# SCHOOL DISTRICT

# OF

# DUNELLEN BOROUGH

**Dunellen School District**
**Board of Education**
**Dunellen, Middlesex County**
**New Jersey**

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

# Annual Comprehensive

# Financial Report

**of the**

**Dunellen School District**
**Board of Education**
**Dunellen, New Jersey**
**For the Fiscal Year Ending June 30, 2024**

**Prepared by**
**Dunellen School District**
**Board of Education**
**Finance Department**

**OUTLINE OF ACFR**

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# Introductory Section

# DUNELLEN PUBLIC SCHOOLS

**Business Office**

**Rich Pepe, *School Business Administrator / Board Secretary***

**400 High St., Dunellen, NJ 08812**
**Phone: (732) 400-5900 / Fax: (732) 968-3513**


January 3, 2025

Ardito & Company LLC
1110 Harrison Street
Suite C
Frenchtown, New Jersey 08825

Honorable President and Members of the Board of Education
Dunellen Public School District
County of Middlesex, State of New Jersey

Dear Board Members:

The annual comprehensive financial report of the Dunellen School District for the fiscal year ended 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 Dunellen 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 operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit.

- The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials.
- The financial section includes the Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information.
- The statistical section includes selected financial and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. The District is subject to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget "Uniform Guidance," "Audits of States, Local Governments and Nonprofit Organizations," and New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, findings and questioned costs are included in the single audit section of this report.

# DUNELLEN PUBLIC SCHOOLS

**Business Office**

**Rich Pepe, *School Business Administrator / Board Secretary***

**400 High St., Dunellen, NJ 08812**

**Phone: (732) 400-5900 / Fax: (732) 968-3513**


## 1. REPORTING ENTITY AND ITS SERVICES

Dunellen School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Dunellen Board of Education and all of its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular education and special education for handicapped students from preschool disabled through grade 12.

## 2. ECONOMIC CONDITION AND OUTLOOK

Although conditions in the Borough of Dunellen were relatively stable for a number of years, the COVID 19 pandemic impacted employment locally as it did the state and country. Many families were hit hard financially and emotionally by this pandemic. Leadership continues to focus on increasing the taxable value of property in the Borough, as the recent property revaluation created some economic challenges for families.

## 3. MAJOR INITIATIVES

The District's financial budget includes and supports the maintenance of our three school buildings, upgrades and maintenance of all district technology, new and revised curriculum, and professional development opportunities for all staff. Capital projects have consumed a significant amount of the district's available resources and have focused on improving safety and security on both campuses. The approved Facilities Enhancement Projects from 2019, which were partially funded by Debt Service Aid, are in progress or completed and have resulted in increased classroom space, upgraded facilities, and enhanced instructional opportunities.

The District continues to support extended day and extended year programs using Federal funds. These programs include instruction in STEAM, English and Math Enrichment, and Visual and Performing Arts courses. Additional programming is planned to meet the needs of all students.

## 4. INTERNAL ACCOUNTING CONTROLS

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

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

regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control system, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws 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. Those amounts to be re-appropriated are reported as restrictions, commitments, and assignments of fund balance at June 30, 2024.

## 6. ACCOUNTING SYSTEM AND REPORTS

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

## 7. CASH MANAGEMENT

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

## 8. RISK MANAGEMENT

The Board carries various forms of insurance, including, but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The New Jersey Schools Insurance Group oversees risk management for the District. A schedule of insurance coverage is found on Exhibit J-20.

# DUNELLEN PUBLIC SCHOOLS

**Business Office**

**Rich Pepe, *School Business Administrator / Board Secretary***

**400 High St., Dunellen, NJ 08812**
**Phone: (732) 400-5900 / Fax: (732) 968-3513**


## 9. INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ardito & Co., LLC, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related OMB "Uniform Guidance" and New Jersey's OMB Circular 15-08. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's reports related specifically to the single audit and Government Auditing Standards are included in the single audit section of this report.

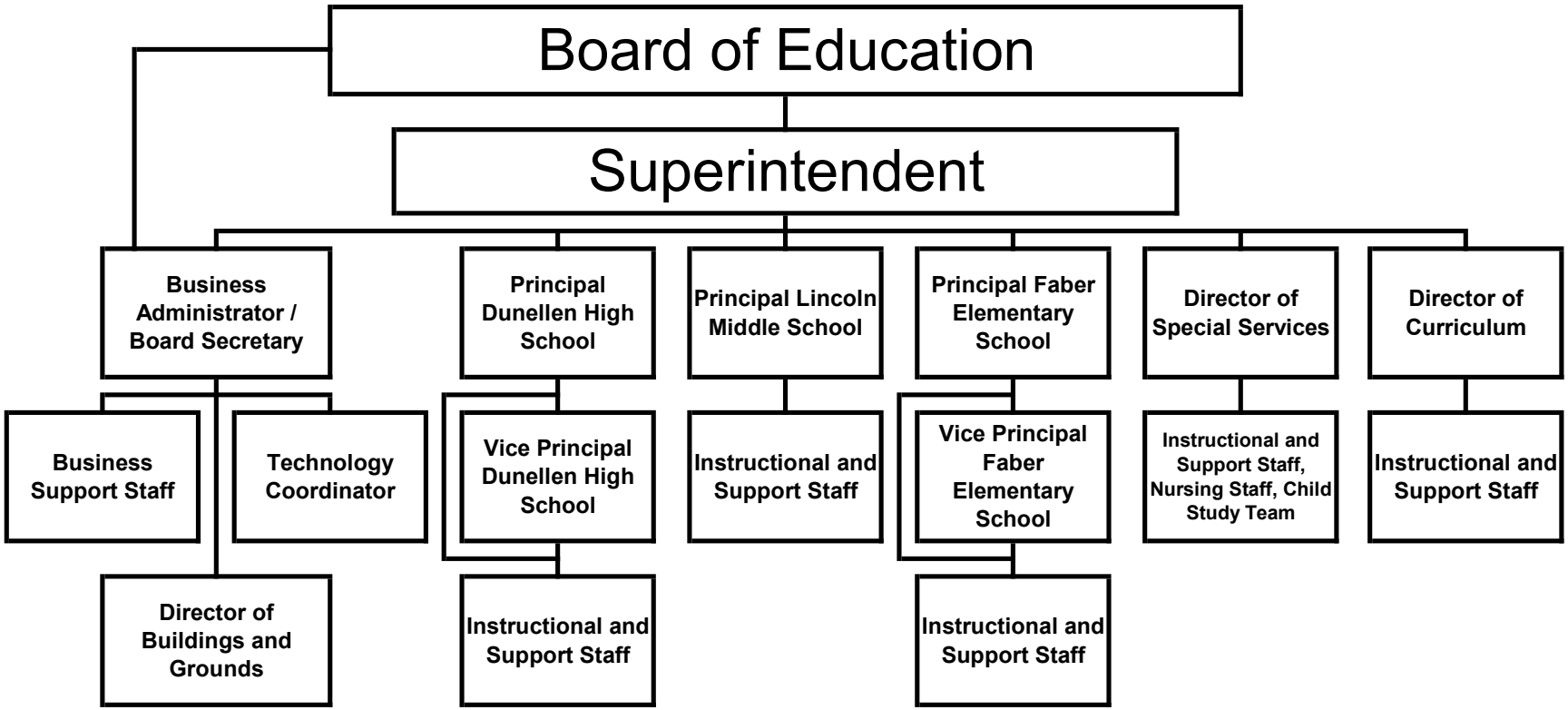
## 10. ACKNOWLEDGEMENTS

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

Respectfully submitted,

Richard Pepe
School Business Administrator / Board Secretary

Daniel J. Ross, Esq.
Superintendent of Schools


Board of Education
Superintendent
Business Administrator / Board Secretary
Principal Dunellen High School
Principal Lincoln Middle School
Principal Faber Elementary School
Director of Special Services
Director of Curriculum
Business Support Staff
Technology Coordinator
Director of Buildings and Grounds
Vice Principal Dunellen High School
Instructional and Support Staff
Instructional and Support Staff
Vice Principal Faber Elementary School
Instructional and Support Staff
Instructional and Support Staff, Nursing Staff, Child Study Team
Instructional and Support Staff

**DUNELLEN SCHOOL DISTRICT**

**BOARD OF EDUCATION**

**ROSTER OF OFFICIALS**

**June 30, 2024**

| **Members of the Board of Education** | **Term Expires** |
|---|---|
| Dr. Isaias Noel Gendrano III, ***President*** | 2025 |
| Lisa Howard, ***Vice-President*** | 2025 |
| Dave Walker | 2025 |
| Jason Anderson | 2026 |
| Elyse Schoepp | 2026 |
| Shronda Schimpf | 2026 |
| Michael Duggan | 2024 |
| Wilfred Sa-Onoy | 2024 |
| Guadalupe Condit | 2024 |

**Other Officials**

Mr. Daniel J. Ross, Esq., Superintendent

Mr. Rich Pepe, Business Administrator/ Board Secretary

Joseph L. Roselle, Esq., Board Attorney

**DUNELLEN SCHOOL DISTRICT**

**BOARD OF EDUCATION**

## CONSULTANTS AND ADVISORS

### *AUDIT FIRM*

**Ardito & Company LLC**
1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192

### *ATTORNEY*

**Joseph L. Roselle, Esquire**
**Schenck, Price, Smith, & King LLP**
220 Park Avenue, PO Box 991
Florham Park, NJ 07932

### *OFFICIAL DEPOSITORY*

**Provident Savings Bank**
P.O. Box 48
Jersey City, New Jersey 07303

# Financial Section

# Independent Auditor's Report

ARDITO & COMPANY LLC

*1110 Harrison Street, Suite C*
*Frenchtown, New Jersey 08825-1192*
*908-996-4711 Fax: 908-996-4688*
*e-mail: anthony@arditoandcompany.com*

*Anthony Ardito, CPA, RMA, CMFO, PSA*

## Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Dunellen School District
County of Middlesex
Dunellen, New Jersey 08812

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

***Opinions***

We have audited the financial statements of the government activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Dunellen School District Board of Education, as of and for the 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 our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Dunellen School District Board of Education, 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***

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

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

-Continued-

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

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

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

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

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

***Required Supplementary Information***

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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Dunellen School District Board of Education's basic financial statements. The combining and individual non-major fund

-Continued-

financial statements, long-term debt schedules, and the schedule of expenditures 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 for Federal Awards*; and New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, long-term debt schedules, and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with ***Government Auditing Standards***, we have also issued our report dated January 3, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** the District's internal control over financial reporting and compliance.

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey
January 3, 2025

Anthony Ardito

Anthony Ardito
Certified Public Accountant
Licensed Public School Accountant No. 2369
ARDITO & COMPANY LLC
Frenchtown, New Jersey
January 3, 2025

# Required Supplementary Information - Part I

# Management's Discussion and Analysis

The discussion and analysis of Dunellen School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for 2024 are as follows:

- In total, Net Position increased $3,643,212 which represents a 14.6% increase from 2023.
- General revenues accounted for $14,150,173 in revenue or 37.7% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for $23,344,570 or 62.3% of total revenues of $37,494,743.
- Total assets of governmental activities decreased by $276,202, as cash and cash equivalents decreased by $3,315,792, receivables decreased by $1,344,692, and capital assets increased by $4,397,563.
- The School District had $33,851,531 in expenses; only $23,344,570 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of $14,150,173 were available to provide for these programs.
- Among major funds, the General Fund had $34,095,923 in revenues and $29,405,255 in expenditures. The General Fund's surplus balance increased $3,665,474 over 2023, which compares favorably to the budgeted increase of $238,427.

**Using this Generally Accepted Accounting Principals Report (GAAP)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Dunellen School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail.

For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Dunellen School District, the General Fund is by far the most significant fund.

## Reporting the School District as a Whole

### Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2024?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's Net Position and changes in those assets. This change in Net Position is important because it tells the reader that, for the School District as a whole, the financial positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Nonfinancial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- Governmental activities--All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

- Business-type Activity--This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

## Reporting the School District's Most Significant Funds

### Fund Financial Statements

The analysis of the School District's major funds begins on page 26. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

**Governmental Funds**

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

**The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's Net Position for 2024 compared to 2023.

**Table 1**
**Net Position**

| | 2024 | 2023 |
|---|---|---|
| **Assets** | | |
| Current and Other Assets | $ 16,446,985 | $ 21,120,750 |
| Capital Assets | 41,810,305 | 37,412,742 |
| **Total Assets** | 58,257,290 | 58,533,492 |
| **Deferred Outflows of Resources** | 568,621 | 893,858 |
| **Liabilities** | | |
| Long-Term Liabilities | 27,685,712 | 29,898,168 |
| Other Liabilities | 2,095,508 | 3,758,526 |
| **Total Liabilities** | 29,781,220 | 33,656,694 |
| **Deferred Inflows of Resources** | 369,124 | 738,301 |
| **Net Position** | | |
| Invested in Capital Assets, Net of Debt | 18,225,305 | 11,827,742 |
| Restricted | 12,742,320 | 10,865,005 |
| Unrestricted | (2,292,058) | 2,339,608 |
| **Total Net Position** | $ 28,675,567 | $ 25,032,355 |

Total assets of governmental activities decreased by $276,202, as cash and cash equivalents decreased by $3,315,792, receivables decreased by $1,344,692, and capital assets increased by $4,397,563.

The cash decrease was due to continued capital projects spending on the Faber classroom and referendum projects less cost savings in the operating budget. The receivable decrease was due to COVID-19 grants that were spent in the prior year, but collected in the current year. The increase in capital assets was due to capital spending on the capital projects, net of depreciation expense for the year.

Table 2 shows the changes in Net Position from fiscal year 2023.

**Table 2**
**Changes in Net Position**

| | 2024 | 2023 |
|---|---|---|
| **Revenues** | | |
| Program Revenues: | | |
| Charges for Services | $ 701,757 | $ 886,187 |
| Operating Grants and Contributions | 22,642,813 | 18,709,205 |
| General Revenues: | | |
| Property Taxes | 13,613,321 | 13,362,701 |
| Federal & State Aid on Capital Asset Projects | - | - |
| Investment Earnings | 270,276 | 32,261 |
| Other | 266,576 | 55,058 |
| **Total Revenues** | 37,494,743 | 33,045,412 |
| | | |
| **Program Expenses** | | |
| Instruction | 18,723,456 | 15,988,269 |
| Support Services: | | |
| Tuition | 1,423,019 | 950,592 |
| Pupils and Instructional Staff | 4,883,651 | 4,066,579 |
| General Administration, School Administration, Business | 3,339,512 | 3,175,404 |
| Operations and Maintenance of Facilities | 3,361,468 | 2,353,875 |
| Pupil Transportation | 500,655 | 769,520 |
| Business-Type Activities | 988,234 | 970,322 |
| Interest and Fiscal Charges | 631,536 | 677,779 |
| **Total Expenses** | 33,851,531 | 28,952,340 |
| | | |
| Increase in Net Position | $ 3,643,212 | $ 4,093,072 |

**Governmental Activities**

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 36.3% percent of revenues for governmental activities for the Dunellen School District for the fiscal year 2024.

Instruction comprises 55.3% of district expenses. Support services expenses make up 39.9% of the expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services compared to 2023. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

**Table 3**

| | Total Cost of Services 2024 | Net Cost of Services 2024 | Total Cost of Services 2023 | Net Cost of Services 2023 |
|---|---|---|---|---|
| Instruction | $ 18,723,456 | $ 4,723,834 | 15,988,269 | $4,557,687 |
| Support Services: | | | | |
| Tuition | 1,423,019 | 1,423,019 | 950,592 | 950,592 |
| Pupils and Instructional Staff | 4,883,651 | 1,241,932 | 4,066,579 | 1,211,933 |
| General Admin., School Admin., Business | 3,339,512 | 626,886 | 3,175,404 | 869,181 |
| Operation and Maintenance of Facilities | 3,361,468 | 2,337,120 | 2,353,875 | 1,482,993 |
| Pupil Transportation | 500,655 | 500,655 | 769,520 | 769,520 |
| Business-Type Activities | 988,234 | (104,909) | 970,322 | (300,919) |
| Interest and Fiscal Charges | 631,536 | (241,576) | 677,779 | (184,039) |
| **Total Expenses** | $ 33,851,531 | $ 10,506,961 | $ 28,952,340 | $ 9,356,948 |

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

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

General administration, school administration and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Business-type activities includes expenses related to activities provided by the School District which are designed to provide for students to participate in food service and early childhood care.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District and unallocated depreciation.

The dependence upon tax revenues is apparent. Over 25.2% of instruction activities are supported through taxes and other general revenues; for all activities general revenue support is 45.4%. The community, as a whole, is a major support for the Dunellen School District.

**The School District's Funds**

Information about the School District's major funds starts on page 26. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other scources of $38,147,239 and expenditures of $41,250,395. The General Fund's surplus balance increased $3,665,474 over 2023, which compares favorably to the budgeted increase of $238,427.

**General Fund Budgeting Highlights**

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

During the course of the fiscal 2024 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

For the General Fund, budget basis revenue and other financing sources, excluding on-behalf payments, was $29,615,291, $722,971 over original budgeted estimates of $28,892,320. This difference was due primarily to extraordinary aid and non-budgeted miscellaneous revenues, including interest earned on bank balances.

General fund revenues exceeded expenditures by $3,976,786. Again this surplus compares to a budgeted deficit of $238,427, which was due to the use of surplus needed to balance the 2024 budget.

The budgeted surplus was significantly increased due to unspent line items in the operating budget related to instruction, support, tuition, transportation, maintenance, and benefits, including excess revenues as discussed in the previous paragraph.

Overall general fund balance (budget basis) was $9,192,274, and amounts ear-marked and reserved for future purposes were $8,438,941, creating a surplus in unreserved fund balance at the statutory maximum of $753,333. Management believes unreserved fund balance at statutory levels will provide adequate working capital for the district.

## Capital Assets

At the end of the fiscal year 2024, the School District had $41,719,225 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2024 balances compared to 2023.

**Table 4**
**Capital Assets (Net of Depreciation) at June 30,**

| | 2024 | 2023 |
|---|---|---|
| Land Improvements | 67,857 | 97,445 |
| Buildings and Improvements | 41,685,642 | 37,206,170 |
| Machinery and Equipment | (34,274) | 51,613 |
| Totals | $ 41,719,225 | $ 37,355,228 |

Overall capital assets increased $4,363,997 from fiscal year 2023 to fiscal year 2024. The increase in capital assets was due to continued spending on the Faber classroom and referendum projects, net of depreciation expense.

Capital improvements of $6,407,969 were purchased during fiscal year 2024, which was related to the Faber classroom and referendum capital projects.

## Debt Administration

At June 30, 2024, the School District had $24,194,534 as outstanding long term debt. Of this amount, $609,534 is for compensated absences and $23,585,000 is for bonds payable outstanding.

At June 30, 2024, the School District's overall legal debt margin was $33,133,313 and the unvoted debt margin was $9,548,313.

## For the Future

The Dunellen School District is in very good financial condition presently. A major concern is the continued reliance on local property taxes. The Dunellen School District is primarily a residential community, thus the burden is focused on homeowners to bear the tax burden. However, future finances are not without challenges as the community continues to grow and state funding growing less than expected.

In conclusion, the Dunellen School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

## Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator/Board Secretary at Dunellen School District, High and Lehigh Streets, Dunellen, New Jersey.

# Basic Financial Statements

# DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of Net Position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

DUNELLEN SCHOOL DISTRICT

**Exhibit A-1**

## STATEMENT OF NET POSITION

June 30, 2024

| | GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTAL |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and Cash Equivalents | $ 13,864,129 | $ 806,282 | $ 14,670,411 |
| Receivables from Other Governments | 1,403,660 | 18,673 | 1,422,333 |
| Other Receivables | 1,660 | 2,706 | 4,366 |
| Interfund Receivables | 14,505 | 328,242 | 342,747 |
| Other Assets | | | |
| Inventory | | 7,128 | 7,128 |
| Capital Assets, Net (Note 6): | 41,719,225 | 91,080 | 41,810,305 |
| **Total Assets** | 57,003,179 | 1,254,111 | 58,257,290 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | |
| Pension Deferred Outflows | 568,621 | | 568,621 |
| **LIABILITIES** | | | |
| Accounts Payable | 9,521 | | 9,521 |
| Payroll Deductions and Withholdings | 553,651 | | 553,651 |
| Interfund Payable | 251,742 | 91,005 | 342,747 |
| Unearned Revenue | 966,362 | 3,385 | 969,747 |
| Accrued Interest | 219,842 | | 219,842 |
| Net Pension Liability (Note 8) | 3,491,178 | | 3,491,178 |
| Noncurrent Liabilities (Note 7): | | | |
| Due Within One Year | 2,080,000 | | 2,080,000 |
| Due Beyond One Year | 22,114,534 | | 22,114,534 |
| **Total Liabilities** | 29,686,830 | 94,390 | 29,781,220 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Pension Deferred Inflows | 369,124 | | 369,124 |
| **Net Position** | | | |
| Invested in Capital Assets, Net of Related Debt | 18,134,225 | 91,080 | 18,225,305 |
| Restricted for: | | | |
| Other Purposes | 12,742,320 | | 12,742,320 |
| Unrestricted | (3,360,699) | 1,068,641 | (2,292,058) |
| **Total Net Position** | **$ 27,515,846** | **$ 1,159,721** | **$ 28,675,567** |

