$ 771	\$ 12,691	-	\$ 14,341	\$ 78,238
2023	716	13,189	-	17,771	79,117
2022	231	11,744	-	219	82,983

**13. DEFERRED COMPENSATION**

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

**14. COMPENSATED ABSENCES**

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

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**14. COMPENSATED ABSENCES (Continued)**

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

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2024, the liability for compensated absences in the governmental activities was \$143,948.

**15. INTERFUND BALANCES AND TRANSFERS**

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2025. The following interfund balances were recorded on the various balance sheets as of June 30, 2024:

<b>Fund</b>	<b>Interfunds Receivable</b>	<b>Interfunds Payable</b>
General	\$ 396,566	\$ 174,626
Special Revenue	174,626	306,397
Capital Projects	-	1,257,748
Debt Service	1,204,318	14,121
Proprietary	-	22,618
Total	\$ 1,775,510	\$ 1,775,510

**16. CONTINGENCIES**

The School District 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 School District may be required to reimburse the grantor government.

At June 30, 2024, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, unearned revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

**17. TAX ABATEMENTS**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district’s local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**17. TAX ABATEMENTS (Continued)**

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

As of December 31, 2023, the Township of Cranbury had no tax abatements.

**18. DEFICIT UNRESTRICTED NET POSITION**

As of June 30, 2024, a deficit of \$1,154,656 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 is as follows:

Balances, June 30, 2024:	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds)	
Unassigned	\$ 345,768
Assigned	722,102
Liabilities:	
Net Pension Differences	(1,927,486)
Accrued Interest Payable	(151,092)
Compensated Absences	<u>(143,948)</u>
Unrestricted Net Position (Deficit)	<u><u>\$ (1,154,656)</u></u>

**19. FUND BALANCES**

**RESTRICTED**

As stated in Note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District’s fund balance are summarized as follows:

**General Fund:**

**Capital Reserve** – As of June 30, 2024, the balance in the capital reserve account is \$4,455,085 and is restricted for future capital outlay expenditures for capital projects in the School District’s approved Long-Range Facilities Plan. Of this amount, \$1,738,638 has been designated for use in the 2024-2025 budget.

**Excess Surplus** – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund, fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years’ budget. The excess fund balance at June 30, 2024 is \$339,321. Additionally, \$56,362 of excess fund balance generated during the 2022-2023 fiscal year has been restricted and designated for utilization in the 2024-2025 budget.

**Tuition Reserve** – In accordance with N.J.A.C. 6A:23-3.1(f)(8), the School District has restricted fund balance at June 30, 2024 in the amount of \$900,000 for tuition adjustments. Of this amount \$450,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2025. This reserve represents foreseeable future tuition adjustments up to a maximum of 10% of the estimated cost of the respective contract year.

**Cranbury Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2024**

**19. FUND BALANCES (Continued)**

**General Fund (Continued):**

**Maintenance Reserve Account** – As of June 30, 2024, the balance in the maintenance reserve account is \$523,816. Of this amount \$165,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2025. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

**Unemployment Compensation** – As of June 30, 2024, the balance in unemployment compensation is \$55,778. These funds are restricted for the purpose of financing unemployment claims.

RESTRICTED

**Student Activities** – As of June 30, 2024, the balance in the student activities account is \$31,492.

**Scholarships** – As of June 30, 2024, the balance in the scholarship account is \$3,985.

**Capital Projects Fund** – As of June 30, 2024, the balance is \$712,027.

**Debt Service Fund** – As of June 30, 2024, the balance is \$710,140.

ASSIGNED

As stated in Note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

**General Fund:**

**Other Purposes** – As of June 30, 2024, the School District has \$433,375 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**Designated for Subsequent Year's Expenditures** – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2025, \$288,727 of fund balance.

**Capital Projects Fund:**

**Other Purposes** – As of June 30, 2024, the School District has \$13,573,404 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**Debt Service Fund:**

**Designated for Subsequent Year's Expenditures** – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2025, \$480,057 of fund balance.