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

DUNELLEN SCHOOL DISTRICT

**Exhibit A-2**

**STATEMENT OF ACTIVITIES**
FOR THE YEAR ENDED JUNE 30, 2024

| | | PROGRAM REVENUES | | | NET(EXPENSE) REVENUE AND CHANGES IN NET POSITION | | |
|---|---|---|---|---|---|---|---|
| | EXPENSES | CHARGES FOR SERVICES | OPERATING GRANTS AND CONTRIBUTIONS | CAPITAL GRANTS AND CONTRIBUTIONS | GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTAL |
| **Functions/Programs** | | | | | | | |
| Governmental Activities: | | | | | | | |
| Instruction: | | | | | | | |
| Regular | $ 14,707,473 | $ 151 | $ 11,173,028 | | $ (3,534,294) | | $ (3,534,294) |
| Special Education | 2,648,763 | 45 | 2,826,398 | | 177,680 | | 177,680 |
| Other Special Instruction | 1,367,220 | | | | (1,367,220) | | (1,367,220) |
| Support Services: | | | | | | | |
| Tuition | 1,423,019 | | | | (1,423,019) | | (1,423,019) |
| Student & Instruction Related Services | 4,883,651 | 164,556 | 3,477,163 | | (1,241,932) | | (1,241,932) |
| School Administrative Services | 1,574,335 | 26 | 1,631,344 | | 57,035 | | 57,035 |
| General and Business Admin. Services | 1,765,177 | 17 | 1,081,239 | | (683,921) | | (683,921) |
| Plant Operations and Maintenance | 3,361,468 | 16 | 1,024,332 | | (2,337,120) | | (2,337,120) |
| Pupil Transportation | 500,655 | | - | | (500,655) | | (500,655) |
| Interest and Fiscal Charges | 631,536 | | 873,112 | | 241,576 | | 241,576 |
| Total Governmental Activities | 32,863,297 | 164,811 | 22,086,616 | | (10,611,870) | | (10,611,870) |
| Business-Type Activities: | | | | | | | |
| Food Service | 761,811 | 260,491 | 556,197 | | | $ 54,877 | 54,877 |
| Preschool Program | 19,850 | 11,000 | | | | (8,850) | (8,850) |
| After Care | 206,573 | 265,455 | - | | | 58,882 | 58,882 |
| Chrome Program | - | - | | | | - | - |
| Total Business-Type Activities | 988,234 | 536,946 | 556,197 | - | - | 104,909 | 104,909 |
| **Total Primary Government** | **$ 33,851,531** | **$ 701,757** | **$ 22,642,813** | | **$ (10,611,870)** | **$ 104,909** | **$ (10,506,961)** |
| General Revenues: | | | | | | | |
| Taxes: | | | | | | | |
| Property Taxes, Levied for General Purposes,Net | | | | | $ 12,883,521 | | $ 12,883,521 |
| Taxes Levied for Debt Service | | | | | 729,800 | | 729,800 |
| Investment Earnings | | | | | 270,276 | | 270,276 |
| Miscellaneous Income | | | | | 266,576 | $ - | 266,576 |
| Total General Revenues, Special Items, Extraordinary Items and Transfers | | | | | 14,150,173 | | 14,150,173 |
| Change in Net Position | | | | | 3,538,303 | 104,909 | 3,643,212 |
| Net Position—Beginning | | | | | 23,977,543 | 1,054,812 | 25,032,355 |
| Prior Period Adjustments | | | | | - | - | - |
| Net Position—Beginning (Restated) | | | | | 23,977,543 | 1,054,812 | 25,032,355 |
| **Net Position—Ending** | | | | | **$ 27,515,846** | **$ 1,159,721** | **$ 28,675,567** |

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

# FUND FINANCIAL STATEMENTS

The Individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

DUNELLEN SCHOOL DISTRICT

**Exhibit B-1**

BALANCE SHEET
**GOVERNMENTAL FUNDS**
June 30, 2024

| | GENERAL FUND | SPECIAL REVENUE FUND | CAPITAL PROJECTS FUND | DEBT SERVICE FUND | TOTAL GOVERNMENTAL FUNDS |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and Cash Equivalents | $ 11,215,539 | $ 250,972 | $ 2,397,618 | | $ 13,864,129 |
| Receivables from Other Governments | 281,242 | 1,122,418 | | | 1,403,660 |
| Other Accounts Receivable | 1,660 | | | | 1,660 |
| Interfund Receivables | 1,256,865 | 53,764 | 3,302,943 | $ 975,307 | 5,588,879 |
| **TOTAL ASSETS** | **$ 12,755,306** | **$ 1,427,154** | **$ 5,700,561** | **$ 975,307** | **$ 20,858,328** |
| **LIABILITIES AND FUND BALANCES** | | | | | |
| **Liabilities:** | | | | | |
| Accounts Payable | $ 9,272 | $ 249 | | | $ 9,521 |
| Payroll Deductions and Withholdings Payable | 553,651 | | | | 553,651 |
| Interfund Payables | 4,583,756 | 267,053 | | $ 975,307 | 5,826,116 |
| Deferred Revenue | 1,960 | 964,402 | | | 966,362 |
| **Total Liabilities** | 5,148,639 | 1,231,704 | - | 975,307 | 7,355,650 |
| **Fund Balances:** | | | | | |
| Restricted for: | | | | | |
| Excess Surplus | 1,703,007 | | | | 1,703,007 |
| Excess Surplus-Desig. Subs. Yr. | 1,554,959 | | | | 1,554,959 |
| Capital Reserve | 4,387,992 | | | | 4,387,992 |
| Unemployment Compensation | 40,145 | | | | 40,145 |
| Student Activities | | 250,972 | | | 250,972 |
| Assigned to: | | | | | |
| Year-End Encumbrances | 752,838 | | $ 895,316 | | 1,648,154 |
| Capital Projects Fund | | | 4,805,245 | | 4,805,245 |
| Unassigned: | | | | | |
| General Fund | (832,274) | | | | (832,274) |
| Special Revenue Fund | | (55,522) | | | (55,522) |
| **Total Fund Balances** | 7,606,667 | 195,450 | 5,700,561 | - | 13,502,678 |
| **TOTAL LIABILITIES AND FUND BALANCE** | **$ 12,755,306** | **$ 1,427,154** | **$ 5,700,561** | **$ 975,307** | **$ 20,858,328** |

| | |
|---|---|
| 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 $57,808,273 and the accumulated depreciation is $16,089,048. (see Note 6) | $ 41,719,225 |
| Deferred Outflows related to pension contributions subsequent to the Net Pension Liablity measurement date and other deferred itesm are not current financial resources and therefore are not report in the fund statements. (See Note 8) | 568,621 |
| Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund statements. (See Note 8) | (369,124) |
| Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilties in the funds (see Note 8) | (3,491,178) |
| Accrued Interest on Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilties in the funds (see Note 7) | (219,842) |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilties in the funds (see Note 7) | (24,194,534) |
| **Net Position of governmental activities** | **$ 27,515,846** |

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

**Exhibit B-2**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**
**GOVERNMENTAL FUNDS**
FOR THE YEAR ENDED JUNE 30, 2024

| | General Fund | Special Revenue Fund | Capital Projects Fund | Debt Service Fund | Total Governmental Funds |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| **Local sources:** | | | | | |
| Local Tax Levy | $ 12,883,521 | | | $ 729,800 | $ 13,613,321 |
| Tuition | 300 | | | | 300 |
| Miscellaneous | 497,351 | $ 204,012 | | | 701,363 |
| **Total - Local Sources** | 13,381,172 | 204,012 | - | 729,800 | 14,314,984 |
| **State Sources** | 20,660,858 | 473,592 | | 873,112 | 22,007,562 |
| **Federal Sources** | 53,893 | 1,770,800 | | | 1,824,693 |
| **Total Revenues** | 34,095,923 | 2,448,404 | - | 1,602,912 | 38,147,239 |
| **EXPENDITURES** | | | | | |
| **Current:** | | | | | |
| Regular Instruction | 7,099,174 | 1,831,067 | | | 8,930,241 |
| Special Education Instruction | 1,544,717 | | | | 1,544,717 |
| Other Special Instruction | 1,367,220 | | | | 1,367,220 |
| Support services and undistributed costs: | | | | | |
| Tuition | 1,423,019 | | | | 1,423,019 |
| Student and Instruction Related Services | 3,128,840 | 650,765 | | | 3,779,605 |
| School Administrative Services | 928,901 | | | | 928,901 |
| Other Administrative Services | 1,342,824 | | | | 1,342,824 |
| Plant Operations and Maintenance | 2,570,976 | | | | 2,570,976 |
| Pupil Transportation | 500,655 | | | | 500,655 |
| Unallocated Benefits | 9,277,890 | | | | 9,277,890 |
| Transfer to Charter School | 133,848 | | | | 133,848 |
| **Debt Service:** | | | | | |
| Principal | | | | 2,000,000 | 2,000,000 |
| Interest and Other Charges | | | | 591,000 | 591,000 |
| **Capital Outlay** | 87,191 | 54,052 | $ 6,718,256 | | 6,859,499 |
| **Total Expenditures** | 29,405,255 | 2,535,884 | 6,718,256 | 2,591,000 | 41,250,395 |
| Excess (Deficiency) of Revenues Over Expenditures | 4,690,668 | (87,480) | (6,718,256) | (988,088) | (3,103,156) |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Transfers to Debt Service Fund | (988,088) | | | 988,088 | - |
| Transfer to Special Revenue Fund - Preschool | (67,947) | 67,947 | | | - |
| Transfers from Capital Projects Fund | 30,841 | | (30,841) | | - |
| Total other financing sources and uses | (1,025,194) | 67,947 | (30,841) | 988,088 | - |
| Net Change in Fund Balances | 3,665,474 | (19,533) | (6,749,097) | - | (3,103,156) |
| Fund Balance—July 1 | 3,941,193 | 214,983 | 12,449,658 | - | 16,605,834 |
| Prior Period Adjustment | - | - | | | - |
| Fund Balance—July 1 (Restated) | 3,941,193 | 214,983 | 12,449,658 | - | 16,605,834 |
| **Fund Balance—June 30** | **$ 7,606,667** | **$ 195,450** | **$ 5,700,561** | **-** | **$ 13,502,678** |

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

DUNELLEN SCHOOL DISTRICT

**Exhibit B-3**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED JUNE 30, 2024

| | | |
|---|---|---|
| **Total Net Change in Fund Balances - Governmental Funds (from B-2)** | | $ (3,103,156) |
| Amounts reported for governmental activities in the statement of activities (A-2) are different because: | | |
| Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period. | | |
| Depreciation Expense | $ (2,043,972) | |
| Capital Outlays | 6,407,969 | 4,363,997 |
| Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administravtive costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period. | | 225,164 |
| Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. | | 2,000,000 |
| In the statement of activities, compensated absences is accrued regardless of when paid. In the governmental funds, compensated absences are reported when paid. This is the amount by which the curren year's compensated absence payments exceed the current year's amount earned. | | 31,232 |
| In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This is the amount by which current year's amount of interest accrual exceeds the prior year's amount. | | 21,066 |
| **Change in Net Position of Governmental Activities** | | $ 3,538,303 |

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

DUNELLEN SCHOOL DISTRICT

**Exhibit B-4**

**STATEMENT OF PROPRIETARY NET POSITION**
**PROPRIETARY FUNDS**

June 30, 2024

| | Business-Type Activities-Enterprise Funds | | | | |
|---|---|---|---|---|---|
| | Food Service | Preschool Program | After Care | Chrome Program | Totals |
| **ASSETS** | | | | | |
| **Current assets:** | | | | | |
| Cash and Cash Equivalents | $ 571,058 | $ (194,404) | $ 421,212 | $ 8,416 | $ 806,282 |
| Federal and State Accounts Receivable | 18,673 | | | | 18,673 |
| Other Accounts Receivable | - | | 2,706 | | 2,706 |
| Interfund Receivable | 26,201 | 302,041 | | | 328,242 |
| Inventories | 7,128 | | | | 7,128 |
| **Total Current Assets** | 623,060 | 107,637 | 423,918 | 8,416 | 1,163,031 |
| **Noncurrent Assets:** | | | | | |
| Furniture, Machinery and Equipment | 307,485 | | | | 307,485 |
| Less Accumulated Depreciation | (216,405) | | | | (216,405) |
| **Total Noncurrent Assets** | 91,080 | | | | 91,080 |
| **Total Assets** | **714,140** | **107,637** | **423,918** | **8,416** | **1,254,111** |
| **LIABILITIES** | | | | | |
| **Current liabilities:** | | | | | |
| Interfund Payable | | | 91,005 | | 91,005 |
| Deferred Revenue | 3,385 | | | | 3,385 |
| Prepaid Fees | | | | | |
| **Total Current Liabilities** | 3,385 | | 91,005 | | 94,390 |
| **Total Liabilities** | **3,385** | | **91,005** | | **94,390** |
| **Net Position** | | | | | |
| Invested in Capital Assets Net of Related Debt | 91,080 | | | | 91,080 |
| Unrestricted | 619,675 | 107,637 | 332,913 | 8,416 | 1,068,641 |
| **Total Net Position** | **$ 710,755** | **$ 107,637** | **$ 332,913** | **$ 8,416** | **$ 1,159,721** |

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

**Exhibit B-5**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**
**PROPRIETARY FUNDS**
FOR THE YEAR ENDED JUNE 30, 2024

| | Business-type Activities-Enterprise Fund | | | | |
|---|---|---|---|---|---|
| | Food Service | Preschool Program | After Care | Chrome Program | Total Enterprise |
| **Operating Revenues:** | | | | | |
| Charges for Services: | | | | | |
| Daily Sales - Reimbursable Programs | $ 139,111 | | | | $ 139,111 |
| Daily Sales - Non-Reimb.Programs | 121,380 | | | | 121,380 |
| Miscellaneous | - | $ 11,000 | $ 265,455 | | 276,455 |
| **Total Operating Revenues** | 260,491 | 11,000 | 265,455 | | 536,946 |
| **Operating Expenses:** | | | | | |
| Cost of Sales - Reimbursable Programs | 280,624 | | | | 280,624 |
| Cost of Sales - Non-reimbursable Programs | 17,115 | | | | 17,115 |
| Salaries | 293,156 | 6,850 | 181,108 | | 481,114 |
| Employee Benefits | 79,587 | | | | 79,587 |
| Supplies | 46,997 | 13,000 | 25,465 | | 85,462 |
| Other Purchased Professional Services | 21,100 | | | | 21,100 |
| Miscellaneous | 5,892 | | | | 5,892 |
| Depreciation | 17,340 | | | | 17,340 |
| **Total Operating Expenses** | 761,811 | 19,850 | 206,573 | | 988,234 |
| Operating Income (Loss) | (501,320) | (8,850) | 58,882 | | (451,288) |
| **Nonoperating Revenues (Expenses):** | | | | | |
| State Sources: | | | | | |
| State School Lunch Program | 23,178 | | | | 23,178 |
| Federal Sources: | | | | | |
| National School Lunch Program | 394,432 | | | | 394,432 |
| School Breakfast Program | 47,340 | | | | 47,340 |
| Supply Chain Assistance | 34,018 | | | | 34,018 |
| P-EBT Administrative Cost Reimbursement | 653 | | | | 653 |
| Food Distribution Program | 56,576 | | | | 56,576 |
| **Total Nonoperating Revenues (Expenses)** | 556,197 | | | | 556,197 |
| Income (Loss) Before Contributions and Transfers | 54,877 | (8,850) | 58,882 | | 104,909 |
| Transfers In (Out) | - | - | - | - | - |
| Change in Net Position | 54,877 | (8,850) | 58,882 | | 104,909 |
| Total Net Position—Beginning | 655,878 | 116,487 | 274,031 | 8,416 | 1,054,812 |
| **Total Net Position—Ending** | **$ 710,755** | **$ 107,637** | **$ 332,913** | **$ 8,416** | **$ 1,159,721** |

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

DUNELLEN SCHOOL DISTRICT

**Exhibit B-6**

**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUNDS**

For the Year Ended June 30, 2024

| | Business-Type Activities-Enterprise Funds | | | | |
|---|---|---|---|---|---|
| | **Food Service** | **Preschool Program** | **After Care** | **Chrome Program** | **Total Enterprise** |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | | |
| Receipts from Customers | $ 260,491 | $ 11,000 | $ 265,455 | | $ 536,946 |
| Payments to Employees | (293,156) | (6,850) | (181,108) | | (481,114) |
| Payments for Employee Benefits | (79,587) | | | | (79,587) |
| Payments to Suppliers | (312,265) | (13,000) | (25,465) | | (350,730) |
| **Net Cash Provided by (used for) Operating Activities** | (424,517) | (8,850) | 58,882 | - | (374,485) |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | | | | |
| State Sources | 22,689 | | | | 22,689 |
| Federal Sources | 472,072 | | | | 472,072 |
| Operating Subsidy Transfers from Other Funds | - | | | | - |
| **Net Cash Provided by (used for) Non-Capital Financing Activities** | 494,761 | - | - | - | 494,761 |
| **CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES** | | | | | |
| Payments for Capital Assets | (50,905) | - | - | - | (50,905) |
| **Net Cash Provided by (used for) Capital Financing Activities** | (50,905) | - | - | - | (50,905) |
| Net Increase (Decrease) in Cash and Cash Equivalents | 19,339 | (8,850) | 58,882 | | 69,371 |
| Balances—Beginning of Year | 551,719 | (185,554) | 362,330 | $ 8,416 | 736,911 |
| **Balances—End of Year** | **$ 571,058** | **(194,404)** | **421,212** | **$ 8,416** | **$ 806,282** |
| **Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:** | | | | | |
| Operating Income (Loss) | $ (501,320) | $ (8,850) | $ 58,882 | - | $ (451,288) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities: | | | | | |
| Depreciation | 17,340 | | | | 17,340 |
| Federal Commodities | 56,576 | | | | 56,576 |
| (Increase) Decrease in Receivables | | | | | |
| (Increase) Decrease in Inventories | 13,281 | | | | 13,281 |
| Increase (Decrease) in Payables | (10,394) | | | | (10,394) |
| Total Adjustments | 76,803 | | | | 76,803 |
| **Net Cash Provided by (used for) Operating Activities** | **$ (424,517)** | **$ (8,850)** | **$ 58,882** | **-** | **$ (374,485)** |

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

# Notes to Financial Statements

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (Statement No.34). This Statement provided for the most significant change in financial reporting in over twenty years and was phased-in (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments). The District was not required to implement the new model until the 2003-2004 school year.

In addition, the School District has implemented GASB Statement No.37, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus, Statement No.38, Certain Financial Statement Note Disclosures, Statement No.40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No.3, and Statement 44, Economic Condition Reporting: The Statistical Section (GASB 44), an amendment of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles is found in the Introduction, a revised statistical section in the Outline of the ACFR, GASB Statement No. 45, Other Post-retirement Employee Benefits, GASB No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and GASB No. 63 and 65, Deferred Outflows and Inflows and Net Position, and Items Previously Reported as Assets and Liablities, GASB No. 68, Accounting for Pensions, an amendment of GASB No. 27, GASB No. 75, Accounting for OPEB, GASB 84, Fiduciary Activities, GASB 87, Leases, GASB 96, Subscriptions, GASB 98, Annual Comprehensive Financial Report, and GASB 100, Accounting Changes and Error Corrections. The implementation of these statements did not effect net position balances as previously reported for the fiscal year ended June 30, 2023.

### A. Reporting Entity:

The Dunellen 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 is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-12. The Dunellen School District had an approximate enrollment at June 30, 2024, of 1,348 students.

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

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

Based on the aforementioned criteria, the District has no component units.

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

**B. Basis of Presentation, Basis of Accounting:**

The School District's basic financial statements consist of District-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.

**Basis of Presentation**

*District-wide Statements:* The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees and charged to external parties. The statement of net position presents the financial condition of the governmental and business-type activity of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the 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. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category—*governmental, proprietary,* and *fiduciary* —are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No.34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

**GOVERNMENTAL FUNDS**

The District reports the following governmental funds:

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

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

**B. Basis of Presentation, Basis of Accounting (Continued):**

**GOVERNMENTAL FUNDS (Continued)**

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

**Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted to expenditures for specified purposes.

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

**Debt Service Fund** - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

**PROPRIETARY FUNDS**

**Enterprise (Food Service) Fund** - The Enterprise Fund accounts for all revenues and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges.

**Enterprise (Preschool Program) Fund** - The Enterprise Fund accounts for all revenues and expenses pertaining to the Board's early childhood operations. The preschool fund provides preschool services recovered primarily through user charges (tuition).

**Enterprise (After Care) Fund** - The Enterprise Fund accounts for all revenues and expenses pertaining to the Board's operations provided after school hours. The after care fund provides services recovered primarily through user charges (tuition).

**Enterprise (Chrome Program) Fund** - The Enterprise Fund accounts for all revenues and expenses pertaining to the Board's operations for providing chromebook computers to students. The chrome program fund provides services recovered primarily through user charges contributing to the cost of providing chromebooks to students.

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

**B. Basis of Presentation, Basis of Accounting (Continued):**

**Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey Statute as the municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements* : Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**C. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11. In addition, transfers are also covered by changes in N.J.A.C.6A:23A-2.3, that can require approval through the state department. All budget amendments/transfers must be approved by School Board resolution and are subject to transfer limitations and approvals per P.L. 2004, c.73(S-1701).

All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year). Appropriations, except remaining project appropriations, encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

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

**C. 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 generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

**D. Encumbrance Accounting:**

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

Open encumbrances in the special revenue fund, for which the District has received advances, are reflected in the balance sheet as deferred revenues at fiscal year end.

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

**E. Assets, Liabilities and Equity:**

**Cash and Cash Equivalents:**

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, money market accounts and short-term investments with original maturities of three months or less.

**Interfund Transactions:**

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

**E. Assets, Liabilities and Equity (Continued):**

**Inventories:**

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method.

**Allowance for Uncollectible Accounts:**

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

**Capital Assets:**

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The School District does not possess any infrastructure. The capitalization threshold used by school districts in the State of New Jersey is $2,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method under the half-year convention over the following estimated useful lives:

| Asset Class | Estimated Useful Lives |
|---|---|
| School Buildings | 50 |
| Building Improvements | 20 |
| Electrical/Plumbing | 30 |
| Vehicles | 8 |
| Office and Computer Equipment | 5-10 |
| Instructional Equipment | 10 |
| Grounds Equipment | 15 |

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

**Compensated Absences:**

The 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.

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

**E. Assets, Liabilities and Equity (Continued):**

District instructional employees are granted sick leave in amounts under the District's contractual policies. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after initial service and become eligible after fifteen years of service and payment is based upon retirement in the state pension system.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments. Salary related payments for the employer's share of social security and medicare taxes, as well as pension contributions, are included.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

**Deferred Revenue:**

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes that were received as of June 30, 2024, but which were levied to finance subsequent fiscal years operations, have been recorded as deferred revenue. Grants and entitlement received before the eligible requirements are met are also recorded as deferred revenue.

**Accrued Liabilities and Long-Term Obligations:**

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

**Net Position:**

Net Position represent the difference between assets and liabilities. Net Position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### E. Assets, Liabilities and Equity (Continued):

**Fund Balance Reserves:**

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances.

**Deferred Outflows and Deferred Inflows of Resources**

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

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

**Operating Revenues and Expenses:**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

**Allocation of Indirect Expenses:**

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense, that could not be attributed to a specific function, is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**Extraordinary and Special Items:**

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### E. Assets, Liabilities and Equity (Continued):

**Management Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

## NOTE 2: CASH AND CASH EQUIVALENTS

**Deposits:**

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

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

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

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

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

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the district's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the district would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollarteralized or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2024, all of the district's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The district does not have a policy for custodial credit risk.

As of June 30, 2024, cash and cash equivalents of the District consisted of the following:

| | Cash and Cash Equivalents (A-1) |
|---|---|
| Checking | $14,670,411 |
| | $14,670,411 |

## NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

The carrying amount of the Board's cash and cash equivalents at June 30, 2024, was $14,670,411 and the bank balance was $17,595,679. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes. Of these bank balances, $250,000 was covered by federal depository insurances and $17,345,679 was covered by collateral pool.