UNASSIGNED

As stated in Note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

**General Fund** – As of June 30, 2024, \$345,768 of general fund balance was unassigned.

Required Supplementary Information - Part II

Budgetary Comparison Schedules

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local Tax Levy	\$ 18,797,571	\$ -	\$ 18,797,571	\$ 18,797,571	\$ -
Tuition	18,000		18,000	30,000	12,000
Transportation Fees from Individuals	18,750		18,750		(18,750)
Rents and Royalties	10,000		10,000		(10,000)
Interest earned on capital reserve				55,984	55,984
Interest earned on maintenance reserve				6,430	6,430
Other restricted Misc. Revenues				771	771
Unrestricted Misc. Revenues	36,750		36,750	174,179	137,429
<b>Total local sources</b>	<b>18,881,071</b>		<b>18,881,071</b>	<b>19,064,935</b>	<b>183,864</b>
State sources:					
Categorical Special Education aid	740,550		740,550	740,550	
Categorical Security Aid	66,507		66,507	66,507	
Categorical Transportation Aid	231,856		231,856	231,856	
Extraordinary aid	150,000		150,000	195,449	45,449
Nonpublic transportation aid				22,295	22,295
On-behalf TPAF pension contrib. (non-budgeted)				1,936,604	1,936,604
On-behalf TPAF post retirement med. (non-budgeted)				527,073	527,073
On-behalf TPAF LTDI (non-budgeted)				862	862
Reimbursed TPAF social security contribution (non-budgeted)				381,524	381,524
<b>Total state sources</b>	<b>1,188,913</b>		<b>1,188,913</b>	<b>4,102,720</b>	<b>2,913,807</b>
<b>TOTAL REVENUES</b>	<b>20,069,984</b>	<b>-</b>	<b>20,069,984</b>	<b>23,167,655</b>	<b>3,097,671</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Salaries of teachers					
Kindergarten	192,134	(500)	191,634	187,352	4,282
Grades 1-5	1,910,122		1,910,122	1,722,738	187,384
Grades 6-8	1,327,727		1,327,727	1,238,145	89,582
Regular Programs - Home Instruction:					
Salaries of teachers	5,000		5,000	980	4,020
Regular Programs - Undistributed Instruction:					
Other salaries for instruction	8,640	1,038	9,678	9,678	
Purchased technical services	260,793	(3,529)	257,264	226,530	30,734
Other purchased services	159,675	38,380	198,055	193,884	4,171
General supplies	267,213	(12,150)	255,063	178,172	76,891
Textbooks	8,000		8,000		8,000
Other objects		1,118	1,118	1,118	
<b>Total - Regular Programs - Instruction</b>	<b>4,139,304</b>	<b>24,357</b>	<b>4,163,661</b>	<b>3,758,597</b>	<b>405,064</b>
Special Education Instruction:					
Learning and/or Language Disabilities:					
Salaries of teachers	80,800		80,800	73,190	7,610
<b>Total learning and/or language disab.</b>	<b>80,800</b>		<b>80,800</b>	<b>73,190</b>	<b>7,610</b>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2024**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Resource room/resource center:					
Salaries of teachers	\$ 791,975	\$ 18,425	\$ 810,400	\$ 746,292	\$ 64,108
Other salaries for instruction	250,639	(18,445)	232,194	231,857	337
General supplies	13,000	(2,967)	10,033	7,557	2,476
<b>Total resource room/resource center</b>	<b>1,055,614</b>	<b>(2,987)</b>	<b>1,052,627</b>	<b>985,706</b>	<b>66,921</b>
Preschool Disabilities - Part-Time:					
Salaries of teachers	60,625	500	61,125	56,500	4,625
Other salaries for instruction	25,483	20	25,503	17,729	7,774
General supplies	3,000		3,000	2,843	157
<b>Total preschool disabilities - part-time</b>	<b>89,108</b>	<b>520</b>	<b>89,628</b>	<b>77,072</b>	<b>12,556</b>
<b>Total Special Education - Instruction</b>	<b>1,225,522</b>	<b>(2,467)</b>	<b>1,223,055</b>	<b>1,135,968</b>	<b>87,087</b>
Home Instruction:					
Purchased professional educational services					
<b>Total resource room/resource center</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Basic Skills/Remedial - Instruction					
Salaries of teachers	271,075		271,075	269,024	2,051
General supplies	3,000		3,000	1,007	1,993
<b>Total basic skills/remedial - instruction</b>	<b>274,075</b>		<b>274,075</b>	<b>270,031</b>	<b>4,044</b>
School-Sponsored Cocurricular Act - Instruction:					
Salaries	71,720		71,720	32,048	39,672
Supplies and materials	1,000		1,000	815	185
Other objects	5,000	1,750	6,750	5,940	810
<b>Total school-sponsored cocurr. act. - instruct.</b>	<b>77,720</b>	<b>1,750</b>	<b>79,470</b>	<b>38,803</b>	<b>40,667</b>
School-Sponsored Athletics - Instruction:					
Salaries	87,920	(1,450)	86,470	76,490	9,980
Purchased services	7,400	1,450	8,850	8,830	20
Supplies and materials	17,000		17,000	16,215	785
<b>Total school-sponsored athletics - instruct.</b>	<b>112,320</b>		<b>112,320</b>	<b>101,535</b>	<b>10,785</b>
<b>Total Instruction</b>	<b>5,828,941</b>	<b>23,640</b>	<b>5,852,581</b>	<b>5,304,934</b>	<b>547,647</b>
Undistributed Expenditures - Instruction					
Tuition to other LEAs within the state - reg.	4,602,113	30,000	4,632,113	4,602,113	30,000
Tuition to other LEAs within the state - spec	541,741	(33,000)	508,741	347,138	161,603
Tuition to CSSD & Reg Day Schools	62,752	(10,000)	52,752	8,125	44,627
Tuition to private school for the disabled - w/l state	695,926	(32,000)	663,926	462,670	201,256
Tuition - Other		45,000	45,000	22,500	22,500
<b>Total undistributed expenditures - instruction</b>	<b>5,902,532</b>		<b>5,902,532</b>	<b>5,442,546</b>	<b>459,986</b>
Attendance and Social Work Services:					
Salaries					
Purchased professional and technical services	3,000		3,000		3,000
<b>Total attendance and social work services</b>	<b>3,000</b>	<b>-</b>	<b>3,000</b>	<b>-</b>	<b>3,000</b>
Health Services:					
Salaries	112,088		112,088	68,484	43,604
Purchased professional and technical services	516,342		516,342	434,991	81,351
Supplies and materials	9,000		9,000	4,732	4,268
Other objects	100		100		100
<b>Total health services</b>	<b>637,530</b>		<b>637,530</b>	<b>508,207</b>	<b>129,323</b>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**CRANBURY TOWNSHIP SCHOOL DISTRICT  
Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2024**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Speech, OT, PT, & Related Services:					
Salaries	\$ 193,922	\$ -	\$ 193,922	\$ 187,307	\$ 6,615
Purchased professional educational services	6,600		6,600	6,600	
Supplies and materials	2,000		2,000	1,983	17
<b>Total speech, ot, pt &amp; related services</b>	<b>202,522</b>		<b>202,522</b>	<b>195,890</b>	<b>6,632</b>
Guidance:					
Salaries of other professional staff	138,672		138,672	128,391	10,281
Supplies and materials	6,850		6,850	856	5,994
<b>Total guidance</b>	<b>145,522</b>		<b>145,522</b>	<b>129,247</b>	<b>16,275</b>
Child Study Teams:					
Salaries of other professional staff	317,732	500	318,232	316,180	2,052
Salaries of secretarial and clerical assistants	45,188	879	46,067	45,687	380
Purchased professional educational services					
Other Purchased Services	500		500	325	175
Supplies and materials	7,391		7,391	3,497	3,894
Other objects	1,814		1,814	200	1,614
<b>Total child study teams</b>	<b>372,625</b>	<b>1,379</b>	<b>374,004</b>	<b>365,889</b>	<b>8,115</b>
Improvement of Instructional Services:					
Salaries supervisor of Instruction	241,606	(3,350)	238,256	216,878	21,378
Salaries of secretarial and clerical assistants	85,275	2,163	87,438	87,126	312
Other purchased services	1,110		1,110	240	870
Supplies and materials	2,000		2,000	344	1,656
Other objects	2,568		2,568	2,254	314
<b>Total improvement of instructional services</b>	<b>332,559</b>	<b>(1,187)</b>	<b>331,372</b>	<b>306,842</b>	<b>24,530</b>
Educational Media Services/School Library:					
Salaries	75,401		75,401	71,688	3,713
Supplies and materials	13,015		13,015	12,393	622
<b>Total educational media services/school library</b>	<b>88,416</b>		<b>88,416</b>	<b>84,081</b>	<b>4,335</b>
Instructional Staff Training Services:					
Other Salaries	25,000		25,000	6,838	18,162
Other purchased services	23,500		23,500	7,651	15,849
Supplies and materials					
<b>Total instructional staff training services</b>	<b>48,500</b>		<b>48,500</b>	<b>14,489</b>	<b>34,011</b>
General Administration:					
Salaries	254,744		254,744	252,321	2,423
Legal services	65,000		65,000	32,393	32,607
Audit fees	28,000	(1,100)	26,900	26,400	500
Other purchased prof. services	51,996	(5,000)	46,996	11,661	35,335
Communications / telephone	29,000	1,038	30,038	28,761	1,277
Other purchased services	1,000	(100)	900	112	788
General supplies	4,850	(1,049)	3,801	3,712	89
Miscellaneous expenditures	17,539	1,100	18,639	16,651	1,988
<b>Total general administration</b>	<b>452,129</b>	<b>(5,111)</b>	<b>447,018</b>	<b>372,011</b>	<b>75,007</b>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2024**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>School Administration:</b>					
Salaries of principals/assist. principals	\$ 117,762	\$ -	\$ 117,762	\$ 117,762	\$ -
Salaries of secretarial and clerical assistants	138,058	1,629	139,687	134,558	5,129
Other purchased services	500		500	321	179
Supplies and materials	1,500	598	2,098	1,939	159
Other objects	2,419		2,419	2,360	59
<b>Total school administration</b>	<b>260,239</b>	<b>2,227</b>	<b>262,466</b>	<b>256,940</b>	<b>5,526</b>
<b>Central services:</b>					
Salaries	230,428	1,665	232,093	211,730	20,363
Purchased professional services	10,530	25,000	35,530	20,165	15,365
Misc. purchased services (400-500 series)	750		750	264	486
Supplies and materials	6,500	(1,130)	5,370	4,779	591
Miscellaneous expenditures	23,500		23,500	17,367	6,133
<b>Total central services</b>	<b>271,708</b>	<b>25,535</b>	<b>297,243</b>	<b>254,305</b>	<b>42,938</b>
<b>Required Maintenance School Facilities:</b>					
Cleaning, repairs & maintenance services	171,022	8,560	179,582	169,092	10,490
<b>Total required maintenance school facilities</b>	<b>171,022</b>	<b>8,560</b>	<b>179,582</b>	<b>169,092</b>	<b>10,490</b>
<b>Custodial Services:</b>					
Salaries	472,439	(1,225)	471,214	438,984	32,230
Cleaning, repair and maintenance services	48,220	(6,591)	41,629	37,773	3,856
Other purchased property services	26,000		26,000	17,951	8,049
Insurance	123,210	25,773	148,983	148,418	565
Travel	125	(25)	100	99	1
General Supplies	112,000	(5,293)	106,707	65,371	41,336
Energy (Natural Gas)	65,000		65,000	34,801	30,199
Energy (Electricity)	300,000	(3,559)	296,441	255,075	41,366
Other objects	875	518	1,393	1,340	53
<b>Total custodial services</b>	<b>1,147,869</b>	<b>9,598</b>	<b>1,157,467</b>	<b>999,812</b>	<b>157,655</b>
<b>Care and Upkeep of Grounds:</b>					
Cleaning, repairs & maintenance services	95,000	4,800	99,800	73,560	26,240
General supplies	5,000		5,000	2,023	2,977
<b>Total care and upkeep of grounds</b>	<b>100,000</b>	<b>4,800</b>	<b>104,800</b>	<b>75,583</b>	<b>29,217</b>
<b>Security</b>					
Purchased professional and technical services	8,885	(1,620)	7,265		7,265
Cleaning, Repair, & Maintenance Service	4,742	3,620	8,362	6,857	1,505
General supplies	5,100	(2,000)	3,100	983	2,117
<b>Total security</b>	<b>18,727</b>		<b>18,727</b>	<b>7,840</b>	<b>10,887</b>
<b>Total operation &amp; maint. of plant services</b>	<b>1,437,618</b>	<b>22,958</b>	<b>1,460,576</b>	<b>1,252,327</b>	<b>208,249</b>
<b>Student Transportation Services:</b>					
Salaries for Pupil Trans (between home and school) - Regular Ed.	14,118	188	14,306	14,305	1
Salaries for Pupil Trans (between home and school) - Special Ed.	38,880	(10,880)	28,000	681	27,319
Cleaning, repairs & maintenance services	10,000		10,000	592	9,408
Rental Payments - School Buses					
Contr. serv. - aid in lieu pymnts - nonpub sch.	65,000		65,000	55,920	9,080
Contr. serv. (between home & sch) - vendor	747,267		747,267	716,880	30,387
Contr. serv. (not between home & sch) - vendor	75,000	15,567	90,567	76,946	13,621
Contr. serv. (between home & sch) - joint agree.	4,000		4,000	1,165	2,835
Contr. Serv. (Spl. Ed. Students) - vendors	842,000	(4,687)	837,313	737,580	99,733
Contr. Serv. (Spl. Ed. Students) - joint agreements					
Transportation supplies	5,000		5,000	100	4,900
<b>Total student transportation services</b>	<b>1,801,265</b>	<b>188</b>	<b>1,801,453</b>	<b>1,604,169</b>	<b>197,284</b>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2024**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Allocated Benefits - Employee Benefits					
Special Programs - Instruction					
Health benefits	\$ 671,850	\$ (671,850)	\$ -	\$ -	\$ -
Other employee benefits			-		
Total Special Programs - Instruction	<u>671,850</u>	<u>(671,850)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Child Study Teams					
Health benefits	<u>127,300</u>	<u>(127,300)</u>			
Total Child Study Teams	<u>127,300</u>	<u>(127,300)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Improvement of Instruction Services					
Health benefits	<u>93,875</u>	<u>(93,875)</u>			
Total Improvement of Instruction Services	<u>93,875</u>	<u>(93,875)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Custodial Services					
Health benefits	<u>125,750</u>	<u>(125,750)</u>			
Other employee benefits					
Total Custodial Services	<u>125,750</u>	<u>(125,750)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total allocated benefits	<u>1,018,775</u>	<u>(1,018,775)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unallocated Benefits - Employee Benefits					
Social security contributions	173,245		173,245	134,703	38,542
Other retirement contributions - PERS	168,124	3,346	171,470	163,346	8,124
Other retirement contributions - reg.	13,688		13,688	5,381	8,307
Workmen's compensation	106,232	(25,773)	80,459	62,342	18,117
Health benefits	1,461,793	962,180	2,423,973	2,048,659	375,314
Tuition reimbursement	40,000	(10,852)	29,148	11,571	17,577
Other employee benefits	68,000	(775)	67,225	65,121	2,104
Unused Sick payment to terminated/retired emp.		9,872	9,872		9,872
Total unallocated benefits	<u>2,031,082</u>	<u>937,998</u>	<u>2,969,080</u>	<u>2,491,123</u>	<u>477,957</u>
On-behalf TPAF pension contr. (non-budgeted)				1,936,604	(1,936,604)
On-behalf TPAF post retirement medical (non-budgeted)				527,073	(527,073)
On-behalf TPAF LTDI (non-budgeted)				862	(862)
Reimbursed TPAF social security contr. (non-budgeted)				381,524	(381,524)
Total Undistributed Expenditures	<u>15,006,022</u>	<u>(34,788)</u>	<u>14,971,234</u>	<u>16,124,129</u>	<u>(1,152,895)</u>
Total General Current Expense	<u>20,834,963</u>	<u>(11,148)</u>	<u>20,823,815</u>	<u>21,429,063</u>	<u>(605,248)</u>
<b>CAPITAL OUTLAY:</b>					
Equipment					
Undist. Expenditures:					
Instructional staff		2,299	2,299	2,299	
General Administration	-	2,349	2,349	2,349	
Admin. Info Technology	160,000	6,500	166,500	83,345	83,155
Total Equipment	<u>160,000</u>	<u>11,148</u>	<u>171,148</u>	<u>87,993</u>	<u>83,155</u>
Facilities acquisition and construction services					
Architectural/Engineering Services	4,432		4,432		4,432
Construction Services	182,384		182,384	116,469	65,915
Assessment for Debt Service on SDA Funding	19,308		19,308	19,308	
Total Facilities acquisition and construction	<u>206,124</u>	<u>-</u>	<u>206,124</u>	<u>135,777</u>	<u>70,347</u>
Total Capital Outlay	<u>366,124</u>	<u>11,148</u>	<u>377,272</u>	<u>223,770</u>	<u>153,502</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2024**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>SUMMER SCHOOL:</b>					
Summer School - Instruction					
Salaries of teachers	\$ 15,000	\$ -	\$ 15,000	\$ -	\$ 15,000
Other salaries of instruction		-			-
General supplies	-				
Total Summer School - Instruction	<u>15,000</u>		<u>15,000</u>	<u>-</u>	<u>15,000</u>
Adult School - Support Services					
Supplies and materials		-			-
Total Adult School - Support Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer of Funds to Charter Schools	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>21,216,087</u>	<u>-</u>	<u>21,216,087</u>	<u>21,652,833</u>	<u>(436,746)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	<u>(1,146,103)</u>		<u>(1,146,103)</u>	<u>1,514,822</u>	<u>2,660,925</u>
Other Financing Sources/(uses):					
Operating transfer in					
Operating transfer out					
Total Other Financing Sources					
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	<u>(1,146,103)</u>		<u>(1,146,103)</u>	<u>1,514,822</u>	<u>2,660,925</u>
Fund Balance - July 1	<u>5,981,521</u>		<u>5,981,521</u>	<u>5,981,521</u>	
Fund Balance - June 30	<u>\$ 4,835,418</u>	<u>\$ -</u>	<u>\$ 4,835,418</u>	<u>\$ 7,496,343</u>	<u>\$ 2,660,925</u>
Recapitulation:					
Restricted:					
Capital Reserve:					
Designated for Subsequent Year's Expenditures				\$ 1,738,638	
Capital Reserve				2,716,447	
Maintenance Reserve					
Designated for Subsequent Year's Expenditures				165,000	
Maintenance Reserve				358,816	
Tuition Reserve 2024-2025				450,000	
Tuition Reserve 2025-2026				450,000	
Excess Surplus:					
Current Year				339,321	
Designated for Subsequent Year's Expenditures				56,362	
Unemployment Compensation				55,778	
Assigned:					
Year-end encumbrances				433,375	
Designated for Subsequent Year's Expenditures				288,727	
Unassigned				<u>443,879</u>	
				<u>7,496,343</u>	
Reconciliation on Governmental Fund Statements (GAAP):					
Less: State Aid Payment not Recognized on GAAP Basis				<u>(98,111)</u>	
Fund Balance per Government Fund (GAAP)				<u>\$ 7,398,232</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources	\$ -	\$ -	\$ -	\$ 55,996	\$ 55,996
State sources		-			-
Federal sources	134,283	410,442	544,725	431,864	(112,861)
<b>Total Revenues</b>	<u>134,283</u>	<u>410,442</u>	<u>544,725</u>	<u>487,860</u>	<u>(56,865)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	15,728	83,837	99,565	72,031	27,534
Purchased prof. - educational services		-			-
Other purchased services		38	38		38
Tuition	95,724	29,849	125,573	123,847	1,726
General supplies	15,000	180,138	195,138	157,183	37,955
<b>Total Instruction</b>	<u>126,452</u>	<u>293,862</u>	<u>420,314</u>	<u>353,061</u>	<u>67,253</u>
Support Services:					
Salaries		18,374	18,374	13,639	4,735
Employee Benefits		1,317	1,317	194	1,123
Purchased professional - tech. services	7,831	61,851	69,682	39,133	30,549
Other purchased services		9,870	9,870	8,814	1,056
Supplies and Materials		24,822	24,822	17,023	7,799
Other objects		346	346		346
Student activities				54,459	(54,459)
Scholarship awards				400	(400)
<b>Total Support Services</b>	<u>7,831</u>	<u>116,580</u>	<u>124,411</u>	<u>133,662</u>	<u>(9,251)</u>
Facilities Acquisition and Construction Services:					
Instructional equipment					-
Non-Instructional equipment		-			-
<b>Total Facilities Acq. and Const. Services</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>134,283</u>	<u>410,442</u>	<u>544,725</u>	<u>486,723</u>	<u>58,002</u>
<b>Total Outflows</b>	<u>134,283</u>	<u>410,442</u>	<u>544,725</u>	<u>486,723</u>	<u>58,002</u>
Excess (Deficiency) of Revenues over (under) Expenditures and other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	1,137	<u>1,137</u>
Fund Balance, July 1				<u>34,340</u>	
Fund Balance, June 30				<u>\$ 35,477</u>	
Recapitulation:					
Restricted:					
Student Activities				\$ 31,492	
Scholarships				<u>3,985</u>	
<b>Total Fund Balance</b>				<u>\$ 35,477</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Notes to Required Supplementary Information**  
**Budgetary Comparison**  
**For the Fiscal Year Ended June 30, 2024**