## NOTE 3: RECEIVABLES

Receivables at June 30, 2024, consisted of intergovernmental receivables for grants and lunch reimbursements. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

| | Governmental Fund Financial Statements | Government-Wide Financial Statements |
|---|---|---|
| State Aid | $ 315,324 | $ 316,268 |
| Federal Aid | 1,088,336 | 1,106,065 |
| Gross Receivable-Governm. | 1,403,660 | 1,422,333 |
| Other Receivables | 1,660 | 4,366 |
| Less: Allow. for Uncollectibles | - | - |
| Total Receivables, Net | $ 1,405,320 | $ 1,426,699 |

Other receivables consisted of tuition in both the governmental fund and enterprise funds.

## NOTE 4: INVENTORY

Inventory in the Food Service Fund at June 30, 2024, consisted of the following:

| | |
|---|---|
| Food | $ 5,018 |
| Supplies | 2,110 |
| Total | $ 7,128 |

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996, as revised) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

## NOTE 5: DEFERRED BOND ISSUANCE COSTS

In governmental funds, debt issuance costs are recognized in the current period. For the District-wide financial statements, governmental activity debt issuance costs are amortized straight-line over the life of the specific bonds (18 to 20 years). The costs associated with the issued of the various bonds are immaterial and are not amortized on the District-wide financial statements.

## NOTE 6: CAPITAL ASSETS

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

| | Beginning Balance | Additions | Retirements | Ending Balance |
|---|---|---|---|---|
| **Governmental Activities:** | | | | |
| *Capital Assets Being Depreciated:* | | | | |
| Land and Land Improvements | $ 644,814 | | | $ 644,814 |
| Buildings and Building Improvements | 49,952,430 | $ 6,382,380 | | 56,334,810 |
| Machinery and Equipment | 803,060 | 25,589 | | 828,649 |
| Total at Historical Cost | 51,400,304 | 6,407,969 | | 57,808,273 |
| Less Accumulated Depreciation for: | | | | |
| Land Improvements | (547,369) | (29,588) | | (576,957) |
| Building and Improvements | (12,746,260) | (1,902,908) | | (14,649,168) |
| Equipment | (751,447) | (111,476) | | (862,923) |
| Total Accumulated Depreciation | (14,045,076) | (2,043,972) | | (16,089,048) |
| Total Capital Assets Being Depreciated, net of Accumulated Depreciation | 37,355,228 | 4,363,997 | | 41,719,225 |
| **Government Activity Capital Assets, Net** | **$ 37,355,228** | **$ 4,363,997** | | **$ 41,719,225** |

On January 11, 2001, the NJ State Department of Education announced that effective July 1, 2001, the capitalization threshold used by school districts in the State of New Jersey is increased to $2,000. The previous threshold was $500. Applying the higher capitalization threshold retroactively (removal of old assets from the General Fixed Assets Account Group) will be permitted by the State regulations in situations where (1) the assets have been fully depreciated, or (2) the assets have exceeded their useful lives. The retirement of machinery and equipment is due to the retroactive application of the higher threshold of equipment capitalization. That is, the District has removed from their records assets with a historical cost greater than $500 but not greater than $2,000 that were fully depreciated or had exceeded their useful lives.

Depreciation expense was charged to functions as follows:

| | |
|---|---|
| Regular Instruction | $ 2,035,332 |
| School Administration | 8,200 |
| Plant and Operations | 440 |
| Total Depreciation Expense | $ 2,043,972 |

## NOTE 7: LONG-TERM OBLIGATIONS

Bonds are authorized in accordance with State law by the voters of the district through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds.

### A. Long-Term Obligation Activity:

Changes in long-term obligations for the year ended June 30, 2024, are as follows:

| | Balance 7/1/2023 | Increases | Decreases | Balance 6/30/2024 | Amounts Due Within One Year |
|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | |
| Bonds Payable: | | | | | |
| General Obligation Debt | $ 25,585,000 | - | $ (2,000,000) | $ 23,585,000 | $ 2,080,000 |
| Other Liabilities: | | | | | |
| Compensated Absences Payable | 640,766 | | (31,232) | 609,534 | |
| **Total** | $ 26,225,766 | - | $ (2,031,232) | $ 24,194,534 | $ 2,080,000 |

Compensated absences and capital leases have ben liquidated in the General Fund.

Interest paid on debt issued by the District is exempt from federal income taxes. Because of this, bond holders are willing to accept a lower interest rate than they would on taxable debt. The District temporarily reinvests the proceeds of such debt in higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this as arbitrage.

Earnings in excess of the yield on the debt issue are rebated to the federal government based on requirements in the Internal Revenue Code. Arbitrage rebate payable represents amounts due to the Internal Revenue Service for interest earned on unspent bond proceeds that exceeds legally allowable returns.

Rebatable arbitrage liabilities related to District debt are not recorded in governmental funds. There is no recognition in the balance sheet or income statement until rebatable amounts are due and payable to the federal government. Thus, rebatable arbitrage liabilities related to governmental debt will be accrued as incurred at least annually (at fiscal year end) on the District-wide financial statements.

For the year ended June 30, 2024, it is not necessary for the Board to establish a liability for arbitrage rebate.

| | Government Activities | | | | |
|---|---|---|---|---|---|
| | Issue Dates | Interest Rates | Date of Maturity | Original Issue | Balance June 30, 2024 |
| General School Renovations | | | | | |
| Bonds Payable-Series 2020 | 3/26/20 | Various | 2/15/35 | $ 23,800,000 | $ 19,620,000 |
| Bonds Payable-Series 2012 | 12/12/12 | Various | 7/15/29 | 8,005,000 | 3,965,000 |
| Total Bonds | | | | | $ 23,585,000 |

**NOTE 7: LONG-TERM OBLIGATIONS-(Continued)**

**B. Debt Service Requirements:**

Debt Service requirements on serial bonds payable at June 30, 2024, is as follows:

| Year Ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2025 | $ 2,080,000 | $ 539,200 | $ 2,619,200 |
| 2026 | 2,165,000 | 485,200 | 2,650,200 |
| 2027 | 2,245,000 | 429,000 | 2,674,000 |
| 2028 | 2,330,000 | 370,600 | 2,700,600 |
| 2029 | 2,420,000 | 309,900 | 2,729,900 |
| 2030 | 2,505,000 | 246,900 | 2,751,900 |
| 2031 | 1,835,000 | 211,400 | 2,046,400 |
| 2032 | 1,900,000 | 174,700 | 2,074,700 |
| 2033 | 1,965,000 | 136,700 | 2,101,700 |
| 2034 | 2,035,000 | 97,400 | 2,132,400 |
| 2035 | 2,105,000 | 56,700 | 2,161,700 |
| | $ 23,585,000 | $ 3,057,700 | $ 26,642,700 |

**NOTE 8: PENSION PLANS**

*Description of Plans* - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, New Jersey, 08625 or on the internet at http://www.state.nj.us/treasury/pensions/annrprts.shtml.

***Teachers' Pension and Annuity Fund (TPAF)*** - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, 100% of employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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

**NOTE 8: PENSION PLANS (Continued)**

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

The employer contributions for the district are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the district (employer) is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the district (employer) does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the district. However, the state's portion of the net pension liability that was associated with the district was $36,356,715 as measured on June 30, 2023 and $36,869,998 measured on June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense and related revenue of $893,179 for support provided by the State. The measurement period for the pension expense and revenue reported in the district's financial statements (A-2) at June 30, 2024 is based upon changes in the collective net pension liability with a measurement period of June 30, 2022 through June 30, 2023. Accordingly, the pension expense and the related revenue associated with the support provided by the State is based upon the changes in the collective net pension liability between July 1, 2022 and June 30, 2023.

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

| | 6/30/2023 | 6/30/2024 |
|---|---|---|
| Collective deferred outflows of resources | $4,996,491,160 | $2,498,730,891 |
| Collective deferred inflows of resources | $19,532,696,776 | $14,719,080,314 |
| Collective net pension liability (Nonemployer-State of New Jersey) | $51,594,415,806 | $51,032,669,551 |
| State's portion of the net pension liability that was associated with the district | $36,869,998 | $36,356,715 |
| State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability | 0.071461% | 0.071242% |

*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: | |
| Price | 2.75% |
| Wage | 3.25% |
| Salary Increases | 2.75-5.65% based on years of service |
| Investment Rate of Return | 7.00% |

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.

**NOTE 8: PENSION PLANS (Continued)**

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

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments (7.0% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic 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:

| ***Asset Class*** | ***Target Allocation*** | ***Long-Term Expected Real Rate of Return*** |
|---|---|---|
| US Equity | 28.00% | 8.98% |
| Non-US devel.markets equity | 12.75% | 9.22% |
| International Small Cap Equit | 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 Yeild | 4.50% | 6.97% |
| Private Credit | 8.00% | 9.20% |
| Investment Grade Credit | 7.00% | 5.19% |
| Cash equivalents | 2.00% | 3.31% |
| US Treasuries | 4.00% | 3.31% |
| Risk mitigation | 3.00% | 6.21% |

*Discount rate* - The discount rate used to measure the 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 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

*Sensitivity of the State's net pension liability to changes in the discount rate* - Since the District has no proportionate share of the net pension liability because of the special funding situation, the district would not be sensitive to any changes in the discount rate. The following presents the State's net pension liability measured as of June 30, 2023, calculated using the discount rate shown above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

**NOTE 8: PENSION PLANS (Continued)**

| | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
|---|---|---|---|
| State's Collective Net Pension Liability | $ 60,267,919,597 | $ 51,109,961,824 | $ 43,396,784,734 |

*Pension plan fiduciary net position* - Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml. The plan fudiciary net position as of June 30, 2023 was $27,130,181,268.

*Amortization of Deferred Outflows and Inflows of Resources* - Amount reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amoounts) related to pensions will be recognized in the state's pension expense as follows:

| | Year Ended June 30: |
|---|---|
| 2024 | ($3,918,676,894) |
| 2025 | (3,446,016,070) |
| 2026 | (1,604,289,401) |
| 2027 | (1,742,641,843) |
| 2028 | (1,672,806,952) |
| Thereafter | 56,606,524 |
| Total | ($12,327,824,636) |

*Pension Expense* - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2023 are as follows:

| | |
|---|---|
| Service cost | $1,364,281,690 |
| Interest on total pension liability | 5,268,967,929 |
| Member contributions | (933,033,324) |
| Administrative expense | 13,581,904 |
| Expected investment return net of investment expenses | (1,703,986,173) |
| Pension expense related to specific liabilities of individual employers | (449,590) |
| Recognition (amortization) of deferred inflows/outflows: | |
| Differences between expected and actual experience | 195,761,712 |
| Changes in assumptions | (3,048,968,450) |
| Difference between projected and actual investment earnings on pension plan investments | 99,467,335 |
| Total pension expense | $1,255,623,033 |

**NOTE 8: PENSION PLANS (Continued)**

***Public Employees' Retirement System (PERS)*** - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

*Summary of Significant Accounting Policies* - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

At June 30, 2024, the District reported a liability of $3,491,178 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 to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The total pension liability for the June 30, 2022 valuation was determined by an experience study for the period July 1, 2018 to June 30, 2021. The District's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2023 and 2022. At June 30, 2023, the District's proportion was 0.0241% which was an decrease of 0.0003% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense/(benefit) of $112,254. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 33,380 | $ 14,271 |
| Changes of assumptions | 7,669 | 211,580 |
| Net difference between projected and actual earnings on pension plan investments | 16,077 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 189,351 | 143,273 |
| District contributions subsequent to the measurement date | 322,144 | |
| Total | $ 568,621 | $ 369,124 |

**NOTE 8: PENSION PLANS (Continued)**

$322,144 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2024, the plan measurement date is June 30, 2023) will be recognized as a reduction of the net pension liability measured as of June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| | Year Ended June 30: |
|---|---|
| 2024 | ($133,984) |
| 2025 | (74,785) |
| 2026 | 104,507 |
| 2027 | (18,703) |
| 2028 | 318 |
| Total | ($122,647) |

| | 6/30/2023 | 6/30/2024 |
|---|---|---|
| Collective deferred outflows of resources | $1,660,772,008 | $1,080,204,730 |
| Collective deferred inflows of resources | 3,236,303,935 | 1,780,216,457 |
| Collective net pension liability (Non State - Local Group) | $15,091,376,611 | $14,606,489,066 |
| District's portion of net pension liability | $3,672,402 | $3,491,178 |
| District's proportion % | 0.02433444% | 0.02390155% |

*Actuarial assumptions* - The collective 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:

| | |
|---|---|
| Inflation: | |
| 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.

**NOTE 8: PENSION PLANS (Continued)**

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

| ***Asset Class*** | ***Target Allocation*** | ***Long-Term Expected Real Rate of Return*** |
|---|---|---|
| US Equity | 28.00% | 8.98% |
| Non-US devel.markets equity | 12.75% | 9.22% |
| International Small Cap Equit | 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 Yeild | 4.50% | 6.97% |
| Private Credit | 8.00% | 9.20% |
| Investment Grade Credit | 7.00% | 5.19% |
| Cash equivalents | 2.00% | 3.31% |
| US Treasuries | 4.00% | 3.31% |
| Risk mitigation | 3.00% | 6.21% |

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

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

| | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
|---|---|---|---|
| District's proportionate share of the net pension liability | $ 4,544,771 | $3,491,178 | $ 2,594,431 |

**NOTE 8: PENSION PLANS (Continued)**

*Pension Expense* - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2023 are as follows:

| | |
|---|---|
| Service cost | ($931,660) |
| Interest on total Pension liability | (3,518,386) |
| Benefit changes | |
| Member contributions | 751,383 |
| Administrative expens | (16,442) |
| Expected investment return net of investment expenses | 2,073,918 |
| Pension expense related to specific liabilities of individual employers | 13,846 |
| Recognition (amortization) of deferred inflows/outflows: | |
| Differences between expected and actual experience | (60,736) |
| Changes in assumptions | 1,698,949 |
| Difference between projected and actual investment earnings on pension plan investments | 101,382 |
| Total pension expense/(benefit) | $112,254 |

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml.

***Defined Contribution Retirement Plan (DCRP)*** - The Defined Contribution Retirement Program (DCRP) was established as of 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.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. 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. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist.

***PERS and TPAF Vesting and Benefit Provisions*** - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age.

**NOTE 8: PENSION PLANS (Continued)**

The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. 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.

***Significant Legislation*** - Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

 New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65.  The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.  The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.  Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.

 The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.  New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78'sceffective date with a minimum contribution required to becat least 1.5% of salary.  In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

***Contribution Requirements*** - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 (PERS) and N.J.S.A. 18:66 (TPAF) requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 6.5% and the PERS rate is 6.5% of covered payroll.

Three-Year Trend Information for PERS

| Year Funding | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|---|---|---|---|
| 6/30/2024 | $322,144 | 100 % | -0- |
| 6/30/2023 | $306,869 | 100 | -0- |
| 6/30/2022 | $272,529 | 100 | -0- |

**NOTE 8: PENSION PLANS (Continued)**

Three-Year Trend Information for TPAF (Paid on-behalf of the District)

| Year Funding | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|---|---|---|---|
| 6/30/2024 | $3,123,031 | 100 % | -0- |
| 6/30/2023 | $2,954,548 | 100 | -0- |
| 6/30/2022 | $2,984,949 | 100 | -0- |

During the fiscal year ended June 30, 2024, the State of New Jersey did contribute $3,972,521 to the TPAF for post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District $819,423 during the year ended June 30, 2024, for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. The PERS amounts have been included in the fund-based statements as pension expense and the TPAF on-behalf amounts have been included in fund-based statements as revenues and expenditures. The PERS and TPAF amounts have been modified and included in the District-wide financial statements in accordance with GASB Statement No. 68.

**NOTE 9: POST-RETIREMENT BENEFITS**

**Plan description and benefits provided**

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

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or countycollege 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. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: https://www.state.nj.us/treasury/pensions/financial-reports.shtml.

**NOTE 9: POST-RETIREMENT BENEFITS-(Continued)**

***Total Nonemployer OPEB Liability***

The State, a nonemployer 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 LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education.

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

*Actuarial assumptions and other imputes.* The June 30, 2024 GASB 75 reporting is based on a measurement date of June 30, 2023. The total nonemployer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions used in the June 30, 2022 valuation were based on the results of actuarial experience studies for the periods July 1, 2018 - June 30, 2021 for TPAF, PERS anf PFRS. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

| | | | | |
|---|---|---|---|---|
| Total Nonemployer OPEB Liability: | $ | 52,361,668,239 | | |
| | | TPAF/ABP | PERS | PFRS |
| Salary Increases | | 2.75% to 4.25% | 2.75% to 6.55% | 3.25% to 16.25% |
| | | | Based on service years | |

**(a) 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%.

**(b) Discount Rate**

The discount rate used to measure the total OPEB liability wa 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.

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

**NOTE 9: POST-RETIREMENT BENEFITS-(Continued)**

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

| | Total OPEB Liability |
|---|---|
| **The State's Total OPEB Liability Balance at 6/30/2022** | **$50,646,462,966** |
| Changes for the year: | |
| Service Cost | 2,136,235,476 |
| Interest on the Total OPEB Liability | 1,844,113,951 |
| Change in Benefit Terms | - |
| Differences Between Expected and Actual Experience | (980,424,863) |
| Changes of Assumptions | 105,539,463 |
| Gross Benefit Payments | - |
| Contributions from Members/Employers | (1,390,258,754) |
| Net changes | 1,715,205,273 |
| **The State's Total OPEB Liability Balance at 6/30/2023** | **$52,361,668,239** |
| **The State's total OPEB liability attributable to the District:** | **$34,012,675** |

Changes of assumptions and other inputs reflects a change in the discount rate from 3.54 percent in 2022 to 3.65 percent in 2023 and other changes.

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability of the State for school board retirees, as well as what the State's total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage -point lower or 1- percentage-point higher than the current discount rate:

| | June 30, 2023 | | |
|---|---|---|---|
| | At 1% Decrease 2.65% | At Discount Rate 3.65% | At 1% Increase 4.65% |
| Total OPEB Liability (School | $61,385,066,712 | $52,361,668,239 | $45,116,926,835 |

| | June 30, 2022 | | |
|---|---|---|---|
| | At 1% Decrease 2.54% | At Discount Rate 3.54% | At 1% Increase 4.54% |
| Total OPEB Liability (School | $59,529,589,697 | $50,646,462,966 | $43,527,080,995 |

**NOTE 9: POST-RETIREMENT BENEFITS-(Continued)**

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.** The following presents the total OPEB liability of the State, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage- point higher than the current healthcare cost trend rates:

| | June 30, 2023 | | |
|---|---|---|---|
| | At 1% Decrease | Health Care Cost Trend Rate | At 1% Increase |
| Total OPEB Liability (School | $43,468,257,358 | $52,361,668,239 | $63,998,719,320 |

| | June 30, 2022 | | |
|---|---|---|---|
| | At 1% Decrease | Health Care Cost Trend Rate | At 1% Increase |
| Total OPEB Liability (School Retirees) | $41,862,397,291 | $50,646,462,966 | $62,184,866,635 |

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

For the year ended June 30, 2023, the board of education recognized OPEB expense and related revenue of $1,333,703 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero, and there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

| | Deferred Outflows | Deferred Inflows |
|---|---|---|
| Differences Between Expected and Actual Experience | $7,639,717,639 | $13,791,541,217 |
| Changes of assumptions or other inputs | 7,445,895,322 | 14,449,948,556 |
| Total | $15,085,612,961 | $28,241,489,773 |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB will be recognized in OPEB expense as follows:

| Year ended June 30: | |
|---|---|
| 2024 | ($2,611,225,301) |
| 2024 | ($2,611,225,301) |
| 2025 | ($2,269,523,460) |
| 2026 | ($1,338,024,839) |
| 2027 | (273,877,609) |
| Thereafter | (4,052,000,302) |
| | ($13,155,876,812) |

## NOTE 10: COMPENSATED ABSENCES

The 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.

District instructional employees are granted sick leave in amounts under the District's contractual policies. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after initial service and become eligible after fifteen years of service and payment is based upon retirement in the state pension system.

In the district-wide *Statement of Assets*, the liabilities whose average maturities are greater than one year should be reported in two components--the amount due within one year and the amount due in more than one year.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2024, no liability existed for compensated absences in the proprietary fund types.

## NOTE 11: RISK MANAGEMENT

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

**Property and Liability Insurance** - The 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.

**New Jersey Unemployment Compensation Insurance** - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the ***Benefit Reimbursement Method***. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two years:

| Fiscal Year | District Contributions | Employee Contributions | Amount Reimbursed | Ending Balance |
|---|---|---|---|---|
| 2023-2024 | $35 | - | 35 | $40,145 |
| 2022-2023 | $65 | - | 3,845 | $40,145 |
| 2021-2022 | $65 | - | - | $43,925 |

## NOTE 12: CONTINGENT LIABILITIES

### GRANT PROGRAMS

The Board participates in state and federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The Board is potentially liable for any expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

### LITIGATION

The School District is a involved in various disputes with construction contractors. Although the outcome of these disputes is not presently determinable, it is the opinion of the School Districts' attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

## NOTE 13: FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1)- Of the $7,606,667 General Fund fund balance at June 30, 2024, $752,838 is reserved for encumbrances; $4,387,992 is reserved for Capital Reserve; $3,257,966 is reserved as excess surplus in accordance with N.J.S.A.18A:7F-7; ($1,554,959 of the excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2025); $40,145 is reserve for Unemployment Compensation, and ($832,274) is unreserved and undesignated.

## NOTE 14: CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve 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 $1,703,007.

## NOTE 15: INTERFUND RECEIVABLES AND PAYABLES

The enterprise fund (aftercare) owes the general fund $14,505 for general fund tuition received in the aftercare fund. The general fund owes the food service fund for federal and state subsidies not yet transferred to the food service fund in the amount of $26,201, and the preschool program for budgeted contributions and payroll reimbursements not yet transferred in the amount of 225,541.

## NOTE 16: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Dunellen School District Board of Education by inclusion of $1. on October 11, 2000, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23-2.13(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:

| | |
|---|---|
| Beginning Balance, July 1, 2023 | $ 1,845,239 |
| Budgeted Withdrawal | (988,088) |
| Return of Unspent Capital Reserve Contributions from Capital Fund | 30,841 |
| Deposits: Budgeted & (PL 2007 c.62 (A1)): Board Resolution 6/11/2024 | 3,500,000 |
| Ending Balance, June 30, 2024 | $ 4,387,992 |

## NOTE 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.

# REQUIRED SUPPLEMENTARY INFORMATION - PART II

# BUDGETARY COMPARISON SCHEDULES

DUNELLEN SCHOOL DISTRICT

**Exhibit C-1**

**BUDGETARY COMPARISON SCHEDULE**
**GENERAL FUND**

Fiscal Year Ended June 30, 2024

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual Favorable/ (Unfavorable) |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| **Local Sources:** | | | | | |
| Local Tax Levy | $ 12,883,521 | | $ 12,883,521 | $ 12,883,521 | |
| Tuition from Individuals | - | | - | 300 | $ 300 |
| Miscellaneous | 25,000 | | 25,000 | 497,351 | 472,351 |
| **Total - Local Sources** | 12,908,521 | - | 12,908,521 | 13,381,172 | 472,651 |
| **State Sources:** | | | | | |
| Equalization Aid | 14,456,786 | | 14,456,786 | 14,456,786 | |
| Transportation Aid | 76,133 | | 76,133 | 76,133 | |
| Special Education Aid | 1,045,367 | | 1,045,367 | 1,045,367 | |
| Security Aid | 361,377 | | 361,377 | 361,377 | |
| Extraordinary Aid | | | - | 240,563 | 240,563 |
| TPAF Pension (On-Behalf - Non-Budgeted) | | | | 3,121,251 | 3,121,251 |
| TPAF Post Retirement Medical (On-Behalf - Non-Budgeted) | | | | 849,490 | 849,490 |
| TPAF Pension LTD Insurance (On-Behalf - Non-Budgeted) | | | | 1,780 | 1,780 |
| TPAF Social Security (Reimbursed - Non-Budgeted) | | | | 819,423 | 819,423 |
| **Total State Sources** | 15,939,663 | | 15,939,663 | 20,972,170 | 5,032,507 |
| **Federal Sources:** | | | | | |
| Medical Assistance Program | 44,136 | | 44,136 | 53,893 | 9,757 |
| **Total Federal Sources** | 44,136 | | 44,136 | 53,893 | 9,757 |
| **TOTAL REVENUES** | **28,892,320** | | **28,892,320** | **34,407,235** | **5,514,915** |



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

DUNELLEN SCHOOL DISTRICT

**Exhibit C-1**

**BUDGETARY COMPARISON SCHEDULE**
**GENERAL FUND**

Fiscal Year Ended June 30, 2024

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual Favorable/ (Unfavorable) |
|---|---|---|---|---|---|
| **EXPENDITURES:** | | | | | |
| **Current Expense:** | | | | | |
| **Regular Programs - Instruction** | | | | | |
| Kindergarten - Salaries of Teachers | 362,250 | (16,823) | 345,427 | 335,887 | 9,540 |
| Grades 1-5 - Salaries of Teachers | 2,404,264 | (248,818) | 2,155,446 | 2,139,807 | 15,639 |
| Grades 6-8 - Salaries of Teachers | 1,428,059 | 116,131 | 1,544,190 | 1,466,709 | 77,481 |
| Grades 9-12 - Salaries of Teachers | 2,372,249 | 36,427 | 2,408,676 | 2,300,125 | 108,551 |
| **Regular Programs - Home Instruction:** | | | | | |
| Salaries of Teachers | 15,500 | (5,000) | 10,500 | 4,570 | 5,930 |
| Purchased Professional-Educational Services | 16,000 | - | 16,000 | 7,035 | 8,965 |
| **Regular Programs - Undistributed Instruction** | | | | | |
| Other Salaries for Instruction | - | 60,555 | 60,555 | 57,930 | 2,625 |
| Purchased Professional-Educational Services | 252,340 | 606,037 | 858,377 | 644,068 | 214,309 |
| Purchased Technical Services | 3,750 | 7,500 | 11,250 | 9,011 | 2,239 |
| General Supplies | 338,879 | (172,210) | 166,669 | 109,552 | 57,117 |
| Textbooks | 5,400 | 4,890 | 10,290 | 1,983 | 8,307 |
| Other Objects | 15,000 | 10,472 | 25,472 | 22,497 | 2,975 |
| **TOTAL REGULAR PROGRAMS - INSTRUCTION** | **7,213,691** | **399,161** | **7,612,852** | **7,099,174** | **513,678** |
| | | | | | |
| **SPECIAL EDUCATION - INSTRUCTION** | | | | | |
| **Learning and/or Language Disabilities:** | | | | | |
| Salaries of Teachers | 167,714 | (39,214) | 128,500 | 116,227 | 12,273 |
| Purchased Professional-Educational Services | 64,638 | 32,319 | 96,957 | 24,338 | 72,619 |
| General Supplies | 1,600 | - | 1,600 | 536 | 1,064 |
| **Total Learning and/or Language Disabilities** | 233,952 | (6,895) | 227,057 | 141,101 | 85,956 |
| **Multiple Disabilities:** | | | | | |
| Salaries of Teachers | 474,154 | (27,723) | 446,431 | 419,368 | 27,063 |
| Other Salaries for Instruction | 30,000 | 27,948 | 57,948 | 27,038 | 30,910 |
| Purchased Professional-Educational Services | 32,319 | - | 32,319 | 15,553 | 16,766 |
| General Supplies | 6,000 | 10,701 | 16,701 | 12,212 | 4,489 |
| **Total Multiple Disabilities** | 542,473 | 10,926 | 553,399 | 474,171 | 79,228 |



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

DUNELLEN SCHOOL DISTRICT

**Exhibit C-1**

**BUDGETARY COMPARISON SCHEDULE**
**GENERAL FUND**

Fiscal Year Ended June 30, 2024

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual Favorable/ (Unfavorable) |
|---|---|---|---|---|---|
| **Resource Room/Resource Center:** | | | | | |
| Salaries of Teachers | 763,137 | (94,787) | 668,350 | 646,404 | 21,946 |
| Other Salaries for Instruction | 139,740 | 7,326 | 147,066 | 132,228 | 14,838 |
| Purchased Professional-Educational Services | 351,138 | (286,500) | 64,638 | 16,973 | 47,665 |
| General Supplies | 3,000 | 2,500 | 5,500 | 5,039 | 461 |
| **Total Resource Room/Resource Center** | 1,257,015 | (371,461) | 885,554 | 800,644 | 84,910 |
| **Autism:** | | | | | |
| Other Salaries for Instruction | - | 56,896 | 56,896 | 25,603 | 31,293 |
| **Total Autism:** | - | 56,896 | 56,896 | 25,603 | 31,293 |
| **Preschool Disabilities - Full Time:** | | | | | |
| Salaries of Teachers | 99,494 | - | 99,494 | 75,095 | 24,399 |
| Other Salaries for Instruction | 26,448 | - | 26,448 | - | 26,448 |
| Purchased Professional-Educational Services | 64,638 | 33,319 | 97,957 | 22,616 | 75,341 |
| General Supplies | 6,000 | - | 6,000 | 5,487 | 513 |
| **Total Preschool Disabilities - Full Time** | 196,580 | 33,319 | 229,899 | 103,198 | 126,701 |
| **TOTAL SPECIAL EDUCATION - INSTRUCTION** | **2,230,020** | **(277,215)** | **1,952,805** | **1,544,717** | **408,088** |
| **Basic Skills/Remedial - Instruction:** | | | | | |
| Salaries of Teachers | 224,705 | 122,776 | 347,481 | 301,728 | 45,753 |
| **Total Basic Skills/Remedial - Instruction:** | 224,705 | 122,776 | 347,481 | 301,728 | 45,753 |
| **Bilingual Education - Instruction:** | | | | | |
| Salaries of Teachers | 441,150 | 10,923 | 452,073 | 450,051 | 2,022 |
| General Supplies | 1,500 | - | 1,500 | 954 | 546 |
| **Total Bilingual Education - Instruction** | 442,650 | 10,923 | 453,573 | 451,005 | 2,568 |
| **School-Spon. Co/Extra Curricular Actvts. - Inst.:** | | | | | |
| Salaries | 174,356 | - | 174,356 | 138,539 | 35,817 |
| Purchased Services (300-500 series) | 5,000 | - | 5,000 | - | 5,000 |
| Supplies and Materials | 3,500 | - | 3,500 | - | 3,500 |
| Other Objects | 300 | - | 300 | - | 300 |
| **Total School-Spon. Cocurricular Actvts. - Inst.** | 183,156 | - | 183,156 | 138,539 | 44,617 |



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

DUNELLEN SCHOOL DISTRICT

**Exhibit C-1**

**BUDGETARY COMPARISON SCHEDULE**
**GENERAL FUND**

Fiscal Year Ended June 30, 2024

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual Favorable/ (Unfavorable) |
|---|---|---|---|---|---|
| **School-Spon. Athletics - Instruction:** | | | | | |
| Salaries | 400,238 | 15,051 | 415,289 | 382,404 | 32,885 |
| Purchased Services (300-500 series) | 66,000 | (6,310) | 59,690 | 45,015 | 14,675 |
| Supplies and Materials | 30,500 | 639 | 31,139 | 29,715 | 1,424 |
| Other Objects | 19,495 | - | 19,495 | 18,814 | 681 |
| Transfer to Cover Deficit (Agency Funds) | 25,000 | (4,200) | 20,800 | - | 20,800 |
| **Total School-Spon. Athletics - Inst.** | 541,233 | 5,180 | 546,413 | 475,948 | 70,465 |
| **TOTAL INSTRUCTION** | **10,835,455** | **260,825** | **11,096,280** | **10,011,111** | **1,085,169** |
| **UNDISTRIBUTED EXPENDITURES** | | | | | |
| **Instruction:** | | | | | |
| Tuition to Other LEAs Within the State-Special | 477,596 | (19,727) | 457,869 | 339,444 | 118,425 |
| Tuition to CSSD & Regional Day Schools | 813,050 | (26,109) | 786,941 | 682,153 | 104,788 |
| Tuition to Priv. Sch. For Disabled within State | 727,526 | (150,028) | 577,498 | 401,422 | 176,076 |
| **Total Instruction** | 2,018,172 | (195,864) | 1,822,308 | 1,423,019 | 399,289 |
| **Attendance and Social Work:** | | | | | |
| Salaries | 129,433 | 250 | 129,683 | 128,215 | 1,468 |
| Purchased Services (300-500 series) | 2,500 | - | 2,500 | 237 | 2,263 |
| Supplies and Materials | 5,250 | (194) | 5,056 | 591 | 4,465 |
| **Total Attendance and Social Work** | 137,183 | 56 | 137,239 | 129,043 | 8,196 |
| **Health Services:** | | | | | |
| Salaries | 164,300 | 7,854 | 172,154 | 171,745 | 409 |
| Purchased Professional and Technical Services | 6,330 | - | 6,330 | 4,875 | 1,455 |
| Supplies and Materials | 7,000 | 19,217 | 26,217 | 23,712 | 2,505 |
| **Total Health Services** | 177,630 | 27,071 | 204,701 | 200,332 | 4,369 |
| **Other Supp. Services Students-Related Services:** | | | | | |
| Salaries | 429,550 | (63,234) | 366,316 | 366,316 | - |
| Purchased Professional-Educational Services | 92,800 | 287,421 | 380,221 | 369,490 | 10,731 |
| Supplies and Materials | 5,600 | (2,187) | 3,413 | 3,216 | 197 |
| **Total Other Supp. Services Students-Related Services** | 527,950 | 222,000 | 749,950 | 739,022 | 10,928 |
| **Other Supp. Services Students-Extra. Services:** | | | | | |
| Salaries | 82,344 | (66,966) | 15,378 | - | 15,378 |
| Purchased Professional-Educational Services | 271,627 | (10,500) | 261,127 | 144,994 | 116,133 |
| Supplies and Materials | 2,000 | 3,000 | 5,000 | 2,501 | 2,499 |
| **Total Other Supp. Services Students-Extra. Services** | 355,971 | (74,466) | 281,505 | 147,495 | 134,010 |



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

DUNELLEN SCHOOL DISTRICT

**Exhibit C-1**

**BUDGETARY COMPARISON SCHEDULE**
**GENERAL FUND**

Fiscal Year Ended June 30, 2024

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual Favorable/ (Unfavorable) |
|---|---|---|---|---|---|
| **Guidance:** | | | | | |
| Salaries of Other Professional Staff | 484,750 | - | 484,750 | 478,305 | 6,445 |
| Salaries of Secretarial and Clerical Assistants | 55,300 | - | 55,300 | 46,583 | 8,717 |
| Other Purchased Prof. and Tech. Services | 4,000 | (685) | 3,315 | - | 3,315 |
| Supplies and Materials | 2,050 | 3,060 | 5,110 | 4,448 | 662 |
| Other Objects | 2,250 | - | 2,250 | 445 | 1,805 |
| **Total Guidance** | 548,350 | 2,375 | 550,725 | 529,781 | 20,944 |
| **Child Study Teams:** | | | | | |
| Salaries of Other Professional Staff | 512,724 | 25,576 | 538,300 | 538,300 | - |
| Salaries of Secretarial and Clerical Assistants | 55,300 | 7,873 | 63,173 | 63,173 | - |
| Other Salaries | - | 170 | 170 | 170 | - |
| Purchased Professional-Educational Services | 43,000 | 11,875 | 54,875 | 54,875 | - |
| Other Purchased Services (400-500 series) | 1,250 | (50) | 1,200 | 1,200 | - |
| Supplies and Materials | 13,000 | (1,006) | 11,994 | 9,668 | 2,326 |
| Other Objects | 1,195 | (135) | 1,060 | 1,060 | - |
| **Total Child Study Teams** | 626,469 | 44,303 | 670,772 | 668,446 | 2,326 |
| **Improvement of Instructional Services:** | | | | | |
| Salaries of Supervisor of Instruction | 288,183 | (152,944) | 135,239 | 135,239 | - |
| Salaries of Other Professional Staff | - | 154,517 | 154,517 | 154,517 | - |
| Salaries of Secretarial and Clerical Assistants | 72,425 | 500 | 72,925 | 68,971 | 3,954 |
| Other Salaries | 57,425 | (2,073) | 55,352 | - | 55,352 |
| Purchased Professional-Educational Services | 75,000 | (63,587) | 11,413 | 8,757 | 2,656 |
| Other Purchased Services (400-500 series) | 96,169 | (693) | 95,476 | 35,498 | 59,978 |
| Supplies and Materials | 234,304 | 51,232 | 285,536 | 205,745 | 79,791 |
| Other Objects | 10,110 | - | 10,110 | 2,995 | 7,115 |
| **Total Improvement of Instructional Services** | 833,616 | (13,048) | 820,568 | 611,722 | 208,846 |
| **Educational Media Services/School Library:** | | | | | |
| Salaries | 83,900 | 1,250 | 85,150 | 85,150 | - |
| Salaries of Technology Coordinators | 102,376 | (91,647) | 10,729 | | 10,729 |
| Supplies and Materials | 5,050 | 3,289 | 8,339 | 1,596 | 6,743 |
| **Total Educational Media Services/School Library** | 191,326 | (87,108) | 104,218 | 86,746 | 17,472 |
| **Instructional Staff Training Services:** | | | | | |
| Salaries | - | 8,130 | 8,130 | 8,130 | - |
| Purchased Professional-Educational Services | 14,050 | (9,000) | 5,050 | 600 | 4,450 |
| Other Purchased Services (400-500 series) | 10,000 | 173 | 10,173 | 6,076 | 4,097 |
| Supplies and Materials | - | 6,000 | 6,000 | 1,447 | 4,553 |
| **Total Instructional Staff Training Services** | 24,050 | 5,303 | 29,353 | 16,253 | 13,100 |



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

**Exhibit C-1**

**BUDGETARY COMPARISON SCHEDULE**
**GENERAL FUND**

Fiscal Year Ended June 30, 2024

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual Favorable/ (Unfavorable) |
|---|---|---|---|---|---|
| **Supp. Services - General Administration:** | | | | | |
| Salaries | 255,808 | - | 255,808 | 255,808 | - |
| Legal Services | 50,000 | 35,000 | 85,000 | 80,589 | 4,411 |
| Audit Fees | 27,500 | (3,972) | 23,528 | 23,528 | - |
| Architectural/Engineering Services | - | 28,500 | 28,500 | 27,000 | 1,500 |
| Other Purchased Professional Services | 7,330 | (2,117) | 5,213 | 5,213 | - |
| Purchased Technical Services | 8,000 | (3,113) | 4,887 | 4,887 | - |
| Communications/Telephone | 74,380 | 21,432 | 95,812 | 72,401 | 23,411 |
| Travel - All Other | - | 1,155 | 1,155 | 780 | 375 |
| BOE Other Purchased Services | 14,750 | (11,398) | 3,352 | 3,352 | - |
| Other Purchased Services (400-500 series) | 121,736 | (3,208) | 118,528 | 111,509 | 7,019 |
| General Supplies | 3,500 | (451) | 3,049 | 3,049 | - |
| Judgments Against the School District | 10,000 | (10,000) | - | - | - |
| Miscellaneous Expenditures | 6,678 | 5,275 | 11,953 | 11,903 | 50 |
| BOE Membership Dues & Fees | 7,800 | 1,505 | 9,305 | 9,305 | - |
| **Total Supp. Services - General Administration** | 587,482 | 58,608 | 646,090 | 609,324 | 36,766 |
| **Support Services - School Administration:** | | | | | |
| Salaries of Principals/Assistant Principals | 798,944 | 47,500 | 846,444 | 712,512 | 133,932 |
| Salaries of Other Professional Staff | - | 6,875 | 6,875 | 2,367 | 4,508 |
| Salaries of Secretarial and Clerical Assistants | 179,734 | 6,008 | 185,742 | 181,733 | 4,009 |
| Purchased Professional and Technical Services | - | 4,500 | 4,500 | 840 | 3,660 |
| Other Purchased Services (400-500 series) | 7,510 | 424 | 7,934 | 6,903 | 1,031 |
| Supplies and Materials | 21,750 | 3,725 | 25,475 | 17,568 | 7,907 |
| Other Objects | 8,300 | 560 | 8,860 | 6,978 | 1,882 |
| **Total Support Services - School Administration** | 1,016,238 | 69,592 | 1,085,830 | 928,901 | 156,929 |
| **Central Services:** | | | | | |
| Salaries | 352,866 | 23,833 | 376,699 | 375,270 | 1,429 |
| Purchased Professional Services | 7,500 | (125) | 7,375 | 6,000 | 1,375 |
| Purchased Technical Services | 4,670 | 7,250 | 11,920 | 11,920 | - |
| Purchased Professional and Technical Services | - | 1,100 | 1,100 | 845 | 255 |
| Misc. Purchased Services (400-500 series) | 16,375 | 12,979 | 29,354 | 13,545 | 15,809 |
| Supplies and Materials | 4,500 | 12,388 | 16,888 | 14,618 | 2,270 |
| Miscellaneous Expenditures | 1,860 | 3,726 | 5,586 | 5,586 | - |
| **Total Central Services** | 387,771 | 61,151 | 448,922 | 427,784 | 21,138 |
| **Admin Information Technology:** | | | | | |
| Salaries | 108,264 | 60,499 | 168,763 | 118,627 | 50,136 |
| Purchased Technical Services | 134,088 | 350 | 134,438 | 96,939 | 37,499 |
| Other Purchased Services (400-500 series) | - | 6,000 | 6,000 | 3,060 | 2,940 |
| Supplies and Materials | 233,840 | (116,866) | 116,974 | 87,090 | 29,884 |
| **Total Admin Information Technology** | 476,192 | (50,017) | 426,175 | 305,716 | 120,459 |



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

DUNELLEN SCHOOL DISTRICT

**Exhibit C-1**

**BUDGETARY COMPARISON SCHEDULE**
**GENERAL FUND**

Fiscal Year Ended June 30, 2024

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual Favorable/ (Unfavorable) |
|---|---|---|---|---|---|
| **Required Maintenance for School Facilities:** | | | | | |
| Salaries | 172,384 | (48,154) | 124,230 | 122,517 | 1,713 |
| Cleaning, Repair and Maintenance Services | 106,750 | 323,010 | 429,760 | 329,369 | 100,391 |
| General Supplies | 30,000 | 46,352 | 76,352 | 36,372 | 39,980 |
| **Total Required Maintenance for School Facilities** | 309,134 | 321,208 | 630,342 | 488,258 | 142,084 |
| **Other Operations and Maintenance of Plant:** | | | | | |
| Salaries | 812,226 | 119,882 | 932,108 | 929,279 | 2,829 |
| Purchased Professional and Technical Services | 29,000 | (11,397) | 17,603 | 6,566 | 11,037 |
| Cleaning, Repair and Maintenance Services | 243,500 | (172,150) | 71,350 | 61,402 | 9,948 |
| Other Purchased Property Services | 40,000 | (6,000) | 34,000 | 28,791 | 5,209 |
| Insurance | 141,400 | 811 | 142,211 | 142,211 | - |
| General Supplies | 107,000 | 6,994 | 113,994 | 82,598 | 31,396 |
| Energy (Natural Gas) | 200,000 | (46,340) | 153,660 | 123,028 | 30,632 |
| Energy (Electricity) | 215,000 | 61,000 | 276,000 | 273,734 | 2,266 |
| Other Objects | - | 27,029 | 27,029 | 26,856 | 173 |
| **Total Other Operations and Maintenance of Plant** | 1,788,126 | (20,171) | 1,767,955 | 1,674,465 | 93,490 |
| **Care and Upkeep of Grounds:** | | | | | |
| Salaries | 59,723 | 22,158 | 81,881 | 80,816 | 1,065 |
| Cleaning, Repair and Maintenance Services | 74,000 | (5,482) | 68,518 | 40,445 | 28,073 |
| General Supplies | 19,000 | (11,675) | 7,325 | 5,727 | 1,598 |
| Other Objects | 1,200 | (500) | 700 | 573 | 127 |
| **Total Care and Upkeep of Grounds** | 153,923 | 4,501 | 158,424 | 127,561 | 30,863 |
| **Security:** | | | | | |
| Purchased Professional and Technical Services | 250,000 | (15,228) | 234,772 | 198,506 | 36,266 |
| Cleaning, Repair and Maintenance Services | - | 2,895 | 2,895 | - | 2,895 |
| General Supplies | 129,000 | (25,416) | 103,584 | 82,186 | 21,398 |
| **Total Security** | 379,000 | (37,749) | 341,251 | 280,692 | 60,559 |
| **Student Transportation Services** | | | | | |
| Contracted Services - Aid in Lieu of Payments-Charter Sch. | 3,066 | (1,500) | 1,566 | - | 1,566 |
| Contract Services (Other than Between Home & School)-Vendors | 76,500 | 12,783 | 89,283 | 85,353 | 3,930 |
| Contract Services (Between Home & School)-Joint Agrmts | 84,000 | (6,000) | 78,000 | 62,952 | 15,048 |
| Contract Services - (Special Ed. Students) - Vendors | - | 50,000 | 50,000 | 48,688 | 1,312 |
| Contracted Services (Spec Ed. Students)-ESC's & CTSA's | 720,000 | - | 720,000 | 303,662 | 416,338 |
| Other Objects | 50,000 | (48,500) | 1,500 | - | 1,500 |
| **Total Student Transportation Services** | 933,566 | 6,783 | 940,349 | 500,655 | 439,694 |