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 23,167,655	\$ 487,860
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year		(23,859)
Prior Year		2,476
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	79,565	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(98,111)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 23,149,109</u>	<u>\$ 466,477</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 21,652,833	\$ 486,723
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year		(23,859)
Prior Year		2,476
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 21,652,833</u>	<u>\$ 465,340</u>

Required Supplementary Information - Part III  
Schedules Related to Accounting and Reporting  
For Pensions and  
Other Post Employment Benefits

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employees Retirement System**  
**Last Ten Fiscal Years**

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability (asset)	0.0122216737%	0.0120436333%	0.0129733494%	0.1253174780%	0.0126339378%	0.0152284623%	0.0149499154%	0.0129197259%	0.0121686786%	0.0125510444%
District's proportionate share of the net pension liability (asset)	\$ 1,770,233	\$ 1,817,550	\$ 1,536,888	\$ 2,043,600	\$ 2,276,444	\$ 2,998,408	\$ 3,480,101	\$ 3,826,452	\$ 2,731,624	\$ 2,349,899
District's covered-employee payroll	1,075,839	975,828	847,216	881,606	919,127	941,136	910,885	1,030,788	989,428	928,450
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	164.54%	186.26%	181.40%	231.80%	247.67%	318.59%	382.06%	371.22%	276.08%	253.10%
Plan fiduciary net position as a percentage of the total pension liability	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

**CRANBURY TOWNSHIP SCHOOL DISTRICT  
 Required Supplementary Information  
 Schedule of the District's Contributions  
 Public Employees Retirement System  
 Last Ten Fiscal Years**

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	\$ 170,702	\$ 163,346	\$ 151,876	\$ 151,933	\$ 137,091	\$ 123,578	\$ 151,474	\$ 141,855	\$ 114,777	\$ 104,618
Contributions in relation to the contractually required contributions	<u>(170,702)</u>	<u>(163,346)</u>	<u>(151,876)</u>	<u>(151,933)</u>	<u>(137,091)</u>	<u>(123,578)</u>	<u>(151,474)</u>	<u>(141,855)</u>	<u>(114,777)</u>	<u>(104,618)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 1,075,839	\$ 975,828	\$ 847,216	\$ 881,606	\$ 919,127	\$ 941,136	\$ 910,885	\$ 1,030,788	\$ 989,428	\$ 928,450
Contributions as a percentage of covered-employee payroll	15.87%	16.74%	17.93%	17.23%	14.92%	13.13%	16.63%	13.76%	11.60%	11.27%

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund**  
**Last Ten Fiscal Years**

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability (asset)	0.0422052998%	0.0460026093%	0.0451061338%	0.0450670721%	0.0456556571%	0.0428747118%	0.0449280571%	0.0432671705%	0.0459134656%	0.0475144512%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>\$ 21,538,491</u>	<u>\$ 23,734,778</u>	<u>\$ 21,684,859</u>	<u>\$ 29,676,125</u>	<u>\$ 28,019,308</u>	<u>\$ 27,275,971</u>	<u>\$ 30,292,116</u>	<u>\$ 34,036,711</u>	<u>\$ 29,019,271</u>	<u>\$ 25,394,928</u>
<b>Total</b>	<u><u>\$ 21,538,491</u></u>	<u><u>\$ 23,734,778</u></u>	<u><u>\$ 21,684,859</u></u>	<u><u>\$ 29,676,125</u></u>	<u><u>\$ 28,019,308</u></u>	<u><u>\$ 27,275,971</u></u>	<u><u>\$ 30,292,116</u></u>	<u><u>\$ 34,036,711</u></u>	<u><u>\$ 29,019,271</u></u>	<u><u>\$ 25,394,928</u></u>
District's covered-employee payroll	\$ 5,283,427	\$ 5,445,576	\$ 5,205,041	\$ 4,814,185	\$ 5,065,474	\$ 4,887,649	\$ 4,783,383	\$ 4,544,492	\$ 4,489,338	\$ 4,582,660
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the District**  
**and Changes in the Total OPEB Liability and Related Ratios**  
**Public Employee's Retirement System and Teachers' Pension and Annuity Fund**  
**Last Seven Fiscal Years**

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
State's proportion of the net OPEB liability (asset) associated with the District	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%
District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	\$ 22,014,896	\$ 20,951,419	\$ 25,511,983	\$ 29,747,506	\$ 17,905,233	\$ 19,249,857	\$ 21,013,156
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 22,014,896</u>	<u>\$ 20,951,419</u>	<u>\$ 25,511,983</u>	<u>\$ 29,747,506</u>	<u>\$ 17,905,233</u>	<u>\$ 19,249,857</u>	<u>\$ 21,013,156</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
<b>Total OPEB Liability</b>							
Service Cost	\$ 878,307	\$ 1,148,400	\$ 1,348,726	\$ 766,385	\$ 753,595	\$ 802,473	\$ 968,553
Interest	775,338	555,236	661,808	644,794	763,911	772,182	668,610
Changes in benefit terms			(27,154)				
Difference between expected and actual experiences	(50,022)	(111,461)	(5,739,673)	5,499,430	(2,595,754)	(631,993)	
Changes of assumptions	44,373	(5,620,406)	25,170	5,433,847	266,968	(2,209,017)	(2,879,406)
Member Contributions	19,869	17,644	16,919	15,697	16,293	17,790	17,922
Benefit payments	<u>(604,388)</u>	<u>(549,977)</u>	<u>(521,319)</u>	<u>(517,880)</u>	<u>(549,637)</u>	<u>(514,734)</u>	<u>(486,709)</u>
<b>Net Change in total OPEB Liability</b>	\$ 1,063,477	\$ (4,560,564)	\$ (4,235,523)	\$ 11,842,273	\$ (1,344,624)	\$ (1,763,299)	\$ (1,711,030)
<b>Total OPEB Liability - beginning</b>	<u>\$ 20,951,419</u>	<u>\$ 25,511,983</u>	<u>\$ 29,747,506</u>	<u>\$ 17,905,233</u>	<u>\$ 19,249,857</u>	<u>\$ 21,013,156</u>	<u>\$ 22,724,186</u>
<b>Total OPEB Liability - ending</b>	<u>\$ 22,014,896</u>	<u>\$ 20,951,419</u>	<u>\$ 25,511,983</u>	<u>\$ 29,747,506</u>	<u>\$ 17,905,233</u>	<u>\$ 19,249,857</u>	<u>\$ 21,013,156</u>
District's covered-employee payroll	6,359,266	6,421,404	6,052,257	5,695,791	5,984,601	5,828,785	5,694,268
Total OPEB Liability as a percentage of covered-employee payroll	346.19%	326.27%	421.53%	522.27%	299.19%	330.26%	369.02%

This schedule does not contain ten years of information as GASB 75 was implemented during the fiscal year ended June 30, 2018.

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Notes to Required Supplementary Information – Part III**  
**For the Fiscal Year Ended June 30, 2024**

**Teacher’s Pension and Annuity Fund (TPAF)**

*Changes of benefit term:* There were none.

*Changes of assumptions:* There were none.

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

*Changes of benefit term:* There were none.

*Changes of assumptions:* There were none.

**State Health Benefit Local Education Retired Employees Plan (OPEB)**

*Changes of benefit term:* There were none.

*Changes of assumptions:* The discount rate changed from 3.54% as of June 30, 2022 to 3.65% as of June 30, 2023.

Other Supplementary Information

Special Revenue Fund

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Revenues and Expenditures**  
**Budgetary Basis**  
**for the Fiscal Year ended June 30, 2024**

	New Jersey High Impact Tutoring	REAP Grant	CRRSA Learning Acceleration	CRRSA Mental Health	ARP ESSER III	ARP Accelerated Learning	ARP Evidence-Based Summer Learning	ARP Beyond the School Day	ARP NJTSS Mental Health	Totals E1a	Totals
<b>REVENUES:</b>											
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,996	\$ 55,996
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	2,339	13,224	3,662	16,989	140,293	7,955	9,840	35,799	20,159	181,604	431,864
<b>Total Revenues</b>	<b>2,339</b>	<b>13,224</b>	<b>3,662</b>	<b>16,989</b>	<b>140,293</b>	<b>7,955</b>	<b>9,840</b>	<b>35,799</b>	<b>20,159</b>	<b>237,600</b>	<b>487,860</b>
<b>EXPENDITURES:</b>											
Instruction:											
Salaries of teachers	2,173		3,662		8,114	38	7,851	35,799		14,394	72,031
Purchased professional - educational serv.											
Other purchased services											
General supplies		13,224		2,334	132,179					9,446	157,183
Tuition										123,847	123,847
Textbooks											
<b>Total Instruction</b>	<b>2,173</b>	<b>13,224</b>	<b>3,662</b>	<b>2,334</b>	<b>140,293</b>	<b>38</b>	<b>7,851</b>	<b>35,799</b>		<b>147,687</b>	<b>353,061</b>
Support Services:											
Salaries				5,622			1,989			6,028	13,639
Employee Benefits	166									28	194
Purchased professional - technical serv.						6,258			17,800	15,075	39,133
Other purchased services						1,338				7,476	8,814
Supplies and Materials				9,033		321			2,359	5,310	17,023
Student activities										54,459	54,459
Scholarship awards										400	400
<b>Total Support Services</b>	<b>166</b>			<b>14,655</b>		<b>7,917</b>	<b>1,989</b>		<b>20,159</b>	<b>88,776</b>	<b>133,662</b>
Facilities Acquisition and Const. Serv.:											
Instructional equipment											
Non-Instructional equipment											
<b>Total Facilities Acq. and Const. Serv.</b>											
<b>Total Expenditures</b>	<b>2,339</b>	<b>13,224</b>	<b>3,662</b>	<b>16,989</b>	<b>140,293</b>	<b>7,955</b>	<b>9,840</b>	<b>35,799</b>	<b>20,159</b>	<b>236,463</b>	<b>486,723</b>
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	-	-	1,137	1,137
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	34,340	34,340
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,477	\$ 35,477

**CRANBURY TOWNSHIP SCHOOL DISTRICT  
Special Revenue Fund  
Combining Schedule of Revenues and Expenditures  
Budgetary Basis  
for the Fiscal Year ended June 30, 2024**

	Title I	Title IIA	Title III	Title IV	IDEA Basic	IDEA Preschool	Student Activity Fund	Scholarship Fund	Totals
<b>REVENUES:</b>									
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,915	\$ 81	\$ 55,996
State sources	-	-	-	-	-	-	-	-	-
Federal sources	21,127	9,898	12,604	8,100	123,847	6,028	-	-	181,604
<b>Total Revenues</b>	<b>21,127</b>	<b>9,898</b>	<b>12,604</b>	<b>8,100</b>	<b>123,847</b>	<b>6,028</b>	<b>55,915</b>	<b>81</b>	<b>237,600</b>
<b>EXPENDITURES:</b>									
Instruction:									
Salaries of teachers	14,027		367						14,394
Purchased professional - educational serv.									
Other purchased services									
General supplies			9,446						9,446
Tuition					123,847				123,847
Textbooks									
<b>Total Instruction</b>	<b>14,027</b>		<b>9,813</b>		<b>123,847</b>				<b>147,687</b>
Support Services:									
Salaries						6,028			6,028
Employee benefits			28						28
Purchased professional - technical serv.	5,000	4,522	553	5,000					15,075
Other purchased services	2,100	5,376							7,476
Supplies and materials			2,210	3,100					5,310
Student activities							54,459		54,459
Scholarship awards								400	400
<b>Total Support Services</b>	<b>7,100</b>	<b>9,898</b>	<b>2,791</b>	<b>8,100</b>		<b>6,028</b>	<b>54,459</b>	<b>400</b>	<b>88,776</b>
Facilities Acquisition and Const. Serv.:									
Instructional equipment									
Non- Instructional equipment									
<b>Total Facilities Acq. and Const. Serv.</b>									
<b>Total Expenditures</b>	<b>21,127</b>	<b>9,898</b>	<b>12,604</b>	<b>8,100</b>	<b>123,847</b>	<b>6,028</b>	<b>54,459</b>	<b>400</b>	<b>236,463</b>
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	1,456	(319)	1,137
Fund Balance, July 1	-	-	-	-	-	-	30,036	4,304	34,340
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,492	\$ 3,985	\$ 35,477

Capital Projects Fund  
Detail Statements

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Summary Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance - Budgetary Basis**  
**For the Fiscal Year ended June 30, 2024**

**Revenues and Other Financing Sources:**

Proceeds of Serial Bonds	\$ -
Interest earned on investments	710,140
Total revenues and other financing sources	710,140

**Expenditures and Other Financing (Uses):**

Purchased professional services	117,675
Construction services	2,651,443
Transfer to Debt Service Fund	710,140
Total expenditures and other financing (uses)	3,479,258

Excess (deficiency) or revenues over (under) expenditures	(2,769,118)
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Fund Balance - July 1	17,054,549
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Fund Balance - June 30	\$ 14,285,431
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**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Construction and Various Improvements to the District's Facilities**  
**From Inception and for the Fiscal Year ended June 30, 2024**

	Prior Periods	Current Year	Total	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
Bond proceeds	\$ 18,462,000	\$ -	\$ 18,462,000	\$ 18,462,000
	18,462,000		18,462,000	18,462,000
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	1,384,106	117,675	1,501,781	1,501,781
Construction services	23,345	2,651,443	2,674,788	2,674,788
	1,407,451	2,769,118	4,176,569	4,176,569
Excess (deficiency) or revenues over (under) expenditures	\$ 17,054,549	\$ (2,769,118)	\$ 14,285,431	\$ 14,285,431
<b>Additional project information:</b>				
Bond Authorization Date	12/14/21			
Bonds Authorized	\$ 18,462,000			
Bonds Issued	\$ 18,462,000			
Original Authorized Cost	\$ 18,462,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 18,462,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	0.00%			
Original target completion date	09/05/24			
Revised target completion date	N/A			

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
 Summary Statement of Project Expenditures  
 Year Ended June 30, 2024

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Issue/Project Title	Appropriations	Expenditures to Date		Transfers	Balance
		Prior Years	Current Year		
Construction and Various Improvements to the District's Facilities	\$ 18,462,000	\$ 1,407,451	\$ 2,769,118	\$ -	\$ 14,285,431
	<u>\$ 18,462,000</u>	<u>\$ 1,407,451</u>	<u>\$ 2,769,118</u>	<u>\$ -</u>	<u>\$ 14,285,431</u>

Proprietary Funds

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Enterprise Funds**  
**Statement of Net Position**  
**June 30, 2024**

	<u>Food Service Fund</u>
<b>ASSETS:</b>	
Current Assets:	
Cash and cash equivalents	\$ 92,779
Accounts receivable:	
State	368
Federal	4,920
Inventories	<u>3,149</u>
Total Current Assets	<u>101,216</u>
Noncurrent Assets:	
Equipment	71,177
Less - accumulated depreciation	<u>(63,941)</u>
Total Noncurrent Assets	<u>7,236</u>
Total Assets	<u>108,452</u>
<b>LIABILITIES:</b>	
Current liabilities:	
Accounts payable	4,802
Interfund payable	22,618
Unearned revenue	<u>7,913</u>
Total current liabilities	<u>35,333</u>
<b>NET POSITION:</b>	
Net investment in capital assets	7,236
Unrestricted	<u>65,883</u>
Total Net Position	<u><u>\$ 73,119</u></u>

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Enterprise Funds**  
**Statement of Revenues, Expenses**  
**and Changes in Fund Net Position**  
**For the Fiscal Year Ended June 30, 2024**

	<u>Food Service Fund</u>
<b>OPERATING REVENUES:</b>	
Charges for Services:	
Daily sales reimbursable programs:	
School lunch	\$ 101,675
Daily sales non-reimbursable programs	
Adult and a la carte sales	57,480
Special functions	3,279
Miscellaneous	<u>1,000</u>
Total Operating Revenues	<u>163,434</u>
<b>OPERATING EXPENSES:</b>	
Salaries	79,506
Employee benefits	16,991
Management fee	13,271
Supplies and materials	5,257
Repairs and maintenance	4,358
Direct expenses	21,951
Depreciation	419
Cost of sales - reimbursable programs	17,970
Cost of sales - nonreimbursable programs	<u>64,507</u>
Total Operating Expenses	<u>224,230</u>
Operating Income (Loss)	<u>(60,796)</u>
<b>NON-OPERATING REVENUES (USES):</b>	
State sources:	
State school lunch program	1,949
Federal sources:	
Food distribution program	9,024
National school lunch program	26,454
Supply chain assistance	15,176
Summer P-EBT	653
Local food for schools	1,298
Local sources:	
Adjustments to capital assets	<u>(12,667)</u>
Total Non-Operating Revenues	<u>41,887</u>
Changes in Net Position	(18,909)
Net Position - July 1	<u>92,028</u>
Net Position - June 30	<u><u>\$ 73,119</u></u>

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Enterprise Funds**  
**Statement of Cash Flows**  
**For the Fiscal Year Ended June 30, 2024**

	<b>Food Service Fund</b>
<b>Cash Flows from Operating Activities:</b>	
Cash receipts from customers	\$ 165,324
Cash payments to employees for services	(96,497)
Cash payments to suppliers for goods and services	(114,813)
Net cash provided by (used for) operating activities	(45,986)
<b>Cash Flows from Noncapital Financing Activities:</b>	
Cash received from state sources	1,710
Cash received from federal sources	40,977
Net cash provided by noncapital financing activities	42,687
<b>Cash Flows from Capital Financing Activities:</b>	
Purchases of fixed assets	-
Net cash provided by (used for) capital financing activities	-
<b>Cash Flow Provided by Investing Activities:</b>	
Interest on cash equivalents	-
Net increase (decrease) in cash and cash equivalents	(3,299)
Cash and cash equivalents - July 1	96,078
Cash and cash equivalents - June 30	\$ 92,779
<b>Reconciliation of Operating Income (Loss) to Net Cash provided by (used for)</b>	
<b>Operating Activities:</b>	
Operating income (loss)	\$ (60,796)
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:	
Depreciation	419
Federal Commodities	9,024
Change in assets and liabilities:	
(Increase) decrease in inventories	1,542
Increase (decrease) in unearned revenue	417
Increase (decrease) in interfund payable	19
Increase (decrease) in accounts payable	3,389
Net cash provided by (used for) operating activities	\$ (45,986)

Long-Term Debt Schedules

**CRANBURY TOWNSHIP SCHOOL DISTRICT  
Schedule of Serial Bonds  
For the Fiscal Year Ended June 30, 2024**

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance June 30, 2023	Issued	Retired	Balance June 30, 2024
			Date	Amount					
2022 School Bonds	03/09/22	\$ 18,462,000	08/15/24	\$ 785,000	2.000%	\$ 18,462,000	\$ -	\$ 857,000	\$ 17,605,000
			08/15/25	800,000	2.000%				
			08/15/26	820,000	2.000%				
			08/15/27	845,000	2.000%				
			08/15/28	865,000	2.000%				
			08/15/29	890,000	2.000%				
			08/15/30	910,000	2.000%				
			08/15/31	940,000	2.000%				
			08/15/32	965,000	2.125%				
			08/15/33	985,000	2.450%				
			08/15/34	1,010,000	2.550%				
			08/15/35	1,030,000	2.600%				
			08/15/36	1,060,000	2.700%				
			08/15/37	1,085,000	2.750%				
			08/15/38	1,110,000	2.800%				
			08/15/39	1,135,000	2.850%				
			08/15/40	1,170,000	2.875%				
				<u>\$ 17,605,000</u>					
						<u>\$ 18,462,000</u>	<u>\$ -</u>	<u>\$ 857,000</u>	<u>\$ 17,605,000</u>

**CRANBURY TOWNSHIP SCHOOL DISTRICT  
Schedule of Obligations Under Leases  
For the Fiscal Year Ended June 30, 2024**

<u>Purpose</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance June 30, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2024</u>
Copiers	5.35%	\$ 78,552	\$ 1,488	\$ -	\$ 1,488	\$ -
Copiers	6.32%	21,700	13,132	-	4,369	8,763
Postage Meter	3.00%	16,590	<u>9,432</u>	<u>-</u>	<u>3,340</u>	<u>6,092</u>
			<u>\$ 24,052</u>	<u>\$ -</u>	<u>\$ 9,197</u>	<u>\$ 14,855</u>

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**For the Fiscal Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 884,774	\$ -	\$ 884,774	\$ 884,774	\$ -
State aid	389,729	-	389,729	389,729	-
Total Revenues	<u>1,274,503</u>	<u>          </u>	<u>1,274,503</u>	<u>1,274,503</u>	<u>          </u>
<b>EXPENDITURES:</b>					
Regular debt service:					
Interest	431,624		431,624	431,624	-
Redemption of principal	857,000		857,000	857,000	
Total Expenditures	<u>1,288,624</u>	<u>          </u>	<u>1,288,624</u>	<u>1,288,624</u>	<u>          </u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(14,121)</u>	<u>          </u>	<u>(14,121)</u>	<u>(14,121)</u>	<u>          </u>
Other Financing Sources:					
Operating transfers in				710,140	710,140
Total Other Financing Sources				<u>710,140</u>	<u>710,140</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(14,121)		(14,121)	696,019	710,140
Fund Balance - July 1	<u>494,178</u>		<u>494,178</u>	<u>494,178</u>	
Fund Balance - June 30	<u>\$ 480,057</u>	<u>\$ -</u>	<u>\$ 480,057</u>	<u>\$ 1,190,197</u>	<u>\$ 710,140</u>

**CRANBURY TOWNSHIP SCHOOL DISTRICT  
 Schedule of Obligations Under Financed Purchases  
 For the Fiscal Year Ended June 30, 2024**

<u>Purpose</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance June 30, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2024</u>
Copiers	7.05%	\$ 48,176	\$ -	\$ 48,176	\$ 4,788	\$ 43,388
			<u>\$ -</u>	<u>\$ 48,176</u>	<u>\$ 4,788</u>	<u>\$ 43,388</u>

**Statistical Section**

**Cranbury Township School District**  
**Net Position by Component,**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

**EXHIBIT J-1**

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
Net investment in capital assets	\$ 6,706,807	\$ 8,664,482	\$ 8,655,111	\$ 8,661,308	\$ 8,923,364	\$ 8,745,977	\$ 8,624,705	\$ (8,922,919)	\$ (7,315,472)	\$ (4,382,115)
Restricted for:										
Special Revenue	-	-	-	-	-	-	28,675	28,677	34,340	35,477
Capital projects	2,500,478	2,991,225	3,126,027	3,666,535	2,586,953	2,099,616	3,522,374	21,018,403	20,253,650	18,740,516
Debt service	-	-	-	-	-	-	-	14,121	494,178	1,190,197
Other purposes	1,062,259	1,142,905	1,381,358	1,570,271	1,702,895	1,971,205	1,465,735	1,367,208	1,528,756	1,875,277
Unrestricted	(2,472,584)	(2,462,954)	(2,760,952)	(2,932,459)	(2,959,577)	(2,793,602)	(2,427,419)	(774,877)	(1,393,728)	(1,154,656)
Total governmental activities net position	<u>\$ 7,796,960</u>	<u>\$ 10,335,658</u>	<u>\$ 10,401,544</u>	<u>\$ 10,965,655</u>	<u>\$ 10,253,635</u>	<u>\$ 10,023,196</u>	<u>\$ 11,214,070</u>	<u>\$ 12,730,613</u>	<u>\$ 13,601,724</u>	<u>\$ 16,304,696</u>
Business-type activities:										
Net investment in capital assets	\$ 6,476	\$ 4,751	\$ 4,460	\$ 4,170	\$ 4,025	\$ 6,322	\$ 6,172	\$ 17,651	\$ 20,322	\$ 7,236
Unrestricted	11,185	1,207	3,044	3,007	150	8,963	25,681	48,506	71,706	65,883
Total business-type activities net position	<u>\$ 17,661</u>	<u>\$ 5,958</u>	<u>\$ 7,504</u>	<u>\$ 7,177</u>	<u>\$ 4,175</u>	<u>\$ 15,285</u>	<u>\$ 31,853</u>	<u>\$ 66,157</u>	<u>\$ 92,028</u>	<u>\$ 73,119</u>
District-wide:										
Net investment in capital assets	\$ 6,713,283	\$ 8,669,233	\$ 8,659,571	\$ 8,665,478	\$ 8,927,389	\$ 8,752,299	\$ 8,630,877	\$ (8,905,268)	\$ (7,295,150)	\$ (4,374,879)
Restricted:										
Special Revenue	-	-	-	-	-	-	28,675	28,677	34,340	35,477
Capital projects	2,500,478	2,991,225	3,126,027	3,666,535	2,586,953	2,099,616	3,522,374	21,018,403	20,253,650	18,740,516
Debt service	-	-	-	-	-	-	-	14,121	494,178	1,190,197
Other purposes	1,062,259	1,142,905	1,381,358	1,570,271	1,702,895	1,971,205	1,465,735	1,367,208	1,528,756	1,875,277
Unrestricted	(2,461,399)	(2,461,747)	(2,757,908)	(2,929,452)	(2,959,427)	(2,784,639)	(2,401,738)	(726,371)	(1,322,022)	(1,088,773)
Total district net position	<u>\$ 7,814,621</u>	<u>\$ 10,341,616</u>	<u>\$ 10,409,048</u>	<u>\$ 10,972,832</u>	<u>\$ 10,257,810</u>	<u>\$ 10,038,481</u>	<u>\$ 11,245,923</u>	<u>\$ 12,796,770</u>	<u>\$ 13,693,752</u>	<u>\$ 16,377,815</u>