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

**Exhibit C-1**

**BUDGETARY COMPARISON SCHEDULE**
**GENERAL FUND**

Fiscal Year Ended June 30, 2024

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual Favorable/ (Unfavorable) |
|---|---|---|---|---|---|
| **UNALLOCATED BENEFITS** | | | | | |
| **Regular Programs-Instruction:** | | | | | |
| Social Security Contributions | 256,000 | 11,393 | 267,393 | 258,482 | 8,911 |
| Other Retirement Contributions - PERS | 328,798 | (6,654) | 322,144 | 322,144 | - |
| Other Retirement Contributions - Regular | - | 2,067 | 2,067 | 2,067 | - |
| Unemployment Compensation | 20,000 | (2,000) | 18,000 | 3,437 | 14,563 |
| Workman's Compensation | 94,200 | - | 94,200 | 75,371 | 18,829 |
| Health Benefits | 4,202,045 | (360,526) | 3,841,519 | 3,731,352 | 110,167 |
| Tuition Reimbursement | 30,000 | 13,395 | 43,395 | 19,774 | 23,621 |
| Other Employee Benefits | 175,000 | (128,271) | 46,729 | 46,729 | - |
| Unused Sick Payment to Term/Ret. Staff | 25,000 | 1,590 | 26,590 | 26,590 | - |
| **Total Regular Programs-Instruction** | 5,131,043 | (469,006) | 4,662,037 | 4,485,946 | 176,091 |
| **UNALLOCATED BENEFITS** | | | | | |
| On-behalf TPAF pension Contrib. (non-budgeted) | | | - | 3,121,251 | (3,121,251) |
| On-behalf TPAF PRM Contrib. (non-budgeted) | | | | 849,490 | (849,490) |
| On-behalf TPAF pension LTD Ins. (non-budgeted) | | | | 1,780 | (1,780) |
| Reimbursed TPAF Social Security Contrib. (non-budgeted) | | | - | 819,423 | (819,423) |
| **TOTAL ON-BEHALF CONTRIBUTIONS** | - | - | - | 4,791,944 | (4,791,944) |
| **TOTAL PERSONAL SERVICES-EMPLOYEE BENEFITS** | 5,131,043 | (469,006) | 4,662,037 | 9,277,890 | (4,615,853) |
| **TOTAL UNDISTRIBUTED EXPENDITURES** | **16,603,192** | **(124,478)** | **16,478,714** | **19,173,105** | **(2,694,391)** |
| **TOTAL GENERAL CURRENT EXPENSE** | **27,438,647** | **136,347** | **27,574,994** | **29,184,216** | **(1,609,222)** |
| **CAPITAL OUTLAY** | | | | | |
| **EQUIPMENT** | | | | | |
| **Regular Programs - Instruction:** | | | | | |
| Undistributed Expenditures-Instruction | 40,000 | - | 40,000 | - | 40,000 |
| Undist. Expend.-Care and Upkeep of Grounds | 43,000 | 64,578 | 107,578 | 25,589 | 81,989 |
| Undist. Expend.-Security | 12,009 | - | 12,009 | - | 12,009 |
| **TOTAL EQUIPMENT** | 95,009 | 64,578 | 159,587 | 25,589 | 133,998 |
| **FACILITIES ACQUISITIONS AND CONSTRUCT. SVCS:** | | | | | |
| Architectural/Engineering | - | 3,586 | 3,586 | - | 3,586 |
| Construction Services | - | 3,915 | 3,915 | - | 3,915 |
| Assessment for Debt Service on SDA Funding | 61,602 | - | 61,602 | 61,602 | - |
| **TOTAL FACILITIES ACQUISITIONS AND CONST. SVCS** | 61,602 | 7,501 | 69,103 | 61,602 | 7,501 |
| **TOTAL CAPITAL OUTLAY** | **156,611** | **72,079** | **228,690** | **87,191** | **141,499** |



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

DUNELLEN SCHOOL DISTRICT

**Exhibit C-1**

**BUDGETARY COMPARISON SCHEDULE**
**GENERAL FUND**

Fiscal Year Ended June 30, 2024

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual Favorable/ (Unfavorable) |
|---|---|---|---|---|---|
| Transfer of Funds to Charter Schools | 70,547 | 63,301 | 133,848 | 133,848 | - |
| **TOTAL EXPENDITURES** | **27,665,805** | **271,727** | **27,937,532** | **29,405,255** | **(1,467,723)** |
| **Excess (Deficiency of Revenues Over(Under) Expenditures** | 1,226,515 | (271,727) | 954,788 | 5,001,980 | 4,047,192 |
| **Other Financing Sources:** | | | | | |
| **Operating Transfer In/(Out):** | | | | | |
| Transfer to Special Revenue Fund - Preschool | | - | - | (67,947) | 67,947 |
| Capital Reserve - Transfer (to)/from Capital Projects Fund | - | - | - | 30,841 | (30,841) |
| Capital Reserve - Transfer to Repayment of Debt | (988,088) | - | (988,088) | (988,088) | - |
| **Total Other Financing Sources:** | (988,088) | - | (988,088) | (1,025,194) | 37,106 |
| **Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)** | 238,427 | (271,727) | (33,300) | 3,976,786 | 4,084,298 |
| **Fund Balance, July 1** | 5,215,488 | | 5,215,488 | 5,215,488 | |
| **Prior Period Adjustment** | | | | | |
| **Fund Balance, July 1 (Restated)** | 5,215,488 | | 5,215,488 | 5,215,488 | |
| **Fund Balance, June 30** | **$ 5,453,915** | **$ (271,727)** | **$ 5,182,188** | **$ 9,192,274** | **$ 4,084,298** |

| | |
|---|---|
| **Recapitulation:** | |
| **Restricted for:** | |
| Excess Surplus | $ 1,703,007 |
| Excess Surplus - Designated for Subsequent Year's Expenditures | 1,554,959 |
| Capital Reserve | 4,387,992 |
| Unemployment Compensation | 40,145 |
| **Assigned to:** | |
| Reserve for Encumbrances | 752,838 |
| **Unassigned:** | |
| Unrestricted Fund Balance | 753,333 |
| **Fund Balance per Governmental Funds(Budgetary Basis)** | 9,192,274 |
| **Reconciliation to Governmental Funds Statement(GAAP Basis):** | |
| Last State Aid Payment not recognized on GAAP basis | (1,585,607) |
| **Fund Balance per Governmental Funds(GAAP Basis B-2)** | **$ 7,606,667** |



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

DUNELLEN SCHOOL DISTRICT

**Exhibit C-2**

**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 Favorable/ (Unfavorable) |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Local Sources | $ 100,000 | $ 129,901 | $ 229,901 | $ 204,012 | $ (25,889) |
| State Sources | 6,660 | 536,566 | 543,226 | 529,114 | (14,112) |
| Federal Sources | 486,960 | 1,989,759 | 2,476,719 | 1,704,473 | (772,246) |
| **Total Revenues** | **593,620** | **2,656,226** | **3,249,846** | **2,437,599** | **(812,247)** |
| **EXPENDITURES:** | | | | | |
| **Instruction** | | | | | |
| Salaries of Teachers | 254,416 | 1,617,983 | 1,872,399 | 1,215,072 | 657,327 |
| Other Salaries for Instruction | | 84,844 | 84,844 | 84,844 | |
| Tuition | 232,544 | 78,779 | 311,323 | 279,862 | 31,461 |
| Other Purchased Services | | 63,653 | 63,653 | 63,653 | |
| General Supplies | | 138,029 | 138,029 | 105,337 | 32,692 |
| **Total Instruction** | 486,960 | 1,983,288 | 2,470,248 | 1,748,768 | 721,480 |
| **Support Services** | | | | | |
| Salaries of Supervisors of Instruction | | 28,477 | 28,477 | 21,187 | 7,290 |
| Salaries of Community Parent Involv. Spec. | | 47,536 | 47,536 | 47,536 | |
| Salaries of Master Teachers | | 61,373 | 61,373 | 61,373 | |
| Employee Benefits | | 123,704 | 123,704 | 109,384 | 14,320 |
| Purchased Professional & Tech. Serv. | | 267,599 | 267,599 | 227,038 | 40,561 |
| Other Purchased Services | 6,660 | 90,769 | 97,429 | 78,592 | 18,837 |
| Supplies and Materials | | 19,639 | 19,639 | 9,880 | 9,759 |
| Travel | | 1,100 | 1,100 | 1,100 | |
| Other Objects | | 188 | 188 | 188 | |
| Student Activities | 100,000 | 64,511 | 164,511 | 164,511 | |
| **Total Support Services** | 106,660 | 704,896 | 811,556 | 720,789 | 90,767 |
| Total Expenditures | 593,620 | 2,688,184 | 3,281,804 | 2,469,557 | 812,247 |
| **Other Financing Sources (Uses)** | | | | | |
| Transfers from Other Funds | | 67,947 | 67,947 | 67,947 | |
| **Total Other Financing Sources (Uses)** | | 67,947 | 67,947 | 67,947 | |
| **Total Outflows** | **$ 593,620** | **$ 2,620,237** | **$ 3,213,857** | **$ 2,401,610** | **$ 812,247** |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)** | | 35,989 | 35,989 | 35,989 | |
| **Fund Balance Beginning** | | | | 214,983 | |
| **Prior Period Adjustment** | | | | - | |
| **Fund Balance Beginning (Restated)** | | | | 214,983 | |
| **Fund Balance Ending** | | | | $ 250,972 | |
| Recapitulation: | | | | | |
| Restricted: | | | | | |
| Student Activities | | | | $ 250,972 | |
| Total Fund Balance | | | | $ 250,972 | |
| **Reconciliation to Governmental Funds Statement B-2 (GAAP Basis):** | | | | | |
| Last State Aid Payment not recognized on GAAP basis | | | | (55,522) | |
| **Fund Balance per Governmental Funds B-2 (GAAP Basis)** | | | | $ 195,450 | |

DUNELLEN SCHOOL DISTRICT

**Exhibit C-3**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**
**BUDGETARY COMPARISON SCHEDULE**

For the Fiscal Year Ended June 30, 2024

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

| | General Fund | Special Revenue Fund |
|---|---|---|
| **Sources/Inflows of Resources** | | |
| Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (Exhibits C-1 and C-2, respectively) | $ 34,407,235 | $ 2,437,599 |
| Difference - budget to GAAP: | | |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized. | | |
| Prior Year Encumbrances | N/A | 218,483 |
| Current Year Encumbrances | N/A | (152,156) |
| Adjustment for: Prior year Final State Aid Payment excluded in State Source Revenues that is considered a revenue for GAAP reporting purposes | 1,274,295 | - |
| Adjustment for: Current Year Final State Aid Payment included in State Source Revenues that is not considered a revenue for GAAP reporting purposes | (1,585,607) | (55,522) |
| Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. (Exhibit B-2) | $ 34,095,923 | $ 2,448,404 |
| **Uses/outflows of resources** | | |
| Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules (Exhibits C-1 and C-2, respectively) | $ 29,405,255 | $ 2,401,610 |
| Differences - budget to GAAP | | |
| Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for *budgetary* purposes, but in the year the supplies are received for *financial reporting* purposes. | | |
| Prior Year Encumbrances | N/A | 218,483 |
| Current Year Encumbrances | N/A | (152,156) |
| Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes. | N/A | 67,947 |
| Net transfers (outflows) to general fund | | |
| Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (Exhibit B-2) | $ 29,405,255 | $ 2,535,884 |

**Dunellen School District**
**Required Supplementary Information - Part III**
**Schedule of the District's Proportionate Share of the Net Pension Liability**
**Last Ten Fiscal Years**

**Exhibit L-3**

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

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| District's proportion of the net pension liability (asset) ** | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| District's proportionate share of the net pension liability (asset) ** | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| State's proportionate share of the net pension liability (asset) associated with the District | $ 36,356,715 | $ 36,869,998 | $ 33,952,293 | $ 45,732,226 | $ 42,225,562 | $ 43,904,267 | $ 43,685,729 | $ 54,592,675 | $ 43,760,207 | $ 34,978,482 |
| Total | $ 36,356,715 | $ 36,869,998 | $ 33,952,293 | $ 45,732,226 | $ 42,225,562 | $ 43,904,267 | $ 43,685,729 | $ 54,592,675 | $ 43,760,207 | $ 34,978,482 |
| District's covered employee payroll | $ 11,226,971 | $ 8,902,582 | $ 8,507,502 | $ 8,068,312 | $ 7,853,100 | $ 7,673,817 | $ 7,446,556 | $ 7,138,073 | $ 6,912,756 | $ 6,554,337 |
| District's proportionate share of the of the net pension liability (asset) as a percentage of its covered-employee payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Plan fiduciary net position as a percentage of the total pension liability | 34.68% | 32.29% | 35.50% | 24.60% | 26.95% | 26.49% | 25.41% | 22.33% | 28.71% | 33.64% |

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

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

**Exhibit L-1**

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| District's proportion of the net pension liability (asset) | 0.024103063% | 0.024431662% | 0.023270876% | 0.024511002% | 0.023245270% | 0.022887630% | 0.019050550% | 0.017077942% | 0.0160802473% | 0.0161605205% |
| District's proportionate share of the net pension liability (asset) | $ 3,491,178 | $ 3,672,402 | $ 2,756,784 | $ 3,997,103 | $ 4,188,445 | $ 4,506,461 | $ 4,434,664 | $ 5,057,997 | $ 3,609,693 | $ 3,025,691 |
| District's covered employee payroll | $ 2,046,143 | $ 1,882,535 | $ 1,806,627 | $ 1,776,437 | $ 1,724,601 | $ 1,682,675 | $ 1,637,182 | $ 1,574,452 | $ 1,265,305 | $ 1,156,451 |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 170.62% | 195.08% | 152.59% | 225.01% | 242.86% | 267.82% | 270.87% | 321.25% | 285.28% | 261.64% |
| Plan fiduciary net position as a percentage of the total pension liability (Local) | 65.23% | 62.91% | 70.33% | 58.32% | 56.27% | 53.60% | 58.18% | 40.14% | 47.92% | 52.08% |

**Dunellen School District** **Exhibit L-2**
**Required Supplementary Information - Part III**
**Schedule of District Contributions**
**Last Ten Fiscal Years**

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

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Contractually required contribution ** | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Contributions in relation to the contractually required contribution ** | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Contribution deficiency (excess) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| District's covered employee payroll | $ 11,226,971 | $ 8,902,582 | $ 8,507,502 | $ 8,068,312 | $ 7,853,100 | $ 7,673,817 | $ 7,446,556 | $ 7,138,073 | $ 6,912,756 | $ 6,554,337 |
| Contributions as a percentage of covered-employee payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. The district (employer) does not contribute to the plan.

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

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Contractually required contribution | $ 322,144 | $ 306,869 | $ 272,529 | $ 272,821 | $ 227,813 | $ 229,431 | $ 179,536 | $ 151,718 | $ 138,247 | $ 133,225 |
| Contributions in relation to the contractually required contribution | (322,144) | (306,869) | (272,529) | (272,821) | (227,813) | (229,431) | (179,536) | (151,718) | (138,247) | (133,225) |
| Contribution deficiency (excess) | - | - | - | - | - | - | - | - | - | - |
| District's covered employee payroll | $ 1,882,535 | $ 1,882,535 | $ 1,806,627 | $ 1,776,437 | $ 1,724,601 | $ 1,682,675 | $ 1,637,182 | $ 1,574,452 | $ 1,265,305 | $ 1,156,451 |
| Contributions as a percentage of covered-employee payroll | 17.11% | 16.30% | 15.08% | 15.36% | 13.21% | 13.63% | 10.97% | 9.64% | 10.93% | 11.52% |

**Dunellen School District** **Exhibit M-1**
**Required Supplementary Information - Part III**
**Schedule of Changes in the State's Total OPEB Liability and Related Ratios**
**Last Ten Fiscal Years ***

**State Health Benefit Local Education Retired Employees Plan (TPAF and PERS)**

| **The State of New Jesrsey's Total OPEB Liability** | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Service Cost | $ 2,136,235,476 | $ 2,770,618,025 | $ 3,217,184,264 | $ 1,790,973,822 | $ 1,734,404,850 | $ 1,984,642,729 | $ 2,391,878,884 | $ 1,723,999,319 | | |
| Interest on the Total OPEB Liability | 1,844,113,951 | 1,342,187,139 | 1,556,661,679 | 1,503,341,357 | 1,827,787,206 | 1,970,236,232 | 1,699,441,736 | 1,823,643,792 | | |
| Change in Benefit Terms | - | - | (63,870,842) | | | | | | | |
| Differences Between Expected and Actual Experience | (980,424,863) | 1,399,200,736 | (11,385,071,658) | 11,544,750,637 | (7,323,140,818) | (5,002,065,740) | | | | |
| Benefit Payments | - | (13,586,368,097) | 59,202,305 | (1,180,515,618) | (1,280,958,373) | (1,232,987,247) | (1,242,412,566) | (1,223,298,019) | | |
| Contributions from Members | (1,390,258,754) | (1,329,476,059) | - | 35,781,384 | 37,971,171 | 42,614,005 | 45,748,749 | 46,273,747 | | |
| Changes of Assumptions or other inputs | 105,539,463 | 42,650,252 | (1,186,417,186) | 12,386,549,981 | 622,184,027 | (5,291,448,855) | (7,086,599,129) | 8,611,513,521 | | |
| **Net change in total OPEB liability** | 1,715,205,273 | (9,361,188,004) | (7,802,311,638) | 26,080,881,563 | (4,381,751,937) | (7,529,008,876) | (4,191,942,326) | 10,982,132,360 | | |
| **Total OPEB Liability - Beginning** | $ 50,646,462,966 | $60,007,650,970 | $67,809,962,608 | $ 41,729,081,045 | $ 46,110,832,982 | $53,639,841,858 | $ 57,831,784,184 | $ 46,849,651,824 | | |
| **Total OPEB Liability - Ending** | $ 52,361,668,239 | $50,646,462,966 | $60,007,650,970 | $ 67,809,962,608 | $ 41,729,081,045 | $46,110,832,982 | $ 53,639,841,858 | $ 57,831,784,184 | | |
| **The State of New Jersey's total OPEB liability **** | $ 52,361,668,239 | $50,646,462,966 | $60,007,650,970 | $ 67,809,962,608 | $ 41,729,081,045 | $46,110,832,982 | $ 53,639,841,858 | $ 57,831,784,184 | | |
| **The State of New Jersey's OPEB liability attributable to the District **** | $ 34,012,675 | $ 32,144,422 | $ 39,057,394 | $ 44,279,482 | $ 26,441,348 | $ 29,844,314 | $ 34,000,620 | $ 36,380,960 | | |
| **The District's proportionate share of the total OPEB liability** | Zero | Zero | Zero | Zero | Zero | Zero | Zero | Zero | | |
| **District's covered employee payroll** | $ 13,109,506 | $ 10,785,117 | $ 10,314,129 | $ 9,844,749 | $ 9,577,701 | $ 9,356,492 | $ 9,083,738 | $ 8,712,525 | | |
| **Total District's OPEB liability as a percentage of its covered-employee payroll** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| **District's contribution** | None | None | None | None | None | None | None | None | | |
| **State's covered employee payroll ***** | $ 15,314,749,297 | $14,753,355,408 | $14,425,669,769 | $ 14,267,738,657 | $ 13,929,083,479 | $13,640,275,833 | $ 13,493,400,208 | $ 13,493,400,208 | | |
| **Total State's OPEB liability as a percentage of its covered-employee payroll** | 341.90% | 343.29% | 415.98% | 475.27% | 299.58% | 338.05% | 397.53% | 428.59% | | |

** Note: Other Post Employment Benefits (OPEB) for employees of the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS) is considered a special funding situation as defined by GASB Statement No. 75 in which the State of New Jersey is 100% responsible for contributions to the health insurance plan. The district (employer) does not contribute to the plan and the district's OPEB liability is zero.

*** Covered payroll for the Measurement Period ending June 30, 2022 and June 30, 2023 is based on the payroll on the June 30, 2021 and June 30, 2022 census data, respectively

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

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-PART III
## Pension and Other Post Employment Benefits (OPEB) Schedules

For the Fiscal Year Ended June 30, 2024

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

### Pension Schedules

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

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

### OPEB Schedules

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 3.54 percent in 2022 to 3.65 percent in 2023.

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

### Pension Schedules

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

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

### OPEB Schedules

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 3.54 percent in 2022 to 3.65 percent in 2023.