Cranbury Township School District  
 Changes in Net Position, Last Ten Fiscal Years  
 (accrual basis of accounting)

EXHIBIT J-2

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses:</b>										
Governmental activities:										
Instruction:										
Regular	\$ 4,015,513	\$ 3,864,869	\$ 3,966,279	\$ 4,329,827	\$ 4,278,202	\$ 4,286,497	\$ 4,205,934	\$ 4,487,069	\$ 4,712,111	\$ 4,459,059
Special education	942,112	962,243	971,695	993,264	1,051,182	1,053,672	1,085,642	1,110,082	1,261,235	1,259,815
Other instruction	274,212	277,800	276,418	291,380	289,490	306,844	266,142	286,294	349,678	410,369
Support Services:										
Tuition	4,998,471	5,098,442	5,112,774	5,131,722	5,566,450	5,497,372	6,015,636	5,340,150	5,678,917	5,442,546
Student & instruction related services	1,117,388	1,219,322	1,250,378	1,210,523	1,395,969	1,446,336	1,385,374	1,591,904	1,696,617	1,733,706
School administrative services	228,646	216,814	225,415	237,086	246,213	249,733	257,958	265,992	256,576	256,940
General and business administrative services	574,301	591,716	641,492	664,123	740,931	743,062	721,584	704,244	706,460	701,890
Plant operations and maintenance	1,735,858	1,174,218	1,345,041	1,106,820	2,079,332	2,172,017	1,019,795	1,218,705	1,162,233	1,408,701
Pupil transportation	733,998	555,751	672,492	655,612	996,729	955,678	990,806	1,339,688	1,690,172	1,613,474
Unallocated employee benefits	2,787,835	2,920,647	3,556,094	7,349,139	6,701,736	6,194,309	7,805,411	6,627,564	4,561,621	6,150,202
Special schools	-	-	-	6,143	5,168	3,376	9,067	7,847	-	-
Interest on long-term debt	167,925	123,800	99,600	81,075	69,458	53,275	36,500	153,839	430,361	427,056
Unallocated depreciation	89,181	104,501	112,224	113,248	114,579	115,366	115,039	115,197	148,254	148,214
Total governmental activities expenses	<u>17,665,440</u>	<u>17,110,123</u>	<u>18,229,902</u>	<u>22,169,962</u>	<u>23,535,439</u>	<u>23,077,537</u>	<u>23,914,888</u>	<u>23,248,575</u>	<u>22,654,235</u>	<u>24,011,972</u>
Business-type activities:										
Food service	158,090	160,694	176,722	183,868	164,592	151,810	120,186	233,000	237,515	224,230
Total business-type activities expense	<u>158,090</u>	<u>160,694</u>	<u>176,722</u>	<u>183,868</u>	<u>164,592</u>	<u>151,810</u>	<u>120,186</u>	<u>233,000</u>	<u>237,515</u>	<u>224,230</u>
Total district expenses	<u>\$ 17,823,530</u>	<u>\$ 17,270,817</u>	<u>\$ 18,406,624</u>	<u>\$ 22,353,830</u>	<u>\$ 23,700,031</u>	<u>\$ 23,229,347</u>	<u>\$ 24,035,074</u>	<u>\$ 23,481,575</u>	<u>\$ 22,891,750</u>	<u>\$ 24,236,202</u>
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ 4,000	\$ 4,000	\$ -	\$ -	\$ -	\$ 8,000	\$ 22,000	\$ -	\$ 37,600	\$ 30,000
Operating grants and contributions	1,133,028	1,270,471	1,472,796	5,309,935	4,615,413	4,308,843	5,985,962	5,044,702	3,008,705	4,427,255
Capital grants and contributions	441,446	627,548	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>1,578,474</u>	<u>1,902,019</u>	<u>1,472,796</u>	<u>5,309,935</u>	<u>4,615,413</u>	<u>4,316,843</u>	<u>6,007,962</u>	<u>5,044,702</u>	<u>3,046,305</u>	<u>4,457,255</u>

(Continued)

Cranbury Township School District  
**Changes in Net Position, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

EXHIBIT J-2

	<b>Fiscal Year Ending June 30,</b>									
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Business-type activities:</b>										
Charges for services:										
Food service	\$ 124,002	\$ 123,412	\$ 127,945	\$ 152,721	\$ 129,485	\$ 95,511	\$ 2,823	\$ 3,691	\$ 174,114	\$ 163,434
Operating grants and contributions	22,666	25,452	21,544	26,675	24,369	24,908	95,648	263,524	85,222	54,554
Total business type activities program revenues	<u>146,668</u>	<u>148,864</u>	<u>149,489</u>	<u>179,396</u>	<u>153,854</u>	<u>120,419</u>	<u>98,471</u>	<u>267,215</u>	<u>259,336</u>	<u>217,988</u>
Total district program revenues	<u>\$ 1,725,142</u>	<u>\$ 2,050,883</u>	<u>\$ 1,622,285</u>	<u>\$ 5,489,331</u>	<u>\$ 4,769,267</u>	<u>\$ 4,437,262</u>	<u>\$ 6,106,433</u>	<u>\$ 5,311,917</u>	<u>\$ 3,305,641</u>	<u>\$ 4,675,243</u>
<b>Net (Expense)/Revenue:</b>										
Governmental activities	\$ (16,086,966)	\$ (15,208,104)	\$ (16,757,106)	\$ (16,860,027)	\$ (18,920,026)	\$ (18,760,694)	\$ (17,906,926)	\$ (18,203,873)	\$ (19,607,930)	\$ (19,554,717)
Business-type activities	(11,422)	(11,830)	(27,233)	(4,472)	(10,738)	(31,391)	(21,715)	34,215	21,821	(6,242)
Total district-wide net expense	<u>\$ (16,098,388)</u>	<u>\$ (15,219,934)</u>	<u>\$ (16,784,339)</u>	<u>\$ (16,864,499)</u>	<u>\$ (18,930,764)</u>	<u>\$ (18,792,085)</u>	<u>\$ (17,928,641)</u>	<u>\$ (18,169,658)</u>	<u>\$ (19,586,109)</u>	<u>\$ (19,560,959)</u>
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 15,122,858	\$ 15,492,532	\$ 15,744,175	\$ 16,257,137	\$ 16,846,983	\$ 17,280,028	\$ 17,625,629	\$ 18,067,639	\$ 18,428,992	\$ 18,797,571
Taxes levied for debt service	877,890	883,975	461,700	467,100	471,700	465,700	464,200	467,000	872,948	884,774
Unrestricted grants and contributions	509,385	504,346	540,386	552,753	728,279	684,375	846,617	1,071,067	1,201,782	1,627,840
Investment earnings	1,642	1,662	1,665	1,666	30,757	27,728	280	11,992	518,082	773,325
Miscellaneous income	107,714	864,287	103,727	149,482	137,787	112,396	115,002	102,718	111,767	174,179
Adjustments to capital assets	-	-	-	-	-	-	-	-	(654,530)	-
Transfers	-	-	(28,661)	(4,000)	(7,500)	(39,972)	(38,259)	-	-	-
Total governmental activities	<u>16,619,489</u>	<u>17,746,802</u>	<u>16,822,992</u>	<u>17,424,138</u>	<u>18,208,006</u>	<u>18,530,255</u>	<u>19,013,469</u>	<u>19,720,416</u>	<u>20,479,041</u>	<u>22,257,689</u>
Business-type activities:										
Miscellaneous	1,804	127	118	145	236	157	24	89	-	-
Adjustments to capital assets	-	-	-	-	-	2,372	-	-	4,050	(12,667)
Transfers	-	-	28,661	4,000	7,500	39,972	38,259	-	-	-
Total business-type activities	<u>1,804</u>	<u>127</u>	<u>28,779</u>	<u>4,145</u>	<u>7,736</u>	<u>42,501</u>	<u>38,283</u>	<u>89</u>	<u>4,050</u>	<u>(12,667)</u>
Total district-wide	<u>\$ 16,621,293</u>	<u>\$ 17,746,929</u>	<u>\$ 16,851,771</u>	<u>\$ 17,428,283</u>	<u>\$ 18,215,742</u>	<u>\$ 18,572,756</u>	<u>\$ 19,051,752</u>	<u>\$ 19,720,505</u>	<u>\$ 20,483,091</u>	<u>\$ 22,245,022</u>
<b>Change in Net Position:</b>										
Governmental activities	\$ 532,523	\$ 2,538,698	\$ 65,886	\$ 564,111	\$ (712,020)	\$ (230,439)	\$ 1,106,543	\$ 1,516,543	\$ 871,111	\$ 2,702,972
Business-type activities	(9,618)	(11,703)	1,546	(327)	(3,002)	11,110	16,568	34,304	25,871	(18,909)
Total district-wide	<u>\$ 522,905</u>	<u>\$ 2,526,995</u>	<u>\$ 67,432</u>	<u>\$ 563,784</u>	<u>\$ (715,022)</u>	<u>\$ (219,329)</u>	<u>\$ 1,123,111</u>	<u>\$ 1,550,847</u>	<u>\$ 896,982</u>	<u>\$ 2,684,063</u>

**Cranbury Township School District  
Fund Balances, Governmental Funds,  
Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	<b>Fiscal Year Ending June 30,</b>									
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>General Fund:</b>										
Restricted for:										
Capital reserve	\$ 2,055,891	\$ 2,747,291	\$ 2,952,559	\$ 3,534,439	\$ 2,454,857	\$ 2,099,616	\$ 3,522,374	\$ 2,696,261	\$ 3,199,101	\$ 4,455,085
Future tuition payments	600,000	600,000	700,000	800,000	850,000	900,000	900,000	900,000	900,000	900,000
Maintenance reserve	411,187	511,187	611,187	699,987	657,537	608,269	511,675	412,917	517,387	523,816
Excess surplus	-	-	-	-	-	-	-	-	56,362	395,683
Unemployment Compensation	-	-	-	-	-	-	54,060	54,291	55,007	55,778
Assigned for:										
Year-end encumbrances	36,537	19,390	70,171	70,284	195,358	404,687	227,716	1,526,709	274,370	433,375
Designated for subsequent year's budget	14,535	12,328	-	-	-	58,249	-	-	271,733	288,727
Unassigned	<u>321,667</u>	<u>319,394</u>	<u>336,273</u>	<u>324,086</u>	<u>396,542</u>	<u>476,729</u>	<u>475,359</u>	<u>604,237</u>	<u>627,996</u>	<u>345,768</u>
<b>Total general fund</b>	<b>\$ 3,439,817</b>	<b>\$ 4,209,590</b>	<b>\$ 4,670,190</b>	<b>\$ 5,428,796</b>	<b>\$ 4,554,294</b>	<b>\$ 4,547,550</b>	<b>\$ 5,691,184</b>	<b>\$ 6,194,415</b>	<b>\$ 5,901,956</b>	<b>\$ 7,398,232</b>
<b>All Other Governmental Funds</b>										
Restricted for:										
Student Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,782	\$ 25,021	\$ 30,036	\$ 31,492
Scholarships	-	-	-	-	-	-	3,893	3,656	4,304	3,985
Assigned for:										
Year-end encumbrances	82,014	154,200	83,734	-	-	-	-	1,397,628	16,755,133	13,573,404
Designated for subsequent year's budget	-	-	-	-	-	-	-	-	-	480,057
Unassigned, reported in:										
Capital projects fund	362,573	89,734	89,734	132,096	132,096	-	-	16,924,514	299,416	712,027
Debt service fund	-	-	-	-	-	-	-	14,121	494,178	710,140
<b>Total all other governmental funds</b>	<b>\$ 444,587</b>	<b>\$ 243,934</b>	<b>\$ 173,468</b>	<b>\$ 132,096</b>	<b>\$ 132,096</b>	<b>\$ -</b>	<b>\$ 28,675</b>	<b>\$ 18,364,940</b>	<b>\$ 17,583,067</b>	<b>\$ 15,511,105</b>