# OTHER SUPPLEMENTARY INFORMATION

# SPECIAL REVENUE FUND
# DETAIL STATEMENTS

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

DUNELLEN SCHOOL DISTRICT

**Exhibit E-1**

**SPECIAL REVENUE FUND**
**COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS**

For the Fiscal Year Ended June 30, 2024

| | Title I Part A | Title II Part A | Title III | Title III Immigrant | Title IV | IDEA Basic | IDEA Preschool | ARP IDEA Basic | ARP IDEA Preschool | ARP High Impact Tutoring | ARP Climate Education Resiliance | ARP ESSER III | ARP Accel Learning | ARP Beyond Sch Day | ARP Homeless | CRRSA ESSER II | CRRSA Learning | Preschool Education Aid | NJ SDA Emergent & Capital | NJ DEPT EPA Tree For Schools Grant | NJSBAIG Grant | Student Activity | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | | | | | | | | | | | | | | | | | | |
| Local Sources | | | | | | | | | | | | | | | | | | | | | $ 3,512 | $ 200,500 | $ 204,012 |
| State Sources | | | | | | | | | | | | | | | | | | $ 444,180 | $ 30,882 | $ 54,052 | | | 529,114 |
| Federal Sources | $ 168,005 | $ 16,329 | $ 45,866 | $ 6,698 | $ 26,175 | $ 279,862 | $ 15,112 | $ 63,653 | $ 5,407 | $ 47,870 | $ 40,594 | $ 747,789 | $ 102,685 | $ 19,216 | $ 411 | $ 84,166 | $ 34,635 | | | | | | 1,704,473 |
| **TOTAL REVENUES** | **168,005** | **16,329** | **45,866** | **6,698** | **26,175** | **279,862** | **15,112** | **63,653** | **5,407** | **47,870** | **40,594** | **747,789** | **102,685** | **19,216** | **411** | **84,166** | **34,635** | **444,180** | **30,882** | **54,052** | **3,512** | **200,500** | **2,437,599** |
| **EXPENDITURES:** | | | | | | | | | | | | | | | | | | | | | | | |
| **Instruction:** | | | | | | | | | | | | | | | | | | | | | | | |
| Salaries of Teachers | 77,479 | | 2,845 | 3,505 | | | | | | 47,870 | | 747,789 | | 19,216 | | 84,166 | 34,635 | 197,567 | | | | | 1,215,072 |
| Other Salaries for Instruction | | | | | | | | | | | | | | | | | | 84,844 | | | | | 84,844 |
| Tuition | | | | | | 279,862 | | | | | | | | | | | | | | | | | 279,862 |
| Other Purchased Services | | | | | | | | 63,653 | | | | | | | | | | | | | | | 63,653 |
| General Supplies | 32,888 | | 7,342 | 2,925 | 24,725 | | | | | | 27,194 | | | | 411 | | | 9,852 | | | | | 105,337 |
| **Total Instruction** | 110,367 | | 10,187 | 6,430 | 24,725 | 279,862 | | 63,653 | | 47,870 | 27,194 | 747,789 | | 19,216 | 411 | 84,166 | 34,635 | 292,263 | | | | | 1,748,768 |
| **Support Services:** | | | | | | | | | | | | | | | | | | | | | | | |
| Salaries of Supervisors of Instruction | 2,070 | 2,565 | 1,552 | | | | | | | | | | | | | | | 15,000 | | | | | 21,187 |
| Salaries of Community Parent Involv. Spec. | | | | | | | | | | | | | | | | | | 47,536 | | | | | 47,536 |
| Salaries of Master Teachers | | | | | | | | | | | | | | | | | | 61,373 | | | | | 61,373 |
| Employee Benefits | 42,268 | 196 | 119 | 268 | | | | | | | | | | | | | | 66,533 | | | | | 109,384 |
| Purchased Professional & Tech. Serv. | | 5,875 | 29,500 | | 1,450 | | 15,112 | | | | 13,400 | | 102,685 | | | | | 28,134 | 30,882 | | | | 227,038 |
| Other Purchased Services | 11,439 | 5,075 | 2,619 | | | | | | 5,407 | | | | | | | | | | | 54,052 | | | 78,592 |
| Supplies and Materials | 1,861 | 2,618 | 1,889 | | | | | | | | | | | | | | | | | | 3,512 | | 9,880 |
| Travel | | | | | | | | | | | | | | | | | | 1,100 | | | | | 1,100 |
| Other Objects | | | | | | | | | | | | | | | | | | 188 | | | | | 188 |
| Student Activities | | | | | | | | | | | | | | | | | | | | | | 164,511 | 164,511 |
| **Total Support Services** | 57,638 | 16,329 | 35,679 | 268 | 1,450 | | 15,112 | | 5,407 | | 13,400 | | 102,685 | | | | | 219,864 | 30,882 | 54,052 | 3,512 | 164,511 | 720,789 |
| **TOTAL EXPENDITURES** | **168,005** | **16,329** | **45,866** | **6,698** | **26,175** | **279,862** | **15,112** | **63,653** | **5,407** | **47,870** | **40,594** | **747,789** | **102,685** | **19,216** | **411** | **84,166** | **34,635** | **512,127** | **30,882** | **54,052** | **3,512** | **164,511** | **2,469,557** |
| **Total Outflows** | **168,005** | **16,329** | **45,866** | **6,698** | **26,175** | **279,862** | **15,112** | **63,653** | **5,407** | **47,870** | **40,594** | **747,789** | **102,685** | **19,216** | **411** | **84,166** | **34,635** | **512,127** | **30,882** | **54,052** | **3,512** | **164,511** | **2,469,557** |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (67,947) | - | - | - | 35,989 | (31,958) |
| **Other Financing Sources (Uses):** | | | | | | | | | | | | | | | | | | | | | | | |
| **Transfers from Other Funds** | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 67,947 | - | - | - | - | 67,947 |
| **Total Other Financing Sources (Uses)** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 67,947 | - | - | - | - | 67,947 |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 35,989 | 35,989 |
| **Fund Balance Beginning** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 214,983 | 214,983 |
| **Prior Period Adjustment** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Fund Balance Beginning (Restated)** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 214,983 | 214,983 |
| **Fund Balance Ending** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | $ 250,972 | $ 250,972 |

**Dunellen School District**
**Special Revenue Fund**
**Preschool Education Aid Schedule of Expenditures**
**Preschool - All Programs**
**Budgetary Basis**
**For the Fiscal Year Ended June 30, 2024**

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance |
|---|---|---|---|---|---|
| **EXPENDITURES:** | | | | | |
| **Instruction:** | | | | | |
| Salaries of Teachers | $ 203,250 | $ (5,683) | $ 197,567 | $ 197,567 | - |
| Other Salaries for Instruction | 83,844 | 1,000 | 84,844 | 84,844 | - |
| General Supplies | 14,972 | (5,120) | 9,852 | 9,852 | - |
| **Total instruction** | 302,066 | (9,803) | 292,263 | 292,263 | - |
| **Support services:** | | | | | |
| Salaries of Supervisors of Instruction | 15,000 | - | 15,000 | 15,000 | - |
| Salaries of Other Professional Staff | 28,400 | (28,400) | - | - | - |
| Other Salaries | 6,000 | (6,000) | - | - | - |
| Salaries of Community Parent Involv. Spec. | 71,000 | (23,464) | 47,536 | 47,536 | - |
| Salaries of Master Teachers | 80,850 | (19,477) | 61,373 | 61,373 | - |
| Personal Services - Employee Benefits | 151,361 | (84,828) | 66,533 | 66,533 | - |
| Other Puchased Profesional Services | 7,000 | 21,134 | 28,134 | 28,134 | - |
| Travel | 500 | 600 | 1,100 | 1,100 | - |
| Other Objects | 4,093 | (3,905) | 188 | 188 | - |
| **Total support services** | 364,204 | (144,340) | 219,864 | 219,864 | - |
| **Total Expenditures** | $ 666,270 | (154,143) | $ 512,127 | $ 512,127 | - |

**CALCULATION OF BUDGET & CARRYOVER**

| | |
|---|---|
| Total 2023-2024 PreK Aid Allocation | $ 444,180 |
| Add: Actual ECPA Carryover June 30, 2023 | - |
| Add: Budgeted Transfer From General Fund | 67,947 |
| Total Funds Available for 2022-2024 Budget | 512,127 |
| Less: 2023-2024 Budgeted PreK & ECPA (Including prior year budgeted carryover) | $ (512,127) |
| Available & Unbudgeted Funds as of June 30, 2024 | - |
| Add: June 30, 2024 Unexpended PreK Aid | - |
| 2023-2024 Actual Carryover - PreK Aid | - |
| 2023-2024 PreK Carryover Budgeted in 2024-2025 | - |

# CAPITAL PROJECTS FUND
# DETAIL STATEMENTS

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

DUNELLEN SCHOOL DISTRICT

**Exhibit F-1**

## CAPITAL PROJECTS FUND
## SUMMARY STATEMENT OF PROJECT EXPENDITURES

For the Fiscal Year Ended June 30, 2024

| | Approval | Original Date | Original Appropriations | Revised Appropriations | Expenditures to Date Prior Years | Expenditures to Date Current Year | Unexpended Balance June 30, 2024 |
|---|---|---|---|---|---|---|---|
| Sanitary Line Project | Board of Education | 5/3/19 | $ 900,000 | $ 1,079,401 | $ 1,079,401 | - | - |
| Dunellen High School Exterior Doors | Board of Education | 5/3/19 | 130,000 | 108,723 | 108,723 | - | - |
| Dunellen High School Security | Board of Education | 5/3/19 | 790,058 | 17,227 | 17,227 | - | - |
| Faber Elementary Classroom Addition | Board of Education | 5/3/19 | 1,142,066 | 8,741,037 | 3,839,161 | $ 3,407,456 | $ 1,494,420 |
| Referendum Project | Voters | 12/10/19 | 23,800,000 | 23,800,000 | 16,283,059 | 3,310,800 | 4,206,141 |
| | | | $ 26,762,124 | $ 33,746,388 | $ 21,327,571 | 6,718,256 | $ 5,700,561 |
| | | | | | Fund Balances, June 30, 2024 | | $ 5,700,561 |

DUNELLEN SCHOOL DISTRICT

**Exhibit F-2**

## CAPITAL PROJECTS FUND
## SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGETARY BASIS

For the Fiscal Year Ended June 30, 2024

| | |
|---|---|
| **Revenues and Other Financing Sources/(Uses):** | |
| Transfer to Capital Reserve - General Fund | $ (30,841) |
| Total Revenues | (30,841) |
| | |
| **Expenditures and Other Financing Uses** | |
| Professional Fees | 328,944 |
| Construction Services | 6,389,312 |
| Total Expenditures | 6,718,256 |
| | |
| Excess(deficiency) of revenues over(under) expenditures | (6,749,097) |
| | |
| Fund Balance - Beginning | 12,449,658 |
| | |
| Fund Balance - Ending | $ 5,700,561 |

DUNELLEN SCHOOL DISTRICT

**Exhibit F-2a**

**CAPITAL PROJECTS FUND**
**SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,**
**AND PROJECT STATUS-BUDGETARY BASIS**
**SANITARY LINE REPLACEMENT**

From Inception and for the Fiscal Year Ended June 30, 2024

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| **Revenues and Other Financing Sources** | | | | |
| Transfer from Capital Reserve | $ 1,089,631 | $ (10,230) | $ 1,079,401 | $ 1,079,401 |
| Total Revenues | 1,089,631 | (10,230) | 1,079,401 | 1,079,401 |
| **Expenditures and Other Financing Sources** | | | | |
| Purchased Professional and Technical Services | 13,999 | | 13,999 | 13,999 |
| Construction Services | 1,065,402 | | 1,065,402 | 1,065,402 |
| Total Expenditures | 1,079,401 | - | 1,079,401 | 1,079,401 |
| Excess(deficiency) of revenues over(under) expenditures | $ 10,230 | $ (10,230) | - | |
| Project Fund Balance, 6/30/2024 | | | - | |

**Additional project information:**

| | |
|---|---|
| Project Number | N/A |
| Grant Date | N/A |
| Bond Authorization Date | N/A |
| Bonds Authorized | N/A |
| Bonds Issued | N/A |
| Original Authorized Cost | $900,000 |
| Additional Authorized Cost | $179,401 |
| Revised Authorized Cost | $1,079,401 |
| Percentage Increase over Original Authorized Cost | 19.9% |
| Percentage Completion | 100.0% |
| Original Target Completion Date | 6/30/20 |
| Revised Target Completion Date | 6/30/20 |

DUNELLEN SCHOOL DISTRICT

**Exhibit F-2b**

**CAPITAL PROJECTS FUND**
**SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,**
**AND PROJECT STATUS-BUDGETARY BASIS**
**DUNELLEN HIGH SCHOOL EXTERIOR DOORS**

From Inception and for the Fiscal Year Ended June 30, 2024

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| **Revenues and Other Financing Sources** | | | | |
| Transfer from Capital Reserve | $ 129,328 | $ (20,605) | $ 108,723 | $ 108,723 |
| Total Revenues | 129,328 | (20,605) | 108,723 | 108,723 |
| **Expenditures and Other Financing Sources** | | | | |
| Purchased Professional and Technical Services | | | - | |
| Construction Services | 108,723 | | 108,723 | 108,723 |
| Total Expenditures | 108,723 | - | 108,723 | 108,723 |
| Excess(deficiency) of revenues over(under) expenditures | $ 20,605 | $ (20,605) | - | |
| | | Project Fund Balance, 6/30/2024 | - | |

**Additional project information:**

| | |
|---|---|
| Project Number | N/A |
| Grant Date | N/A |
| Bond Authorization Date | N/A |
| Bonds Authorized | N/A |
| Bonds Issued | N/A |
| Original Authorized Cost | $130,000 |
| Additional Authorized Cost | -$21,277 |
| Revised Authorized Cost | $108,723 |
| Percentage Increase over Original Authorized Cost | -16.4% |
| Percentage Completion | 100.0% |
| Original Target Completion Date | 6/30/20 |
| Revised Target Completion Date | 6/30/20 |

DUNELLEN SCHOOL DISTRICT

**Exhibit F-2c**

**CAPITAL PROJECTS FUND**
**SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,**
**AND PROJECT STATUS-BUDGETARY BASIS**
**DUNELLEN HIGH SCHOOL SECURITY**

From Inception and for the Fiscal Year Ended June 30, 2024

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| **Revenues and Other Financing Sources** | | | | |
| Transfer from Capital Reserve | $ 17,233 | $ (6) | $ 17,227 | $ 17,227 |
| Total Revenues | 17,233 | (6) | 17,227 | 17,227 |
| **Expenditures and Other Financing Sources** | | | | |
| Purchased Professional and Technical Services | | | - | |
| Construction Services | 17,227 | | 17,227 | 17,227 |
| Total Expenditures | 17,227 | - | 17,227 | 17,227 |
| Excess(deficiency) of revenues over(under) expenditures | $ 6 | $ (6) | - | |
| | | Project Fund Balance, 6/30/2024 | - | |

**Additional project information:**

| | |
|---|---|
| Project Number | N/A |
| Grant Date | N/A |
| Bond Authorization Date | N/A |
| Bonds Authorized | N/A |
| Bonds Issued | N/A |
| Original Authorized Cost | $790,058 |
| Additional Authorized Cost | -$772,831 |
| Revised Authorized Cost | $17,227 |
| Percentage Increase over Original Authorized Cost | -97.8% |
| Percentage Completion | 100.0% |
| Original Target Completion Date | 6/30/20 |
| Revised Target Completion Date | 6/30/20 |

DUNELLEN SCHOOL DISTRICT

**Exhibit F-2d**

**CAPITAL PROJECTS FUND**
**SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,**
**AND PROJECT STATUS-BUDGETARY BASIS**
**FABER ELEMENTARY CLASSROOM ADDITION**

From Inception and for the Fiscal Year Ended June 30, 2024

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| **Revenues and Other Financing Sources** | | | | |
| Transfer from Capital Reserve | $ 8,741,037 | | $ 8,741,037 | $ 8,741,037 |
| Total Revenues | 8,741,037 | - | 8,741,037 | 8,741,037 |
| **Expenditures and Other Financing Sources** | | | | |
| Purchased Professional and Technical Services | | | - | |
| Construction Services | 3,839,161 | $ 3,407,456 | 7,246,617 | 8,741,037 |
| Total Expenditures | 3,839,161 | 3,407,456 | 7,246,617 | 8,741,037 |
| Excess(deficiency) of revenues over(under) expenditures | $ 4,901,876 | $ (3,407,456) | $ 1,494,420 | |
| | | Project Fund Balance, 6/30/2024 | $ 1,494,420 | |

**Additional project information:**

| | |
|---|---|
| Project Number | N/A |
| Grant Date | N/A |
| Bond Authorization Date | N/A |
| Bonds Authorized | N/A |
| Bonds Issued | N/A |
| Original Authorized Cost | $1,142,066 |
| Additional Authorized Cost | $7,598,971 |
| Revised Authorized Cost | $8,741,037 |
| Percentage Increase over Original Authorized Cost | 665.4% |
| Percentage Completion | 82.9% |
| Original Target Completion Date | 6/30/23 |
| Revised Target Completion Date | 6/30/25 |

DUNELLEN SCHOOL DISTRICT

**Exhibit F-2e**

**CAPITAL PROJECTS FUND**
**SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,**
**AND PROJECT STATUS-BUDGETARY BASIS**
**REFERENDUM PROJECTS**

From Inception and for the Fiscal Year Ended June 30, 2024

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| **Revenues and Other Financing Sources** | | | | |
| Bond Proceeds | $ 23,800,000 | | $ 23,800,000 | $ 23,800,000 |
| Total Revenues | 23,800,000 | - | 23,800,000 | 23,800,000 |
| **Expenditures and Other Financing Sources** | | | | |
| Purchased Professional and Technical Services | 2,134,645 | $ 328,944 | 2,463,589 | 3,570,000 |
| Construction Services | 14,148,414 | 2,981,856 | 17,130,270 | 20,230,000 |
| Total Expenditures | 16,283,059 | 3,310,800 | 19,593,859 | 23,800,000 |
| Excess(deficiency) of revenues over(under) expenditures | $ 7,516,941 | $ (3,310,800) | $ 4,206,141 | |
| | Project Fund Balance, 6/30/2024 | | $ 4,206,141 | |

**Additional project information:**

| | |
|---|---|
| Project Numbers: | |
| DHS Alterations | 1140-040-19-5000 |
| DHS Boilers | 1140-040-19-6000 |
| DHS Tee Center | 1140-040-19-7000 |
| DHS Multiple Renovations | 1140-040-19-8000 |
| DHS Generator | 1140-040-19-9000 |
| DHS Aud, Music Rm, Wood Shop | 1140-040-19-1100 |
| Faber HVAC & Roof | 1140-050-19-4000 |
| Faber Generator | 1140-050-19-6000 |
| Lincoln MS Toilet & Stairwell Renovations | 1140-060-19-2000 |
| Grant Date | N/A |
| Bond Authorization Date | 12/10/19 |
| Bonds Authorized | $23,800,000 |
| Bonds Issued | $23,800,000 |
| Original Authorized Cost | $23,800,000 |
| Additional Authorized Cost | N/A |
| Revised Authorized Cost | $23,800,000 |
| Percentage Increase over Original Authorized Cost | N/A |
| Percentage Completion | 82.3% |
| Original Target Completion Date | 6/30/23 |
| Revised Target Completion Date | 6/30/25 |

# PROPRIETARY FUND
# DETAIL STATEMENTS

Proprietary 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 district's board is that the costs of providing goods or services be financed through user charges.

**Food Services Fund** - This fund provides for the operation of food services in all schools within the school district.

**THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5 AND B-6.**

# FIDUCIARY FUND
# DETAIL STATEMENTS

Fiduciary Funds are defined by GASB No. 84 as four funds. (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds.

**N/A**

# LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

DUNELLEN SCHOOL DISTRICT

**Exhibit I-1**

**SCHEDULE OF SERIAL BONDS**
**AS OF ENDED JUNE 30, 2024**

| ISSUE | DATE OF ISSUE | AMOUNT OF ISSUE | ANNUAL MATURITIES DATE | ANNUAL MATURITIES AMOUNT | INTEREST RATE | BALANCE July 1, 2023 | RETIRED | BALANCE June 30, 2024 |
|---|---|---|---|---|---|---|---|---|
| 2012 Series School Bonds | 12/12/12 | $ 8,005,000 | 7/15/24 | $ 590,000 | 4.00% | $ 4,525,000 | $ (560,000) | $ 3,965,000 |
| | | | 7/15/25 | 620,000 | 4.00% | | | |
| | | | 7/15/26 | 645,000 | 4.00% | | | |
| | | | 7/15/27 | 675,000 | 4.00% | | | |
| | | | 7/15/28 | 705,000 | 4.00% | | | |
| | | | 7/15/29 | 730,000 | 4.00% | | | |
| 2020 Series School Bonds | 3/26/20 | 23,800,000 | 2/15/25 | 1,490,000 | 2.00% | 21,060,000 | (1,440,000) | 19,620,000 |
| | | | 2/15/26 | 1,545,000 | 2.00% | | | |
| | | | 2/15/27 | 1,600,000 | 2.00% | | | |
| | | | 2/15/28 | 1,655,000 | 2.00% | | | |
| | | | 2/15/29 | 1,715,000 | 2.00% | | | |
| | | | 2/15/30 | 1,775,000 | 2.00% | | | |
| | | | 2/15/31 | 1,835,000 | 2.00% | | | |
| | | | 2/15/32 | 1,900,000 | 2.00% | | | |
| | | | 2/15/33 | 1,965,000 | 2.00% | | | |
| | | | 2/15/34 | 2,035,000 | 2.00% | | | |
| | | | 2/15/35 | 2,105,000 | 2.00% | | | |
| Total | | | | | | $ 25,585,000 | $ (2,000,000) | $ 23,585,000 |

DUNELLEN SCHOOL DISTRICT

**Exhibit I-3**

**BUDGETARY COMPARISON SCHEDULE**
**DEBT SERVICE FUND**

For the Fiscal Year Ended June 30, 2024

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Positive/ (Negative) Final to Actual |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Local Sources: | | | | | |
| Local Tax Levy | $ 729,800 | - | $ 729,800 | $ 729,800 | - |
| State Sources: | | | | | |
| Debt Service Aid Type II | 873,112 | - | 873,112 | 873,112 | - |
| **TOTAL REVENUES** | **1,602,912** | **-** | **1,602,912** | **1,602,912** | **-** |
| | | | | | |
| **EXPENDITURES:** | | | | | |
| Regular Debt Service: | | | | | |
| Interest | 591,000 | - | 591,000 | 591,000 | - |
| Redemption of Principal | 2,000,000 | | 2,000,000 | 2,000,000 | - |
| Total Regular Debt Service | 2,591,000 | | 2,591,000 | 2,591,000 | - |
| | | | | | |
| **TOTAL EXPENDITURES** | **2,591,000** | | **2,591,000** | **2,591,000** | - |
| | | | | | |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (988,088) | - | (988,088) | (988,088) | - |
| | | | | | |
| Other Financing Sources: | | | | | |
| Operating Transfers In: | | | | | |
| Capital Reserve-General Fund | 988,088 | - | 988,088 | 988,088 | - |
| Total Financing Sources | 988,088 | | 988,088 | 988,088 | - |
| | | | | | |
| Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures | - | - | - | - | - |
| | | | | | |
| Fund Balance, July 1 | - | | - | - | - |
| **Fund Balance, June 30** | **-** | **-** | **-** | **-** | **-** |
| | | | | | |
| **Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures** | | | | | |
| Budgeted Fund Balance | - | - | - | - | - |

Dunellen School District
**Statistical Section**

**Contents** **Page**


**Financial Trends (J-1 thru J-5)** 94-99
These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.

**Revenue Capacity (J-6 thru J-9)** 100-103
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

**Debt Capacity (J-10 thru J-13)** 104-107
These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.

**Demographic and Economic Information (J-14 and J-15)** 108-109
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

**Operating Information (J-16 thru J-20)** 110-114
These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.


**Sources:**

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.