**Cranbury Township School District**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

**EXHIBIT J-4**

	<b>Fiscal Year Ending June 30,</b>									
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Revenues</b>										
Tax levy	\$ 16,000,748	\$ 16,376,507	\$ 16,205,875	\$ 16,724,237	\$ 17,318,683	\$ 17,745,728	\$ 18,089,829	\$ 18,534,639	\$ 19,301,940	\$ 19,682,345
Tuition charges	-	-	-	-	8,000	8,000	22,000	11,900	37,600	30,000
Interest earnings	1,642	1,662	1,665	1,666	30,757	27,728	15,443	11,761	518,082	773,325
Miscellaneous	111,714	868,287	103,727	151,111	132,771	114,852	99,839	91,049	111,767	174,179
Local sources	-	-	-	-	-	-	33,643	58,094	54,769	55,996
State sources	1,931,820	2,218,032	1,803,643	1,962,079	2,336,788	2,432,787	2,957,120	3,821,673	3,815,701	4,473,903
Federal sources	152,039	184,333	209,539	159,462	164,465	171,096	233,967	296,930	340,017	410,481
<b>Total revenue</b>	<b>18,197,963</b>	<b>19,648,821</b>	<b>18,324,449</b>	<b>18,998,555</b>	<b>19,991,464</b>	<b>20,500,191</b>	<b>21,451,841</b>	<b>22,826,046</b>	<b>24,179,876</b>	<b>25,600,229</b>
<b>Expenditures</b>										
Instruction										
Regular Instruction	3,607,904	3,499,117	3,663,208	3,928,611	3,849,352	3,895,175	3,821,057	4,084,768	4,176,483	3,970,835
Special education instruction	942,112	962,243	971,695	993,264	1,051,182	1,053,672	1,085,642	1,110,082	1,261,235	1,259,815
Other special instruction	274,212	277,800	276,418	291,380	289,490	306,844	266,142	286,294	349,678	410,369
Support Services:										
Tuition	4,998,471	5,098,442	5,112,774	5,131,722	5,566,450	5,497,372	6,015,636	5,340,150	5,678,917	5,442,546
Student & instruction related services	1,117,388	1,219,322	1,250,378	1,210,523	1,395,969	1,446,336	1,385,374	1,591,904	1,696,617	1,733,706
School administrative services	203,379	216,814	225,415	237,086	246,213	249,733	257,958	265,992	256,576	256,940
General and business admin.services	549,034	539,466	585,380	607,499	683,641	685,379	664,065	671,762	632,333	626,316
Plant operations and maintenance	1,297,131	1,095,818	1,132,395	1,004,997	1,085,676	996,697	1,000,487	1,092,610	1,086,928	1,252,327
Pupil transportation	727,304	549,058	665,798	648,849	987,424	946,373	981,500	1,330,381	1,680,866	1,604,169
Other support services	2,810,475	2,917,375	3,218,447	3,444,011	3,783,288	3,873,334	4,311,940	5,041,590	4,928,770	5,337,380
Special Schools	-	-	5,404	6,143	5,168	3,376	9,067	7,847	-	-
Capital outlay	1,188,847	1,820,271	336,642	306,136	1,442,913	1,179,068	62,536	1,158,170	2,632,857	2,992,888
Debt service:										
Principal	710,000	745,000	355,000	375,000	395,000	405,000	420,000	440,000	455,000	857,000
Interest and other charges	167,925	138,975	106,700	92,100	76,700	60,700	44,200	27,000	417,948	431,624
<b>Total expenditures</b>	<b>18,594,182</b>	<b>19,079,701</b>	<b>17,905,654</b>	<b>18,277,321</b>	<b>20,858,466</b>	<b>20,599,059</b>	<b>20,325,604</b>	<b>22,448,550</b>	<b>25,254,208</b>	<b>26,175,915</b>
Excess (Deficiency) of revenues over (under) expenditures	(396,219)	569,120	418,795	721,234	(867,002)	(98,868)	1,126,237	377,496	(1,074,332)	(575,686)
<b>Other Financing sources (uses)</b>										
Proceeds from serial bonds	-	-	-	-	-	-	-	18,462,000	-	-
Transfers in	662,169	1,397,698	-	-	-	247,352	-	14,121	480,057	710,140
Transfers out	(662,169)	(1,397,698)	(28,661)	(4,000)	(7,500)	(287,324)	(38,259)	(14,121)	(480,057)	(710,140)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(28,661)</b>	<b>(4,000)</b>	<b>(7,500)</b>	<b>(39,972)</b>	<b>(38,259)</b>	<b>18,462,000</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (396,219)</b>	<b>\$ 569,120</b>	<b>\$ 390,134</b>	<b>\$ 717,234</b>	<b>\$ (874,502)</b>	<b>\$ (138,840)</b>	<b>\$ 1,087,978</b>	<b>\$ 18,839,496</b>	<b>\$ (1,074,332)</b>	<b>\$ (575,686)</b>
Debt service as a percentage of noncapital expenditures	5.04%	5.12%	2.63%	2.60%	2.43%	2.40%	2.29%	2.19%	3.86%	5.56%

**Source: District records**

**Cranbury Township School District**  
**General Fund - Other Local Revenue by Source**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

**EXHIBIT J-5**

<b>Fiscal Year Ending June 30,</b>	<b>Interest on Investments</b>	<b>Tuition</b>	<b>Tuition Refund</b>	<b>Prior Year Refunds</b>	<b>Rentals</b>	<b>Building Usage</b>	<b>Camp Fees</b>	<b>Miscellaneous</b>	<b>Total</b>
2015	\$ 48,733	\$ 4,000	\$ -	\$ 4,581	\$ 50,325	\$ -	\$ -	\$ 5,717	\$ 113,356
2016	37,434	4,000	5,209	770,637	49,680	-	-	2,989	869,949
2017	48,221	-	-	3,353	50,725	-	-	3,093	105,392
2018	56,134	4,000	21,062	1,489	63,573	-	-	4,890	151,148
2019	82,609	8,000	-	15,369	49,450	-	6,800	6,316	168,544
2020	75,574	8,000	-	6,393	50,670	-	3,400	4,087	148,124
2021	34,055	22,000	4,933	62,813	7,613	-	-	5,868	137,282
2022	30,597	11,900	-	18,634	1,450	-	-	38,008	100,589
2023	48,075	37,600	-	16,500	6,140	15,070	-	25,982	149,367
2024	64,560	30,000	38,625	40,410	-	8,440	-	22,144	204,179
	<u>\$ 525,992</u>	<u>\$ 129,500</u>	<u>\$ 69,829</u>	<u>\$ 940,179</u>	<u>\$ 329,626</u>	<u>\$ 23,510</u>	<u>\$ 10,200</u>	<u>\$ 119,094</u>	<u>\$ 2,147,930</u>

**Source: District records**

Cranbury Township School District  
 Assessed Value and Actual Value of Taxable Property,  
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2015	\$ 21,772,400	\$ 704,045,500	\$ 29,613,400	\$ 2,830,800	\$ 224,047,500	\$ 558,454,900	\$ 622,300	\$ 1,541,386,800	\$ 1,934,189	\$ 1,543,320,989	\$ 68,713,851	1.049	1,467,820,463
2016	33,634,300	703,161,600	29,971,400	2,755,200	229,019,000	552,041,900	622,300	1,551,205,700	1,893,004	1,553,098,704	75,758,151	1.049	1,559,947,896
2017	40,279,100	704,245,100	31,533,900	2,697,000	217,751,100	592,852,500	622,300	1,589,981,000	2,001,388	1,591,982,388	75,958,451	1.035	1,525,848,058
2018	40,941,000	703,535,100	30,432,200	2,616,500	226,680,000	594,639,400	622,300	1,599,466,500	1,923,340	1,601,389,840	78,114,151	1.063	1,630,433,601
2019	26,598,100	704,441,300	30,416,100	2,672,800	224,075,800	769,713,000	622,300	1,758,539,400	1,928,442	1,760,467,842	81,683,651	0.996	1,825,460,397
2020	3,060,600	720,341,500	30,360,000	2,594,200	240,036,900	848,944,700	622,300	1,845,960,200	1,974,681	1,847,934,881	81,847,151	0.975	1,906,757,838
2021	13,064,600	727,070,500	28,244,700	2,507,400	239,202,200	902,079,600	622,300	1,912,791,300	1,926,352	1,914,717,652	94,088,500	0.957	2,094,637,321
2022	11,548,100	737,966,500	27,910,500	2,627,800	243,300,200	905,854,600	622,300	1,929,830,000	2,025,023	1,931,855,023	91,088,500	0.980	2,017,687,662
2023	22,566,700	736,974,300	29,163,500	2,715,400	258,893,400	905,789,300	622,300	1,956,724,900	1,930,000	1,958,654,900	94,088,500	0.995	2,185,544,755
2024	29,187,800	739,620,600	29,267,200	2,654,800	261,157,100	909,134,300	622,300	1,971,644,100	1,797,500	1,973,441,600	98,079,600	0.997	2,390,205,071

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when ordered by the County Board of Taxation

- a Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies
- b Tax rates are per \$100 of assessed valuation.
- c Not available.
- R Revaluation

**Cranbury Township School District**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
*(rate per \$100 of assessed value)*

**EXHIBIT J-7**

<b>Fiscal Year Ended June 30,</b>	<b>CranburySchool District Direct Rate</b>			<b>Overlapping Rates</b>		<b>Total Direct and Overlapping Tax Rate</b>
	<b>Basic Rate</b>	<b>General Obligation Debt Service</b>	<b>Total Direct</b>	<b>Township of Cranbury</b>	<b>Middlesex County</b>	
2015	\$ 0.991	\$ 0.058	\$ 1.049	\$ 0.470	\$ 0.379	\$ 1.898
2016	1.019	0.030	1.049	0.489	0.395	1.933
2017	1.006	0.029	1.035	0.499	0.383	1.917
2018	1.034	0.029	1.063	0.500	0.406	1.969
2019	0.969	0.027	0.996	0.399	0.404	1.799
2020	0.950	0.025	0.975	0.399	0.406	1.780
2021	0.933	0.024	0.957	0.399	0.433	1.789
2022	0.945	0.035	0.980	0.400	0.402	1.782
2023	0.950	0.045	0.995	0.400	0.413	1.808
2024	0.963	0.034	0.997	0.401	0.436	1.834

**Source:** Municipal Tax Collector

**Cranbury Township School District  
Principal Property Tax Payers,  
Current Year and Nine Years Ago**

**EXHIBIT J-8**

<u>Taxpayer</u>	<b>2024</b>	
	<b>Taxable Assessed Value</b>	<b>% of Total District Net Assessed Value</b>
Cranbury Brickyard, LLC	\$ 135,451,000	6.86%
Cedarbrook Corporate Center	123,993,500	6.28%
Keystone	115,867,700	5.87%
Alfieri	90,244,000	4.57%
Sudler Management	85,603,400	4.34%
CLPF Cranbury Station Park	59,778,200	3.03%
Prologis	53,877,800	2.73%
Duke Realty	45,297,100	2.30%
Prospect Plains ILP	44,987,900	2.28%
Kerzner Associates, LLC	42,333,600	2.15%
<b>Total</b>	<b>\$ 797,434,200</b>	<b>40.71%</b>

<u>Taxpayer</u>	<b>2015</b>	
	<b>Taxable Assessed Value</b>	<b>% of Total District Net Assessed Value</b>
Keystone Properties, LLC	\$ 119,409,900	7.74%
Cedar Brook Corporate Center	116,426,300	7.54%
Prologis Development	72,791,700	4.72%
Sudler Management	54,158,900	3.51%
Duke Realty	44,987,900	2.92%
Prospect Plains ILP	42,333,600	2.74%
Kerzner Associates, LLC	37,836,800	2.45%
RREEF America REIT Corp	34,401,200	2.23%
Morris Cranbury Assoc. Ltd.	30,529,500	1.98%
Teachers Insurance Annuity Assoc.	28,389,700	1.84%
<b>Total</b>	<b>\$ 581,265,500</b>	<b>37.66%</b>

**Source:** Municipal Tax Assessor

**Cranbury Township School District  
Property Tax Levies and Collections,  
Last Ten Fiscal Years**

**EXHIBIT J-9**

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Calendar Year</u>	<u>Collected within the Fiscal Year of the Levy <sup>a</sup></u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2015	\$ 16,000,748	\$ 16,000,748	100.00%	\$ -
2016	16,376,507	16,376,507	100.00%	-
2017	16,205,875	16,205,875	100.00%	-
2018	16,724,237	16,724,237	100.00%	-
2019	17,318,683	17,318,683	100.00%	-
2020	17,745,728	17,745,728	100.00%	-
2021	18,089,829	18,089,829	100.00%	-
2022	18,534,639	18,534,639	100.00%	-
2023	19,301,940	19,301,940	100.00%	-
2024	19,682,345	19,682,345	100.00%	-

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

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

**Cranbury Township School District  
 Ratios of Outstanding Debt by Type  
 Last Ten Fiscal Years**

**EXHIBIT J-10**

<b>Fiscal Year Ended June 30,</b>	<b>Governmental Activities</b>		<b>Total District</b>	<b>Percentage of Personal Income <sup>b</sup></b>	<b>Per Capita <sup>c</sup></b>
	<b>General Obligation Bonds <sup>a</sup></b>	<b>Financed Purchases/ Leases</b>			
2015	\$ 3,590,000	\$ -	\$ 3,590,000	1.69%	\$ 923
2016	2,845,000	-	2,845,000	1.30%	732
2017	2,490,000	-	2,490,000	1.11%	643
2018	2,115,000	-	2,115,000	0.87%	530
2019	1,720,000	-	1,720,000	0.68%	423
2020	1,315,000	-	1,315,000	0.48%	317
2021	895,000	72,784	967,784	0.35%	245
2022	18,917,000	49,379	18,966,379	6.82%	4,837
2023	18,462,000	24,052	18,486,052	d	4,668
2024	17,605,000	58,243	17,663,243	d	d

**Sources:**

- a District Records
- b Personal Income has been estimated based upon the municipal population and per capita personal income.
- c Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- d Unavailable

**Cranbury Township School District  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years**

**EXHIBIT J-11**

<b>Fiscal Year Ended June 30,</b>	<b>General Bonded Debt Outstanding</b>			<b>Percentage of Net Assessed Valuation Taxable <sup>b</sup></b>	<b>Per Capita <sup>c</sup></b>
	<b>General Obligation Bonds</b>	<b>Deductions</b>	<b>Net General Bonded Debt Outstanding <sup>a</sup></b>		
2015	\$ 3,590,000	\$ -	\$ 3,590,000	0.23%	\$ 923
2016	2,845,000	-	2,845,000	0.18%	732
2017	2,490,000	-	2,490,000	0.16%	643
2018	2,115,000	-	2,115,000	0.13%	530
2019	1,720,000	-	1,720,000	0.10%	423
2020	1,315,000	-	1,315,000	0.07%	317
2021	895,000	-	895,000	0.05%	227
2022	18,917,000	-	18,917,000	0.98%	4,825
2023	18,462,000	-	18,462,000	0.94%	d
2024	17,605,000	-	17,605,000	0.89%	d

**Sources:**

- a District Records
- b Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- c Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- d Not Available.

**Cranbury Township School District  
Ratios of Overlapping Governmental Activities Debt  
As of December 31, 2023**

**EXHIBIT J-12**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Township of Cranbury	\$ 19,065,307 (1)	100.000%	\$ 19,065,307
Middlesex County General Obligation Debt	573,306,641 (1)	1.609% (2)	9,224,504
Subtotal, overlapping debt			<u>28,289,811</u>
Cranbury School District Direct Debt			<u>17,605,000</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 45,894,811</u></u>

**Sources:**

- (1) Entity's Audit Report
- (2) The County percentage is based upon a calculation reflecting the Township's share of the 2023 Equalized Valuation. The source for this computation was the 2023 County Abstract of Ratables, provided by the County Board of Taxation.

**Legal Debt Margin Calculation for Fiscal Year 2024**

	Equalized valuation basis (1)
	2021 1,989,382,527
	2022 2,143,541,042
	2023 2,361,768,135
	<u>\$ 6,494,691,704</u>
Average equalized valuation of taxable property	<u>\$ 2,164,897,235</u>
Debt limit (3% of average equalized valuation) (2)	64,946,917
Net bonded school debt (3)	<u>17,605,000</u>
Legal debt margin	<u>\$ 47,341,917</u>

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 44,963,842	\$ 45,539,537	\$ 44,689,479	\$ 46,327,289	\$ 47,434,964	\$ 50,800,131	\$ 54,696,256	\$ 58,070,080	\$ 61,344,389	\$ 64,946,917
Total net debt applicable to limit (3)	<u>3,590,000</u>	<u>2,845,000</u>	<u>2,490,000</u>	<u>2,115,000</u>	<u>1,720,000</u>	<u>1,315,000</u>	<u>895,000</u>	<u>18,917,000</u>	<u>18,462,000</u>	<u>17,605,000</u>
Legal debt margin	<u>\$ 41,373,842</u>	<u>\$ 42,694,537</u>	<u>\$ 42,199,479</u>	<u>\$ 44,212,289</u>	<u>\$ 45,714,964</u>	<u>\$ 49,485,131</u>	<u>\$ 53,801,256</u>	<u>\$ 39,153,080</u>	<u>\$ 42,882,389</u>	<u>\$ 47,341,917</u>
Total net debt applicable to the limit as a percentage of debt limit	7.98%	6.25%	5.57%	4.57%	3.63%	2.59%	1.64%	32.58%	30.10%	27.11%

**Sources:**

- (1) Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
- (2) Limit set by NJSA 18A:24-19 for a K through 8 district.
- (3) District Records

**Cranbury Township School District  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

**EXHIBIT J-14**

<b>Year</b>	<b>Population <sup>a</sup></b>	<b>Personal Income <sup>b</sup></b>	<b>Per Capita Personal Income <sup>c</sup></b>	<b>Unemployment Rate <sup>d</sup></b>
2015	3,889	\$ 212,113,838	\$ 54,542	4.0%
2016	3,886	218,420,402	56,207	3.3%
2017	3,875	224,319,875	57,889	3.4%
2018	3,993	241,764,171	60,547	3.3%
2019	4,065	254,733,225	62,665	2.5%
2020	4,153	276,755,920	66,640	6.3%
2021	3,943	276,881,403	70,221	4.2%
2022	3,921	278,198,871	70,951	2.6%
2023	3,960	e	e	3.2%
2024	e	e	e	e

**Source:**

- <sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development
- <sup>b</sup> Personal income has been established based upon the municipal population and per capita personal income presented.
- <sup>c</sup> Per Capita personal income provided by the NJ Dept. of Labor and Workforce Development.
- <sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development
- <sup>e</sup> Information not available

Cranbury Township School District  
 Full-time Equivalent District Employees by Function/Program,  
 Last Ten Fiscal Years

EXHIBIT J-16

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Instruction										
Regular	49	47	47	48	48	49	49	48	44	48
Special education	21	22	22	22	23	24	24	22	22	19
Support Services:										
Student & instruction related services	12	12	13	13	13	13	14	14	17	14
School administrative services	5	6	6	5	6	6	6	6	6	5
Plant operations and maintenance	7	7	7	5	5	5	5	5	7	8
Pupil transportation	1	1	1	1	1	1	1	1	1	-
Business and other support services	4	4	4	4	4	4	4	4	4	4
Total	<u>99</u>	<u>99</u>	<u>100</u>	<u>98</u>	<u>100</u>	<u>102</u>	<u>103</u>	<u>100</u>	<u>101</u>	<u>98</u>

**Source:**  
 District Personnel Records

**Cranbury Township School District  
Operating Statistics,  
Last Ten Fiscal Years**

**EXHIBIT J-17**

<u>Year</u>	<u>Enrollment</u>	<u>Expenditures<sup>a</sup></u>	<u>Pupil</u>	<u>Change</u>	<u>Staff<sup>b</sup></u>	<u>Ratio</u>	<u>Daily</u>	<u>Attendance</u>	<u>Average Daily</u>	<u>Attendance</u>
2015	764	\$ 16,527,410	\$ 21,633	11.44%	70	1:10	515.3	496.3	-6.52%	96.31%
2016	767	16,375,455	21,350	-1.31%	69	1:10	492.3	475.0	-4.29%	96.49%
2017	745	17,107,312	22,963	7.55%	69	1:10	466.3	448.1	-5.66%	96.10%
2018	753	17,504,085	23,246	1.23%	70	1:10	473.1	453.4	1.19%	95.85%
2019	749	18,943,853	25,292	8.80%	71	1:10	471.6	452.1	-0.29%	95.87%
2020	729	18,954,291	26,000	2.80%	73	1:10	484.2	469.8	3.92%	97.03%
2021	696	19,798,868	28,447	9.41%	73	1:10	459.5	450.6	-4.09%	98.06%
2022	699	20,823,380	29,790	4.72%	70	1:10	476.5	453.4	3.70%	95.15%
2023	684	21,748,403	31,796	6.73%	66	1:10	443.7	420.6	-6.88%	94.79%
2024	659	21,894,403	33,224	4.49%	66	1:10	440.6	418.1	-0.70%	94.89%

**Sources:** District records

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

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

N/A Information not available

**Cranbury Township School District  
 School Building Information  
 Last Ten Fiscal Years**

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b><u>District Building</u></b>										
<b><u>Elementary</u></b>										
Cranbury Township Elementary (1982)										
Square Feet	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Capacity (students)	600	600	600	600	600	600	600	600	600	600
Enrollment	515	492	466	473	472	484	460	476	444	441

Number of Schools at June 30, 2024  
 Elementary = 1  
 Middle School = 0  
 Senior High School = 0  
 Other = 0

**Source:** District Facilities Office

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

	Fiscal Year										Total
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
* <b>School Facilities</b>											
Cranbury Public School	\$ 168,359	\$ 105,876	\$ 77,806	\$ 63,915	\$ 65,662	\$ 86,274	\$ 140,532	\$ 100,327	\$ 106,144	\$ 169,092	\$ 1,083,987
<b>Total School Facilities</b>	<u>\$ 168,359</u>	<u>\$ 105,876</u>	<u>\$ 77,806</u>	<u>\$ 63,915</u>	<u>\$ 65,662</u>	<u>\$ 86,274</u>	<u>\$ 140,532</u>	<u>\$ 100,327</u>	<u>\$ 106,144</u>	<u>\$ 169,092</u>	<u>\$ 1,083,987</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: District records

**Cranbury Township School District  
Insurance Schedule  
June 30, 2024**

**EXHIBIT J-20**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Property-Blanket Building and Contents	\$ 500,000,000	\$ 2,500
Flood/Earthquake	10,000,000/25,000,000	25,000
Automobile Physical Damage	In Blanket Limit	1,000
Automobile Liability	5,000,000	-
General Liability	5,000,000	-
Crime - Forgery, Theft, Computer Fraud	50,000	1,000
Crime - Blanket Dishonesty Bond	500,000	1,000
Excess General Liability and Auto	5,000,000	-
School Leaders' Professional Liability	5,000,000	10,000
Workers' Compensation	Statutory	
Employers Liability	5,000,000	-
Excess Liability	5000000-15000000	-
Pollution Liability	1,000,000/2,000,000	25,000
Student Accident Insurance (2)	500,000/5,000,000	-
Surety Bonds (3)		
Treasurer	250,000	-
Board Secretary	215,000	-

- (1) School Alliance Insurance Fund
- (2) Zurich Insurance Company
- (2) Selective Insurance Company

**Source: District records**

**Single Audit Section**

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Certified Public Accountants

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-Member of-  
American Institute of CPAs  
New Jersey Society of CPAs

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
of the Board of Education  
Cranbury Township School District  
County of Middlesex  
Cranbury, New Jersey

I have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Cranbury Township School District (the "District"), in the County of Middlesex, State of New Jersey, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated November 27, 2024.