**Dunellen School District**
**Net Position by Component,**
**Last Ten Fiscal Years**

**Exhibit J-1**

*(accrual basis of accounting)*

| | Fiscal Year Ending June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Governmental activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | $ 9,227,074 | $ 10,160,602 | $ 10,344,543 | $ 10,283,113 | $ 12,772,300 | $ (8,129,076) | $ (5,240,473) | $ 5,272,177 | $ 11,770,228 | $ 18,134,225 |
| Restricted | 1,229,723 | 554,622 | 813,505 | 686,176 | 539,438 | 22,540,241 | 18,712,194 | 14,418,931 | 10,865,005 | 12,742,320 |
| Unrestricted | (3,426,160) | (3,703,158) | (4,267,757) | (3,393,552) | (4,246,240) | (2,225,836) | 2,508,071 | 494,282 | 1,342,310 | (3,360,699) |
| Total governmental activities Net Position | $ 7,030,636 | $ 7,012,066 | $ 6,890,290 | $ 7,575,737 | $ 9,065,498 | $ 12,185,329 | $ 15,979,792 | $ 20,195,390 | $ 23,977,543 | $ 27,515,846 |
| Business-type activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | $ 63,224 | $ 93,102 | $ 63,190 | $ 125,251 | $ 84,329 | $ 70,843 | $ 60,723 | $ 69,764 | $ 57,514 | $ 91,080 |
| Restricted | | | | - | - | - | - | - | - | - |
| Unrestricted | 31,328 | (14,925) | 163,626 | 503,328 | 286,668 | 355,267 | 428,121 | 684,129 | 997,298 | 1,068,641 |
| Total business-type activities Net Position | $ 94,551 | $ 78,177 | $ 226,816 | $ 628,579 | $ 370,997 | $ 426,110 | $ 488,844 | $ 753,893 | $ 1,054,812 | $ 1,159,721 |
| District-wide | | | | | | | | | | |
| Invested in capital assets, net of related debt | $ 9,290,297 | $ 10,253,704 | $ 10,407,733 | $ 10,408,364 | $ 12,856,629 | $ (8,058,233) | $ (5,179,750) | $ 5,341,941 | $ 11,827,742 | $ 18,225,305 |
| Restricted | 1,229,723 | 554,622 | 813,505 | 686,176 | 539,438 | 22,540,241 | 18,712,194 | 14,418,931 | 10,865,005 | 12,742,320 |
| Unrestricted | (3,394,833) | (3,718,083) | (4,104,131) | (2,890,224) | (3,959,572) | (1,870,569) | 2,936,192 | 1,178,411 | 2,339,608 | (2,292,058) |
| Total district Net Position | $ 7,125,187 | $ 7,090,243 | $ 7,117,106 | $ 8,204,316 | $ 9,436,495 | $ 12,611,439 | $ 16,468,636 | $ 20,939,283 | $ 25,032,355 | $ 28,675,567 |

Source: ACFR Scehdule A-1

**Dunellen Borough School District** **Exhibit J-2**
**Changes in Net Position, Last Ten Fiscal Years**
*(accrual basis of accounting)*

| | Fiscal Year Ending June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| **Expenses** | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Instruction | | | | | | | | | | |
| Regular | $ 7,843,984 | $ 9,257,507 | $ 9,096,544 | $ 10,544,290 | $ 10,376,546 | $ 10,138,612 | $ 11,581,294 | $ 12,092,049 | $ 12,199,345 | $ 14,707,473 |
| Special education | 1,903,322 | 2,273,920 | 2,385,209 | 2,765,879 | 2,686,956 | 2,628,777 | 2,805,879 | 2,811,455 | 2,891,181 | 2,648,763 |
| Other special instruction | 897,181 | 897,047 | 1,012,423 | 632,386 | 699,547 | 672,705 | 631,784 | 751,106 | 897,743 | 1,367,220 |
| Support Services: | | | | | | | | | | |
| Tuition | 1,059,862 | 1,047,738 | 884,398 | 858,063 | 951,733 | 891,820 | 621,085 | 912,708 | 950,592 | 1,423,019 |
| Student & instruction related services | 2,437,945 | 3,027,681 | 2,849,076 | 3,250,959 | 3,191,763 | 3,249,766 | 3,767,819 | 3,960,122 | 4,066,579 | 4,883,651 |
| School administrative service | 1,101,739 | 1,170,752 | 1,269,300 | 1,516,422 | 1,527,396 | 1,488,802 | 1,619,312 | 1,570,253 | 1,567,440 | 1,574,335 |
| General and business admin.services | 1,229,543 | 1,377,898 | 1,455,852 | 1,442,529 | 1,479,630 | 1,500,219 | 1,570,236 | 1,551,920 | 1,607,964 | 1,765,177 |
| Plant operations and maintenance | 1,339,700 | 1,399,567 | 1,632,890 | 1,791,859 | 1,753,836 | 1,981,042 | 2,021,401 | 2,239,981 | 2,353,875 | 3,361,468 |
| Pupil transportation | 464,999 | 538,842 | 534,132 | 443,149 | 585,236 | 395,220 | 385,373 | 497,362 | 769,520 | 500,655 |
| Charter Schools | 15,151 | 32,564 | 1,901,680 | | | | | | | |
| Interest on long-term debt | 366,594 | 348,017 | 334,677 | 339,795 | 305,089 | 394,938 | 707,004 | 744,507 | 677,779 | 631,536 |
| Total governmental activities expenses | 18,660,020 | 21,371,532 | 23,356,181 | 23,585,331 | 23,557,732 | 23,341,901 | 25,709,187 | 27,131,463 | 27,982,018 | 32,863,297 |
| Business-type activities: | | | | | | | | | | |
| Food service | 482,100 | 581,155 | 608,480 | 567,122 | 608,805 | 473,884 | 514,821 | 706,276 | 694,950 | 761,811 |
| Preschool Program | | | | 227,519 | 586,772 | 232,501 | 246,181 | 256,885 | 175,883 | 19,850 |
| After Care | | | 523,367 | 178,337 | 273,013 | 188,574 | 106,395 | 79,134 | 99,489 | 206,573 |
| Chrome Program | | | | 2,299 | 15,000 | 1,380 | - | - | - | - |
| Total business-type activities expense | 482,100 | 581,155 | 1,131,846 | 975,277 | 1,483,590 | 896,339 | 867,397 | 1,042,295 | 970,322 | 988,234 |
| Total district expenses | $ 19,142,120 | $ 21,952,687 | $ 24,488,027 | $ 24,560,608 | $ 25,041,322 | $ 24,238,240 | $ 26,576,584 | $ 28,173,758 | $ 28,952,340 | $ 33,851,531 |
| **Program Revenues** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Business and other support services | $ 52,971 | $ 69,268 | $ 66,788 | $ 39,234 | $ 33,570 | $ 15,800 | $ 90,969 | $ 96,384 | $ 166,433 | $ 164,811 |
| Operating grants and contributions | 4,109,328 | 4,090,750 | 7,969,848 | 12,526,015 | 12,990,514 | 12,907,382 | 16,233,552 | 17,941,248 | 18,157,718 | 22,086,616 |
| Capital grants and contributions | | | | | - | - | - | - | - | - |
| Total governmental activities program revenues | 4,162,299 | 4,160,018 | 8,036,635 | 12,565,249 | 13,024,084 | 12,923,182 | 16,324,521 | 18,037,632 | 18,324,151 | 22,251,427 |
| Business-type activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Food service | 223,924 | 243,965 | 284,599 | 265,503 | 280,307 | 201,178 | 1,337 | 88,231 | 272,826 | 260,491 |
| Preschool Program | | | 453,795 | 443,300 | 264,500 | 227,500 | 244,287 | 263,095 | 283,058 | 11,000 |
| After Care | | | 192,888 | 292,766 | 300,441 | 214,174 | 30,976 | 179,937 | 163,870 | 265,455 |
| Chrome Program | | | | 9,100 | 10,260 | 7,715 | 20 | - | - | - |
| Operating grants and contributions | 278,663 | 320,815 | 349,204 | 360,880 | 363,014 | 300,885 | 653,511 | 776,081 | 551,487 | 556,197 |
| Capital grants and contributions | | | | - | - | - | - | - | - | - |
| Total business type activities program revenues | 502,587 | 564,780 | 1,280,486 | 1,371,549 | 1,218,522 | 951,452 | 930,131 | 1,307,344 | 1,271,241 | 1,093,143 |
| Total district program revenues | $ 4,664,886 | $ 4,724,798 | $ 9,317,121 | $ 13,936,798 | $ 14,242,606 | $ 13,874,634 | $ 17,254,652 | $ 19,344,976 | $ 19,595,392 | $ 23,344,570 |
| **Net (Expense)/Revenue** | | | | | | | | | | |
| Governmental activities | $ (14,497,721) | $ (17,211,513) | $ (15,319,546) | $ (11,020,082) | $ (10,533,648) | $ (10,418,719) | $ (9,384,666) | $ (9,093,831) | $ (9,657,867) | $ (10,611,870) |
| Business-type activities | 20,487 | (16,375) | 148,640 | 396,272 | (265,068) | 55,113 | 62,734 | 265,049 | 300,919 | 104,909 |
| Total district-wide net expense | $ (14,477,234) | $ (17,227,888) | $ (15,170,906) | $ (10,623,810) | $ (10,798,716) | $ (10,363,606) | $ (9,321,932) | $ (8,828,782) | $ (9,356,948) | $ (10,506,961) |

continued

**Dunellen Borough School District** **Exhibit J-2**

**Changes in Net Position, Last Ten Fiscal Years**

*(accrual basis of accounting)*

| | Fiscal Year Ending June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| **General Revenues and Other Changes in Net Position** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property taxes levied for general purposes, net | $ 9,289,944 | $ 9,931,548 | $ 10,249,324 | $ 10,907,075 | $ 11,482,347 | $ 12,079,439 | $ 12,321,028 | $ 12,505,844 | $ 12,630,903 | $ 12,883,521 |
| Taxes levied for debt service | 783,097 | 427,585 | 446,050 | 718,825 | 519,950 | 723,050 | 728,201 | 727,900 | 731,798 | 729,800 |
| Investment earnings | | | | 2,815 | 2,511 | 12,300 | 40,226 | 35,425 | 32,261 | 270,276 |
| Miscellaneous income | 60,913 | 100,114 | 68,308 | 76,814 | 18,601 | 528,560 | 89,674 | 30,260 | 55,058 | 266,576 |
| Federal and State Aid for Capital Assets Projects | 5,503,013 | 6,733,705 | 4,434,087 | | | | | | | |
| Transfers | 50,000 | | | | | | | | | |
| Total governmental activities | 15,686,967 | 17,192,952 | 15,197,769 | 11,705,529 | 12,024,409 | 13,343,349 | 13,179,129 | 13,299,429 | 13,450,020 | 14,150,173 |
| Business-type activities: | | | | | | | | | | |
| Investment earnings | | | | 5,491 | 7,486 | - | - | - | - | - |
| Transfers | (50,000) | | | | - | - | - | - | - | - |
| Total business-type activities | (50,000) | - | - | 5,491 | 7,486 | - | - | - | - | - |
| Total district-wide | $ 15,636,967 | $ 17,192,952 | $ 15,197,769 | $ 11,711,020 | $ 12,030,895 | $ 13,343,349 | $ 13,179,129 | $ 13,299,429 | $ 13,450,020 | $ 14,150,173 |
| **Change in Net Position** | | | | | | | | | | |
| Governmental activities | $ 1,189,246 | $ (18,561) | $ (121,777) | $ 685,447 | $ 1,489,761 | $ 2,924,630 | $ 3,794,463 | $ 4,205,598 | $ 3,792,153 | $ 3,538,303 |
| Business-type activities | (29,513) | (16,375) | 148,640 | 401,763 | (257,582) | 55,113 | 62,734 | 265,049 | 300,919 | 104,909 |
| Total district | $ 1,159,733 | $ (34,936) | $ 26,863 | $ 1,087,210 | $ 1,232,179 | $ 2,979,743 | $ 3,857,197 | $ 4,470,647 | $ 4,093,072 | $ 3,643,212 |

Source: ACFR Schedule A-2

**Dunellen School District** **Exhibit J-3**
**Fund Balances, Governmental Funds,**
**Last Ten Fiscal Years**
*(modified accrual basis of accounting)*

| | Fiscal Year Ending June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| General Fund | | | | | | | | | | |
| Reserved | $ 835,391 | $ 551,349 | $ 805,027 | $ 967,167 | $ 539,438 | $ 1,308,128 | $ 3,453,176 | $ 4,273,258 | $ 4,468,453 | $ 8,438,941 |
| Unreserved | (284,536) | (178,579) | (250,215) | (233,943) | (414,057) | (402,519) | (125,643) | (107,734) | (527,260) | (832,274) |
| Total general fund | $ 550,855 | $ 372,770 | $ 554,812 | $ 733,224 | $ 125,381 | $ 905,609 | $ 3,327,533 | $ 4,165,524 | $ 3,941,193 | $ 7,606,667 |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | | | | $ 223,219 | | $ 2,700,972 | $ 7,712,891 | $ 5,564,810 | $ 6,211,345 | $ 1,146,288 |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue fund | | | | | | | | | | (55,522) |
| Capital projects fund | $ 394,330 | $ 3,272 | $ 8,477 | 459,379 | 504,942 | 21,498,861 | 15,124,120 | 10,062,002 | 6,453,296 | 4,805,245 |
| Debt service fund | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | - | - |
| Total all other governmental funds | $ 394,331 | $ 3,273 | $ 8,478 | $ 682,599 | $ 504,943 | $ 24,199,834 | $ 22,837,013 | $ 15,626,814 | $ 12,664,641 | $ 5,896,011 |

Source: ACFR Schedule B-1

**Dunellen School District** **Exhibit J-4**
**Changes in Fund Balances, Governmental Funds,**
**Last Ten Fiscal Years**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | |
| Tax levy | $ 10,376,158 | $ 10,643,673 | $ 10,966,574 | $ 11,625,900 | $ 12,002,297 | $ 12,802,489 | $ 13,049,229 | $ 13,233,744 | $ 13,362,701 | $ 13,613,321 |
| Tuition | 52,971 | 69,268 | 66,788 | 39,234 | 33,570 | 15,800 | - | - | 5,050 | 300 |
| Miscellaneous | 60,913 | 100,114 | 68,309 | 79,629 | 21,112 | 540,860 | 220,869 | 162,069 | 248,702 | 701,363 |
| State sources | 7,675,392 | 7,268,685 | 7,467,746 | 8,213,778 | 10,138,756 | 11,290,575 | 12,384,278 | 16,541,269 | 18,173,036 | 22,007,562 |
| Federal sources | 577,233 | 599,276 | 563,108 | 572,055 | 608,636 | 340,370 | 1,102,971 | 1,312,361 | 1,177,701 | 1,824,693 |
| Total revenue | 18,742,668 | 18,681,017 | 19,132,525 | 20,530,596 | 22,804,371 | 24,990,094 | 26,757,347 | 31,249,443 | 32,967,190 | 38,147,239 |
| **Expenditures** | | | | | | | | | | |
| Instruction | | | | | | | | | | |
| Regular Instruction | 5,018,079 | 5,042,670 | 5,027,477 | 5,374,906 | 5,667,051 | 5,456,007 | 6,076,135 | 6,581,960 | 7,028,868 | 8,930,241 |
| Special education instruction | 1,290,654 | 1,337,392 | 1,605,807 | 1,419,284 | 1,452,456 | 1,451,539 | 1,429,257 | 1,598,366 | 1,870,492 | 1,544,717 |
| Other special instruction | 593,717 | 526,119 | 605,155 | 632,386 | 699,547 | 672,705 | 631,784 | 751,106 | 897,743 | 1,367,220 |
| Support Services: | | | | | | | | | | |
| Tuition | 1,059,862 | 1,047,738 | 884,398 | 858,063 | 951,733 | 891,820 | 621,085 | 912,708 | 950,592 | 1,423,019 |
| Student & instruction related services | 1,682,056 | 1,815,612 | 1,770,677 | 1,904,364 | 1,957,263 | 2,072,528 | 2,391,197 | 2,747,033 | 3,045,890 | 3,779,605 |
| School administrative services | 623,874 | 629,053 | 714,014 | 730,993 | 806,666 | 801,123 | 816,552 | 861,881 | 970,117 | 928,901 |
| Other administrative services | 897,592 | 893,097 | 979,750 | 927,389 | 1,007,372 | 1,049,866 | 984,464 | 1,087,852 | 1,217,499 | 1,342,824 |
| Plant operations and maintenance | 1,253,185 | 1,281,953 | 1,220,880 | 1,253,391 | 1,402,328 | 1,553,952 | 1,520,051 | 1,799,898 | 1,861,782 | 2,570,976 |
| Pupil transportation | 464,999 | 538,842 | 534,132 | 443,149 | 585,236 | 395,220 | 385,373 | 497,362 | 769,520 | 500,655 |
| Unallocated employee benefits | 3,878,768 | 4,321,120 | 4,517,526 | 5,155,928 | 5,733,229 | 6,309,844 | 6,352,985 | 8,126,024 | 8,506,139 | 9,277,890 |
| Summer School | | | | - | - | - | - | - | - | - |
| Charter School | 15,151 | 32,564 | 51,716 | 29,528 | 13,876 | 30,634 | 11,375 | 20,259 | - | 133,848 |
| Capital Outlay | 1,205,481 | 1,071,876 | 316,497 | 229,857 | 2,593,163 | 3,101,888 | 3,357,418 | 10,121,504 | 6,466,127 | 6,859,499 |
| Debt service: | | | | | | | | | | |
| Principal | 955,000 | 420,000 | 440,000 | 455,000 | 470,000 | 485,000 | 500,000 | 1,860,000 | 1,935,000 | 2,000,000 |
| Interest and other charges | 320,390 | 292,125 | 277,250 | 263,825 | 249,950 | 238,050 | 620,568 | 655,698 | 633,925 | 591,000 |
| Total expenditures | 19,258,806 | 19,250,161 | 18,945,277 | 19,678,063 | 23,589,870 | 24,510,176 | 25,698,244 | 37,621,651 | 36,153,694 | 41,250,395 |
| Excess (Deficiency) of revenues over (under) expenditures | (516,138) | (569,144) | 187,247 | 852,533 | (785,499) | 479,918 | 1,059,103 | (6,372,208) | (3,186,504) | (3,103,156) |
| **Other Financing Sources (uses)** | | | | | | | | | | |
| Bond Proceeds | | | | | | 23,800,000 | | | | |
| Transfers in | | | | 796,956 | 2,553,905 | 2,500,000 | 2,217,258 | 3,229,262 | 4,285,182 | 1,025,194 |
| Transfers out | | | | (796,956) | (2,553,905) | (2,500,000) | (2,217,258) | (3,229,262) | (4,285,182) | (1,025,194) |
| Total other financing sources (uses) | - | - | - | - | - | 23,800,000 | - | - | - | - |
| Net change in fund balances | $ (516,138) | $ (569,144) | $ 187,247 | $ 852,533 | $ (785,499) | $ 24,279,918 | $ 1,059,103 | $ (6,372,208) | $ (3,186,504) | $ (3,103,156) |
| Debt service as a percentage of noncapital expenditures | 7.1% | 3.9% | 3.9% | 3.7% | 3.4% | 3.4% | 5.0% | 9.1% | 8.7% | 7.5% |

Source: ACFR Schedule B-2

DUNELLEN SCHOOL DISTRICT

GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-5

| Fiscal Year Ended June 30, | Interest on Investments | Refund Prior Year Expenditures | Tuition | Miscellaneous | Total |
|---|---|---|---|---|---|
| 2015 | $ 2,713 | $ 24,245 | $ 52,971 | $ 23,972 | $ 103,901 |
| 2016 | 1,839 | 28,382 | 69,268 | 66,606 | 166,096 |
| 2017 | | | 66,788 | 60,336 | 127,123 |
| 2018 | 2,815 | | 39,234 | 70,960 | 113,009 |
| 2019 | 2,511 | | 33,570 | 18,582 | 54,663 |
| 2020 | 12,300 | | 15,800 | 528,560 | 556,660 |
| 2021 | 40,226 | 59,632 | - | 30,042 | 129,900 |
| 2022 | 35,425 | 5,170 | - | 9,720 | 50,315 |
| 2023 | 32,261 | 2,483 | 5,050 | 37,764 | 77,558 |
| 2024 | 270,276 | 101,895 | 300 | 125,180 | 497,651 |

SOURCE: District Records

**Dunellen School District** **Exhibit J-6**
**Assessed Value and Actual Value of Taxable Property,**
**Last Ten Fiscal Years**

| Fiscal Year Ended June 30, | Vacant Land | Residential | Apartment | Commercial | Industrial | Total Assessed Value | Less: Tax-Exempt Property | Public Utilities **a** | Net Valuation Taxable | Total Direct School Tax Rate **b** | Estimated Actual (County Equalized Value) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 2015 | $664,000 | $124,540,800 | $1,514,200 | $14,292,400 | $3,136,300 | $144,147,726 | | $26 | $144,147,726 | $7.115 | $553,084,033 |
| 2016 | 581,200 | 124,891,400 | 1,514,200 | 14,232,100 | 3,136,300 | 144,355,226 | | 26 | 144,355,226 | 7.281 | 568,041,053 |
| 2017 | 566,500 | 125,040,800 | 1,514,200 | 14,073,200 | 3,136,300 | 144,331,025 | | 25 | 144,331,025 | 7.486 | 593,466,308 |
| 2018 | 459,100 | 125,333,000 | 1,514,200 | 14,133,200 | 3,136,300 | 144,575,824 | | 24 | 144,575,824 | 7.813 | 601,419,131 |
| 2019 | 497,300 | 125,490,900 | 1,514,200 | 14,113,200 | 3,136,300 | 162,718,625 | $17,966,700 | 25 | 144,751,925 | 8.161 | 597,114,728 |
| 2020 | 1,656,900 | 559,917,700 | 7,727,400 | 69,589,200 | 16,364,800 | 706,870,425 | 51,614,400 | 25 | 655,256,025 | 1.893 | 622,635,344 |
| 2021 | 6,681,700 | 560,138,300 | 7,727,400 | 68,916,400 | 6,814,800 | 701,893,100 | 51,614,400 | 100 | 650,278,700 | 1.988 | 647,453,489 |
| 2022 | 7,941,300 | 607,958,600 | 8,138,200 | 63,758,400 | 7,407,900 | 749,136,901 | 53,932,500 | 1 | 695,204,401 | 1.891 | 691,881,296 |
| 2023 | 7,837,300 | 708,649,100 | 9,744,300 | 65,185,800 | 7,064,200 | 852,719,700 | 54,239,000 | 0 | 798,480,700 | 1.665 | 775,872,344 |
| 2024 | 7,722,900 | 752,756,700 | 10,604,500 | 67,514,600 | 7,064,200 | 898,759,100 | 53,096,100 | 100 | 845,663,000 | 1.595 | 854,549,920 |

Source: District records Tax list summary & Municipal Tax Assessor

**Note:** Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

**a** Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

**b** Tax rates are per $100

**Dunellen School District** **Exhibit J-7**
**Direct and Overlapping Property Tax Rates**
**Last Ten Fiscal Years**
*(rate per $100 of assessed value)*

| Fiscal Year Ended June 30, | Dunellen Board of Education | | | | | | |
|---|---|---|---|---|---|---|---|
| | Basic Rate [a] | General Obligation Debt Service [b] | Total Direct | Borough of Dunellen | Library | Middlesex County | Total Direct and Overlapping Tax Rate |
| 2015 | $6.368 | $0.747 | $7.115 | $3.278 | | $1.525 | $11.918 |
| 2016 | $7.220 | $0.061 | $7.281 | $3.331 | | $1.564 | $12.176 |
| 2017 | $7.434 | $0.052 | $7.486 | $3.389 | | $1.612 | $12.487 |
| 2018 | $7.316 | $0.497 | $7.813 | $3.490 | | $1.656 | $12.959 |
| 2019 | $7.802 | $0.359 | $8.161 | $3.706 | | $1.638 | $13.505 |
| 2020 | $1.783 | $0.110 | $1.893 | $0.842 | | $0.368 | $3.103 |
| 2021 | $1.876 | $0.112 | $1.988 | $0.872 | | $0.389 | $3.249 |
| 2022 | $1.786 | $0.105 | $1.891 | $0.824 | | $0.392 | $3.107 |
| 2023 | $1.573 | $0.092 | $1.665 | $0.721 | | $0.374 | $2.760 |
| 2024 | $1.509 | $0.086 | $1.595 | $0.739 | | $0.373 | $2.707 |