***Report on Internal Control Over Financial Reporting***

In planning and performing my audit of the financial statements, I considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant No. CS001095

Marlton, New Jersey  
November 27, 2024

***INVERSO & STEWART, LLC***  
**Certified Public Accountants**

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**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT  
 ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE  
 STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
 of the Board of Education  
 Cranbury Township School District  
 County of Middlesex  
 Cranbury, New Jersey

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

***Opinion on Each Major State Program***

I have audited Cranbury Township School District's (the "District"), in the County of Middlesex, State of New Jersey, compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on the District's major state programs for the year ended June 30, 2024. The District's major state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned costs.

In my opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2024.

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

I conducted my 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, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. My responsibilities under those standards and the Circular 15-08-OMB are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of the District and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major state program. My audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and N.J. Circular 15-08-OMB, I:

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

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

### ***Report on Internal Control over Compliance***

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

My consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during my audit I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

***Purpose of this Report***

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

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant No. CS001095

Marlton, New Jersey  
November 27, 2024

CRANBURY TOWNSHIP SCHOOL DISTRICT  
Schedule of Expenditures of Federal Awards  
For the Fiscal Year ended June 30, 2024

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance June 30, 2023			Adjustment	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2024		
						(Accounts Receivable)	Deferred Revenue	Due to Grantor					(Accounts Receivable)	Deferred Revenue	Due to Grantor
<b>U.S. Department of Education</b>															
<b>Passed-through State Department of Education:</b>															
Special Revenue Fund:															
Title I:															
Fiscal Year 2024	84.010	S010A230030	ESSA097024	\$ 21,773	7/1/23 - 9/30/24	\$ -	\$ -	\$ -	\$ -	\$ 8,146	\$ (21,127)	\$ -	\$ (12,981)	\$ -	\$ -
Title II A:															
Fiscal Year 2024	84.367A	S367A230029	ESSA097024	10,454	7/1/23 - 9/30/24					645	(9,898)		(9,253)		
Title III:															
Fiscal Year 2024	84.367A	S367A230029	ESSA097024	18,749	7/1/23 - 9/30/24					6,383	(12,604)		(6,221)		
Title IV:															
Fiscal Year 2024	84.424A	S424A230031	ESSA097024	10,476	7/1/23 - 9/30/24					7,500	(8,100)		(600)		
Fiscal Year 2023	84.424	S424A220031	ESSA097023	11,414	7/1/22 - 9/30/23	(2,476)			78	2,398			-		
I.D.E.A. Part B - Basic:															
Fiscal Year 2024	84.027A	H027A230100	IDEA097024	125,573	7/1/23 - 9/30/24					42,375	(123,847)		(81,472)		
Fiscal Year 2023	84.027A	H027A220100	IDEA097023	121,536	7/1/22 - 9/30/23	(4,257)				4,257			-		
I.D.E.A. Part B - Preschool:															
Fiscal Year 2024	84.173A	H173A230114	IDEA097024	6,028	7/1/23 - 9/30/24					2,364	(6,028)		(3,664)		
Fiscal Year 2023	84.173A	H173A220114	IDEA097023	11,732	7/1/22 - 9/30/23	(2,934)				2,934			-		
REAP Grant	84.358	S358A222696	N/A	46,770	7/1/22 - 9/30/23						(13,224)		(13,224)		
High Impact Tutoring	84.425V	S425V230031	N/A	18,000	10/11/23 - 8/31/24						(2,339)		(2,339)		
Coronavirus Response and Relief Supplemental Act:															
CRRSA - ESSER II	84.425D	S425D210027	N/A	94,004	3/13/20 - 9/30/23	(14,735)				14,735			-		
CRRSA - Learning Acceleration	84.425D	S425D210027	N/A	25,000	3/13/20 - 9/30/23	(6,251)				9,913	(3,662)		-		
CRRSA - Mental Health	84.425D	S425D210027	N/A	45,000	3/13/20 - 9/30/23	(19,850)				33,683	(16,989)		(3,156)		
American Rescue Plan:															
ARP - ESSER III	84.425U	S425U210027	N/A	211,269	3/13/20 - 9/30/24	(13,743)				132,978	(140,293)		(21,058)		
ARP - Accelerated Learning	84.425U	S425U210027	N/A	56,951	3/13/20 - 9/30/24	(11,086)				19,041	(7,955)		-		
ARP - Summer Learning	84.425U	S425U210027	N/A	40,000	3/13/20 - 9/30/24					9,840	(9,840)		-		
ARP - Beyond the School Day	84.425U	S425U210027	N/A	56,951	3/13/20 - 9/30/24	(4,201)				33,741	(35,799)		(6,259)		
ARP - Mental Health	84.425U	S425U210027	N/A	45,000	3/13/20 - 9/30/24	(600)				13,150	(20,159)		(7,609)		
													-		
Total U.S. Department of Education						(80,133)			78	344,083	(431,864)		(167,836)		
<b>U.S. Department of Agriculture</b>															
<b>Passed-through State Department of Agriculture:</b>															
Enterprise Fund:															
Food Distribution Program:															
Fiscal Year 2024	10.555	241NJ304N1099	N/A	9,024	7/1/23 - 6/30/24					9,024	(9,024)		-		
National School Lunch Program															
Fiscal Year 2024	10.555	241NJ304N1099	N/A	26,454	10/1/23 - 9/30/24					21,534	(26,454)		(4,920)		
Fiscal Year 2023	10.555	231NJ304N1099	N/A	35,346	10/1/22 - 9/30/23	(2,316)				2,316			-		
Local Food for Schools	10.185	AM22FS000C015	N/A	1,298	10/1/23 - 9/30/24					1,298	(1,298)				
P-EBT Administrative Cost	10.649	231NJ304S9009	N/A	653	10/1/22 - 9/30/23					653	(653)				
Supply Chain Assistance IV	10.555	231NJ344N8903	N/A	15,176	10/1/23 - 9/30/24					15,176	(15,176)				
Total U.S. Department of Agriculture						(2,316)				50,001	(52,605)		(4,920)		
Total Federal Awards						\$ (82,449)	\$ -	\$ -	\$ 78	\$ 394,084	\$ (484,469)	\$ -	\$ (172,756)	\$ -	\$ -

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

**CRANBURY TOWNSHIP SCHOOL DISTRICT**  
**Schedule of Expenditures of State Financial Assistance**  
**For the Fiscal Year ended June 30, 2024**

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance June 30, 2023			Adjustment	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2024		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor					(Accounts Receivable)	Deferred Revenue	Due to Grantor
<b>State Department of Education</b>													
General Fund:													
Special Education Categorical Aid	24-495-034-5120-089	\$ 740,550	7/1/23- 6/30/24	\$ -	\$ -	\$ -	\$ -	\$ 670,615	\$ (740,550)	\$ -	\$ (69,935)	\$ -	\$ -
Special Education Categorical Aid	23-495-034-5120-089	719,173	7/1/22- 6/30/23	(62,862)				62,862			-		
Transportation Aid	24-495-034-5120-014	231,856	7/1/23- 6/30/24					209,961	(231,856)		(21,895)		
Transportation Aid	23-495-034-5120-014	163,336	7/1/22- 6/30/23	(14,277)				14,277			-		
Security Aid	24-495-034-5120-084	66,507	7/1/23- 6/30/24					60,226	(66,507)		(6,281)		
Security Aid	22-495-034-5120-084	13,756	7/1/21- 6/30/22	(2,426)				2,426			-		
Extraordinary Special Education Costs	24-495-034-5120-044	195,449	7/1/23- 6/30/24						(195,449)		(195,449)		
Extraordinary Special Education Costs	23-495-034-5120-044	289,749	7/1/22- 6/30/23	(289,749)				289,749			-		
Nonpublic Transportation Aid	24-495-034-5120-014	22,295	7/1/23- 6/30/24						(22,295)		(22,295)		
Nonpublic Transportation Aid	22-495-034-5120-014	8,990	7/1/21- 6/30/22	(15,600)				15,600			-		
On-behalf TPAF Pension Contribution	24-495-034-5094-002	1,936,604	7/1/23- 6/30/24					1,936,604	(1,936,604)		-		
On-behalf TPAF Post Retirement Medical	24-495-034-5094-001	527,073	7/1/23- 6/30/24					527,073	(527,073)		-		
On-behalf TPAF LTDI	24-495-034-5094-004	862	7/1/23- 6/30/24					862	(862)		-		
Reimbursed TPAF Social Security Contr.	24-495-034-5094-003	402,718	7/1/23- 6/30/24					363,344	(381,524)		(18,180)		
Reimbursed TPAF Social Security Contr.	23-495-034-5094-003	359,064	7/1/22- 6/30/23	(39,374)				39,374			-		
Total General Fund				(424,288)	-	-	-	4,192,973	(4,102,720)	-	(334,035)	-	-
Special Revenue Fund:													
SDA Emergent Need & Capital Maint.	EG-0311-D02	10,626	7/1/21- 6/30/23		10,626							10,626	
Total Special Revenue Fund				-	10,626	-	-	-	-	-	-	10,626	-
Total Department of Education				(424,288)	10,626	-	-	4,192,973	(4,102,720)	-	(334,035)	10,626	-
Debt Service Fund													
Debt Service Aid Type II	24-495-034-5120-017	389,729	7/1/23 - 6/30/24					389,729	(389,729)				
Total Debt Service Fund								389,729	(389,729)				
Total Department of Education				(424,288)	10,626	-	-	4,582,702	(4,492,449)	-	(334,035)	10,626	-
<b>State Department of Agriculture</b>													
Enterprise Fund:													
National School Lunch Program (State Share)													
Fiscal Year 2024	24-100-010-3350-023	1,949	7/1/23 - 6/30/24					1,581	(1,949)		(368)		
Fiscal Year 2023	23-100-010-3350-023	2,118	7/1/22 - 6/30/23	(129)				129			-		
Total Department of Agriculture				(129)				1,710	(1,949)		(368)		
Total State Financial Assistance				\$ (424,417)	\$ 10,626	\$ -	\$ -	\$ 4,584,412	(4,494,398)	\$ -	\$ (334,403)	\$ 10,626	\$ -
Less: State Financial Expenditures Not Subject to Major Program Determination													
On-behalf TPAF Pension Contribution	24-495-034-5094-002	1,936,604	7/1/23 - 6/30/24						(1,936,604)				
On-behalf TPAF Post Retirement Medical	24-495-034-5094-001	527,073	7/1/23 - 6/30/24						(527,073)				
On-behalf TPAF LTDI	24-495-034-5094-004	862	7/1/23 - 6/30/24						(862)				
Total State Financial Expenditures Subject to Major Program Determination									\$ (2,029,859)				

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

**Cranbury Township School District  
Notes to Schedules of Expenditures  
of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2024**

**1. GENERAL**

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

**2. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The school district has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more of the June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or two June state aid payments in the current budget year, consistent with *N.J.S.A. 18A:22-44.2*.

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is (\$18,546) in the general fund and (\$21,383) in the special revenue fund. See Exhibit C-3, 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.

Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ -	\$ 4,084,174	\$ 4,084,174
Special Revenue	410,481		410,481
Debt Service		389,729	389,729
Food Service	52,605	1,949	54,554
Total	<u>\$ 463,086</u>	<u>\$ 4,475,852</u>	<u>\$ 4,938,938</u>

**Cranbury Township School District  
Notes to Schedules of Expenditures  
of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2024  
(Continued)**

**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**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2024. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2024.

**6. MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.



CRANBURY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section 1 -- Summary of Auditor's Results (Cont'd)

**State Awards Section**

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

Auditee qualified as low-risk auditee?  X  yes   no

Internal Control over major programs:

1) Material weakness(es) identified?   yes  X  no

2) Significant deficiencies identified that are not considered to be material weakness?   yes  X  none reported

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

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08 as applicable?   yes  X  no

Identification of major programs:

<b><u>State Grant/Project Number(s)</u></b>	<b><u>Name of State Program</u></b>
<u>24-495-034-5120-089</u>	<b>State Aid Public Cluster:</b> <u>Special Education Categorical Aid</u>
<u>24-495-034-5120-084</u>	<u>Security Aid</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
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**CRANBURY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Section 2 -- Schedule of Financial Statement Findings**

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

No findings and/or questioned costs identified.

**CRANBURY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Section 3 -- Schedule of Federal Awards and State Financial Assistance  
Findings and Questioned Costs**

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

**FEDERAL AWARDS:**

A federal single audit was not required.

**STATE AWARDS:**

No findings and/or questioned costs identified.

**CRANBURY TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT**

This section identifies the status of prior year findings related to the financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, 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 Circular 15-08-OMB.

**FINANCIAL STATEMENT FINDINGS**

There were no prior year audit findings.

**FEDERAL AWARDS**

A federal single audit was not required.

**STATE AWARDS**

There were no prior year audit findings.