Source: District Records and Municipal Tax Collector

**Note:**

NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

**a** The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

**b** Rates for debt service are based on each year's requirements.

**Dunellen School District** **Exhibit J-8**
**Principal Property Tax Payers,**
**Current Year and Nine Years Ago**

| | 2024 | | | 2015 | | |
|---|---|---|---|---|---|---|
| Taxpayer | Taxable Assessed Value | Rank [Optional] | % of Total District Net Assessed Value | Taxable Assessed Value | Rank [Optional] | % of Total District Net Assessed Value |
| Dunellen Associates | $ 2,100,000 | 1 | 1.45% | $ 2,100,000 | 1 | 1.47% |
| Provident Savings Bank | 404,400 | 2 | 0.28% | 594,000 | 2 | 0.42% |
| Verizon | 309,000 | 3 | 0.21% | | | |
| Sunrise Industries | 400,000 | 4 | 0.28% | 453,000 | 3 | 0.32% |
| Retail Development Assoc. | 401,600 | 5 | 0.28% | 401,600 | 4 | 0.28% |
| A&M Gardens, Inc. | 375,000 | 6 | 0.26% | 375,000 | 6 | 0.0026 |
| UMI Associates | 374,000 | 7 | 0.26% | 400,000 | 5 | 0.28% |
| Friend Well Plaza | 855,100 | 8 | 0.59% | | | |
| Peter J. Riccio | 322,000 | 9 | 0.22% | 322,000 | 7 | 0.23% |
| Summit Federal Savings | 236,000 | 10 | 0.16% | - | | |
| Valstir, LLC | | | | 300,000 | 10 | 0.21% |
| Ronald Papieo | | | | 309,000 | 8 | 0.22% |
| Petra Heleniak | | | | 300,800 | 9 | 0.21% |
| Total | $ 5,777,100 | | 3.99% | $ 5,555,400 | | 3.90% |

Source: District ACFR & Municipal Tax Assessor

**Dunellen School District** **Exhibit J-9**
**Property Tax Levies and Collections,**
**Last Ten Fiscal Years**

| Fiscal Year Ended June 30, | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years |
|---|---|---|---|---|
| | | Amount | Percentage of Levy | |
| 2015 | $10,376,158 | $10,376,158 | 100.00% | - |
| 2016 | $10,643,673 | $10,643,673 | 100.00% | - |
| 2017 | $10,966,574 | $10,966,574 | 100.00% | - |
| 2018 | $11,625,900 | $11,625,900 | 100.00% | - |
| 2019 | $12,002,297 | $12,002,297 | 100.00% | - |
| 2020 | $12,802,489 | $12,802,489 | 100.00% | - |
| 2021 | $13,049,229 | $13,049,229 | 100.00% | - |
| 2022 | $13,233,744 | $13,233,744 | 100.00% | - |
| 2023 | $13,362,701 | $13,362,701 | 100.00% | - |
| 2024 | $13,613,321 | $13,613,321 | 100.00% | - |

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

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

**Dunellen School District** **Exhibit J-10**
**Ratios of Outstanding Debt by Type**
**Last Ten Fiscal Years**

| | Governmental Activities | | | | Business-Type Activities | | | |
|---|---|---|---|---|---|---|---|---|
| Fiscal Year Ended June 30, | General Obligation Bonds [b] | Certificates of Participation | Capital Leases | Bond Anticipation Notes (BANs) | Capital Leases | Total District | Percentage of Personal Income [a] | Per Capita [a] |
| 2015 | $9,305,000 | -0- | -0- | -0- | -0- | $9,305,000 | 2.40% | $1,261 |
| 2016 | $8,885,000 | -0- | -0- | -0- | -0- | $8,885,000 | 2.25% | $1,203 |
| 2017 | $7,930,000 | -0- | -0- | -0- | -0- | $7,930,000 | 2.01% | $1,075 |
| 2018 | $7,035,000 | -0- | -0- | -0- | -0- | $7,035,000 | 1.90% | $1,016 |
| 2019 | $6,565,000 | -0- | -0- | -0- | -0- | $6,565,000 | 1.57% | $903 |
| 2020 | $29,880,000 | -0- | -0- | -0- | -0- | $29,880,000 | 6.79% | $4,149 |
| 2021 | $29,380,000 | -0- | -0- | -0- | -0- | $29,380,000 | 6.48% | $4,114 |
| 2022 | $27,520,000 | -0- | -0- | -0- | -0- | $27,520,000 | 5.46% | $3,636 |
| 2023 | $25,585,000 | -0- | -0- | -0- | -0- | $25,585,000 | 4.81% | $3,378 |
| 2024 | $23,585,000 | -0- | -0- | -0- | -0- | $23,585,000 | 4.07% | $2,885 |

Source: District ACFR Schedules I-1, I-2

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

**a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

**b** Includes Early Retirement Incentive Plan (ERIP) refunding

**Dunellen School District** **Exhibit J-11**
**Ratios of Net General Bonded Debt Outstanding**
**Last Ten Fiscal Years**

| | General Bonded Debt Outstanding | | | | |
|---|---|---|---|---|---|
| Fiscal Year Ended June 30, | General Obligation Bonds | Deductions | Net General Bonded Debt Outstanding | Percentage of Actual Taxable Value [a] of Property | Per Capita [b] |
| 2015 | $8,350,000 | -0- | $8,350,000 | 5.79% | $1,261 |
| 2016 | $7,930,000 | -0- | $7,930,000 | 5.49% | $1,203 |
| 2017 | $7,490,000 | -0- | $7,490,000 | 5.19% | $1,075 |
| 2018 | $7,035,000 | -0- | $7,035,000 | 4.87% | $1,016 |
| 2019 | $6,565,000 | -0- | $6,565,000 | 4.54% | $903 |
| 2020 | $29,880,000 | -0- | $29,880,000 | 4.56% | $4,149 |
| 2021 | $29,380,000 | -0- | $29,380,000 | 4.52% | $4,114 |
| 2022 | $27,520,000 | -0- | $27,520,000 | 3.96% | $3,636 |
| 2023 | $25,585,000 | -0- | $25,585,000 | 3.20% | $3,378 |
| 2024 | $23,585,000 | -0- | $23,585,000 | 2.79% | $2,885 |

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

**Dunellen School District** **Exhibit J-12**
**Ratios of Overlapping Governmental Activities Debt**
**As of June 30, 2024**

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable [a] | Estimated Share of Overlapping Debt |
|---|---|---|---|
| **Debt repaid with property taxes** | | | |
| Borough of Dunellen | $ 18,023,118 | 100.000% | $ 18,023,118 |
| **Other debt** | | | |
| Middlesex County | 573,306,641 | 0.630% | 3,609,760 |
| Subtotal, overlapping debt | | | 21,632,878 |
| **Dunellen School District Direct Debt** | | | 23,585,000 |
| **Total direct and overlapping debt** | | | $ 45,217,878 |

**Sources:** Township Finance Officer, Middlesex County Finance Office and Utility Authorities

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

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

**Dunellen School District**
**Legal Debt Margin Information,**
**Last Ten Fiscal Years**

**Exhibit J-13**

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

| | | Equalized valuation basis |
|---|---|---|
| 2021 | | 739,107,379 |
| 2022 | | 847,014,639 |
| 2023 | | 898,876,482 |
| | **[A]** | $ 2,484,998,500 |
| Average equalized valuation of taxable property | **[A/3]** | $ 828,332,833 |
| Debt limit (4 % of average equalization value) | **[B]** | 33,133,313 |
| Net school debt | **[C]** | 23,585,000 |
| Legal debt margin | **[B-C]** | $ 9,548,313 |

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Debt limit | $ 22,711,681 | $ 23,057,618 | $ 23,057,618 | $ 17,584,955 | $ 18,039,003 | $ 24,665,486 | $ 25,790,548 | $ 27,453,355 | $ 30,135,009 | $ 33,133,313 |
| Total net debt applicable to limit | 9,305,000 | 7,930,000 | 7,490,000 | 7,035,000 | 6,565,000 | 29,880,000 | 29,380,000 | 27,520,000 | 25,585,000 | 23,585,000 |
| Legal debt margin | $ 13,406,681 | $ 15,127,618 | $ 15,567,618 | $ 10,549,955 | $ 11,474,003 | $ (5,214,514) | $ (3,589,452) | $ (66,645) | $ 4,550,009 | $ 9,548,313 |
| Total net debt applicable to the limit as a percentage of debt limit | 40.97% | 34.39% | 32.48% | 40.01% | 36.39% | 121.14% | 113.92% | 100.24% | 84.90% | 71.18% |

Source: Abstract of Ratables and District Records ACFR Schedule J-7

**a** Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

**Dunellen School District** **Exhibit J-14**
**Demographic and Economic Statistics**
**Last Ten Fiscal Years**

| Year | Population [a] | Personal Income (thousands of dollars) [b] | Per Capita Personal Income [c] | Unemployment Rate [d] |
|---|---|---|---|---|
| 2015 | 7,285 | $ 395,289,984 | $ 54,542 R | 4.9% |
| 2016 | 7,283 | $ 405,108,760 | $ 56,207 R | 4.3% |
| 2017 | 7,259 | $ 418,910,254 | $ 57,889 R | 4.2% |
| 2018 | 7,257 | $ 418,737,460 | $ 60,547 R | 3.6% |
| 2019 | 7,229 | $ 418,852,656 | $ 62,665 R | 3.2% |
| 2020 | 7,195 | $ 439,790,130 | $ 66,640 R | 9.0% |
| 2021 | 7,141 | $ 453,146,437 | $ 70,221 R | 5.7% |
| 2022 | 7,568 | $ 504,331,520 | $ 70,951 R | 3.1% |
| 2023 | 7,575 | $ 531,924,075 | $ 70,951 * | 4.2% |
| 2024 | 8,176 | $ 580,095,376 | $ 70,951 * | * |

**Source:**

[a] Combined Population information provided by the NJ Dept of Labor and Workforce Development

[b] Personal Income provided by US Dept of Commerce

[c] Per Capita provided by US Dept of Commerce

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

R =Revised
P =Projected
* Current data unavailable

**Dunellen School District**
**Principal Employers,**
**Current Year and Nine Years Ago**

**Exhibit J-15**

**N/A**

| | 2024 | | | 2015 | | |
|---|---|---|---|---|---|---|
| **Employer** | **Employees** | **Rank (Optional)** | **Percentage of Total Employment** | **Employees** | **Rank (Optional)** | **Percentage of Total Employment** |
| | | 1 | 0.00% | | | 0.00% |
| | | 2 | 0.00% | | | 0.00% |
| | | 3 | 0.00% | | | 0.00% |
| | | 4 | 0.00% | | | 0.00% |
| | | 5 | 0.00% | | | 0.00% |
| | | 6 | 0.00% | | | 0.00% |
| | | 7 | 0.00% | | | 0.00% |
| | | 8 | 0.00% | | | 0.00% |
| | | 9 | 0.00% | | | 0.00% |
| | | 10 | 0.00% | | | 0.00% |
| | - | | 0.00% | - | | 0.00% |

**Source:**
No reliable information is available at the local or county level.

**Dunellen School District** **Exhibit J-16**
**Full-time Equivalent District Employees by Function/Program,**
**Last Ten Fiscal Years**

| Function/Program | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Instruction | | | | | | | | | | |
| Regular | 83.0 | 83.0 | 83.0 | 85.0 | 86.0 | 88.0 | 88.0 | 87.0 | 87.1 | 98.0 |
| Special education | 27.0 | 28.0 | 29.0 | 30.0 | 31.0 | 31.0 | 31.0 | 28.0 | 29.0 | 21.0 |
| Other special education | 10.3 | 10.3 | 10.3 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 10.0 | 9.0 |
| Other Instruction | 2.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 | 0.0 |
| Support Services: | | | | | | | | | | |
| Student & instruction related services | 12.0 | 12.0 | 13.0 | 13.0 | 13.0 | 13.0 | 14.0 | 14.0 | 18.0 | 20.0 |
| School administrative services | 12.5 | 12.5 | 12.5 | 12.5 | 12.5 | 12.5 | 12.5 | 12.4 | 13.0 | 14.0 |
| Business adminsitrative services | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 5.0 |
| Central Services and admin IT | 6.3 | 6.3 | 6.3 | 6.3 | 6.3 | 6.3 | 6.3 | 6.3 | 9.0 | 9.0 |
| Plant operations and maintenance | 1.0 | 16.0 | 16.0 | 16.0 | 16.0 | 16.0 | 16.0 | 14.0 | 24.0 | 20.5 |
| Food Service | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.0 | 0.0 |
| Total | 156.4 | 173.4 | 175.4 | 180.1 | 182.1 | 184.1 | 185.1 | 179.0 | 192.1 | 196.5 |

**Source:** District Personnel Records

**Dunellen School District**
**Operating Statistics**
**Last Ten Fiscal Years**

**Exhibit J-17**

| Fiscal Year | Enrollment [d] | Operating Expenditures [a] | Cost Per Pupil | Percentage Change | Teaching Staff [b] | Pupil/Teacher Ratio | | | Average Daily Enrollment (ADE) [c] | Average Daily Attendance (ADA) [c] | % Change in Average Daily Enrollment | Student Attendance Percentage |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Elementary | Middle School | High School | | | | |
| 2015 | 1,155 | $16,777,935 | $14,526 | 4.65% | 109 | 1:11 | 1:11 | 1:11 | 1,158.9 | 1,102.3 | 0.72% | 95.1% |
| 2016 | 1,127 | 17,466,160 | 15,498 | 6.69% | 110 | 1:10 | 1:10 | 1:10 | 1,127.0 | 1,087.6 | -2.75% | 96.5% |
| 2017 | 1,187 | 17,911,530 | 15,090 | -2.63% | 110 | 1:11 | 1:11 | 1:11 | 1,187.0 | 1,089.9 | 5.32% | 91.8% |
| 2018 | 1,211 | 18,959,238 | 15,656 | 3.75% | 112 | 1:11 | 1:11 | 1:11 | 1,211.0 | 1,138.3 | 2.02% | 94.0% |
| 2019 | 1,239 | 22,869,920 | 18,458 | 17.90% | 114 | 1:11 | 1:11 | 1:11 | 1,239.0 | 1,178.0 | 2.31% | 95.1% |
| 2020 | 1,250 | 23,787,126 | 19,030 | 3.10% | 116 | 1:11 | 1:11 | 1:11 | 1,256.0 | 1,215.0 | 1.37% | 96.7% |
| 2021 | 1,237 | 24,577,676 | 19,869 | 4.41% | 116 | 1:11 | 1:11 | 1:11 | 1,222.5 | 1,162.1 | -2.67% | 95.1% |
| 2022 | 1,215 | 35,105,953 | 28,894 | 45.42% | 115 | 1:11 | 1:11 | 1:11 | 1,232.7 | 1,163.9 | 0.83% | 94.4% |
| 2023 | 1,311 | 33,584,769 | 25,618 | -11.34% | 116 | 1:11 | 1:11 | 1:11 | 1,302.0 | 1,225.7 | 5.62% | 94.1% |
| 2024 | 1,348 | 38,659,395 | 28,679 | 11.95% | 119 | 1:11 | 1:11 | 1:11 | 1,363.9 | 1,289.7 | 4.75% | 94.6% |

**Sources:** District records, ASSA and Schedule J-4

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

a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-2
b Teaching staff includes only full-time equivalents of certificated staff.
c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
d Enrollment for FY2009 forward includes student counts for tuition students.

**Dunellen School District**
**School Building Information**
**Last Ten Fiscal Years**

**Exhibit J-18**

| District Building | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Elementary** | | | | | | | | | | |
| JOHN P. FABER | | | | | | | | | | |
| Square Feet | 77,961 | 77,961 | 77,961 | 77,961 | 77,961 | 77,961 | 77,961 | 77,961 | 77,961 | 77,961 |
| Capacity (students) | 610 | 610 | 610 | 610 | 610 | 610 | 610 | 610 | 610 | 610 |
| Enrollment | 556 | 512 | 512 | 550 | 576 | 604 | 592 | 587 | 623 | 617 |
| **Middle School** | | | | | | | | | | |
| LINCOLN MIDDLE SCHOOL | | | | | | | | | | |
| Square Feet | 26,248 | 26,248 | 26,248 | 26,248 | 26,248 | 26,248 | 26,248 | 26,248 | 26,248 | 26,248 |
| Capacity (students) | 301 | 301 | 301 | 301 | 301 | 301 | 301 | 301 | 301 | 301 |
| Enrollment | 280 | 289 | 289 | 296 | 284 | 290 | 288 | 278 | 300 | 331 |
| **High School** | | | | | | | | | | |
| DUNELLEN HIGH SCHOOL | | | | | | | | | | |
| Square Feet | 81,881 | 81,881 | 81,881 | 81,881 | 81,881 | 81,881 | 81,881 | 81,881 | 81,881 | 81,881 |
| Capacity (students) | 432 | 432 | 432 | 432 | 432 | 432 | 432 | 432 | 432 | 432 |
| Enrollment | 319 | 345 | 345 | 365 | 379 | 356 | 357 | 350 | 388 | 400 |

Number of Schools at June 30, 2024
Elementary = 1

Middle = 1
Senior High School = 1

**Source:** District records, ASSA

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

DUNELLEN SCHOOL DISTRICT

GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
Last Ten Fiscal Years Ending June 30, 2024

Exhibit J-19

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

| School Facilities | Project # | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Dunellen High School | | $ 63,792 | $ 96,805 | $ 132,964 | $ 118,390 | $ 118,390 | $ 118,390 | $ 118,390 | $ 128,530 | $ 128,530 | $ 128,530 | $ 1,152,711 |
| John P. Faber School | | 60,892 | 92,405 | 126,598 | 112,721 | 112,721 | 112,721 | 112,721 | 122,375 | 122,375 | 122,375 | 1,097,904 |
| Lincoln Middle School | | 20,297 | 30,802 | 42,623 | 37,951 | 78,938 | 43,316 | 1,920 | 2,084 | (15,278) | 237,353 | 480,006 |
| Total School Facilities | | 144,981 | 220,012 | 302,185 | 269,062 | 310,049 | 274,427 | 233,031 | 252,989 | 235,627 | 488,258 | 2,730,621 |
| Other Facilities | | NONE | NONE | NONE | NONE | NONE | NONE | NONE | NONE | NONE | NONE | NONE |
| **Grand Total** | | **$ 144,981** | **$ 220,012** | **$ 302,185** | **$ 269,062** | **$ 310,049** | **$ 274,427** | **$ 233,031** | **$ 252,989** | **$ 235,627** | **$ 488,258** | **$ 2,730,621** |

DUNELLEN SCHOOL DISTRICT

INSURANCE SCHEDULE
JUNE 30, 2024
UNAUDITED

Exhibit J-20

| POLICY TYPE | COVERAGE | DEDUCTIBLE |
|---|---|---|
| **COMPREHENSIVE PACKAGE POLICY - School Alliance Insurance Fund** | | |
| Property-Blanket Building and Contents | $ 500,000,000 | $ 5,000 |
| Employee Dishonesty (Per Loss) | 25,000 | 500 |
| Money and Securities (in and out) | 10,000 | 500 |
| Comprehensive General Liability: | | |
| Occurrence Limit | 6,000,000 | 1,000 |
| Comprehensive Automobile Liability | 6,000,000 | 1,000 |
| Workers' Compensation | 2,000,000 | 1,000 |
| Data Processing | 250,000 | 1,000 |
| **PUBLIC EMPLOYEES' FAITHFUL PERFORMANCE** | | |
| **BLANKET POSITION BOND - Selective Insurance Company** | | |
| School Board Secretary/School Business Administrator | 230,000 | |

SOURCE: District Records

# Single Audit Section

ARDITO & COMPANY LLC

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*Anthony Ardito, CPA, RMA, CMFO, PSA*

**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

Honorable President and
Members of the Board of Education
Dunellen School District
County of Middlesex
Dunellen, New Jersey 08812

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in ***Government Auditing Standards*** issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Dunellen School District Board of Education 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 Dunellen School District Board of Education's basic financial statements, and have issued our report thereon dated January 3, 2025.

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

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

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

-Continued-

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

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

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

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and for New Jersey Department of Education use, 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*** in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey
January 3, 2025

Anthony Ardito

Anthony Ardito
Certified Public Accountant
Licensed Public School Accountant No. 2369
ARDITO & COMPANY LLC
Frenchtown, New Jersey
January 3, 2025

ARDITO & COMPANY LLC

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*Anthony Ardito, CPA, RMA, CMFO, PSA*

**Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance and New Jersey OMB circular 15-08**

Honorable President and
Members of the Board of Education
Dunellen School District
County of Middlesex
Dunellen, New Jersey 08812

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

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

We have audited the Dunellen School District Board of Education's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2024. The Dunellen School District Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

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

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

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

-Continued-

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

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the 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 we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of District's internal control over compliance. Accordingly, no such opinion is expressed.

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

***Report on Internal Control Over Compliance***

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

-Continued-

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

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

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

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey
January 3, 2025

Anthony Ardito

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Certified Public Accountant
Licensed Public School Accountant No. 2369
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Frenchtown, New Jersey
January 3, 2025

Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2024

Schedule A

| Federal Grantor/Pass-through Grantor/Program Title | Federal Assistance Listing No. | FAIN Number | Grant or State Project Number | Program or Award Amount | Grant Period From | Grant Period To | Balance At June 30, 2023 | Carryover/ Walkover Amount | Cash Received | Budget Expend. | Adjust. | Repayment of Prior Years' Balances | Balance at June 30, 2024 Accounts Receivable | Balance at June 30, 2024 Deferred Revenue | Balance at June 30, 2024 Due to Grantor | Cumulative Total Expenditures |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **U.S. Department of Health and Human Services** | | | | | | | | | | | | | | | | |
| **Passed -through State Department of Human Services:** | | | | | | | | | | | | | | | | |
| **General Fund:** | | | | | | | | | | | | | | | | |
| Medical Assistance Aid | 93.778 | 2305NJ5MAP | N/A | $ 53,893 | 7/1/23 | 6/30/24 | | | $ 53,893 | $ (53,893) | | | | | | $ 53,893 |
| **Total General Fund** | | | | | | | - | - | **53,893** | **(53,893)** | - | - | - | - | - | **53,893** |
| **U.S. Department of Education Passed-** | | | | | | | | | | | | | | | | |
| **Through State Dept. of Education:** | | | | | | | | | | | | | | | | |
| **Special Revenue Fund:** | | | | | | | | | | | | | | | | |
| Title I | 84.010 | S010A230030 | N/A | 203,051 | 7/1/23 | 6/30/24 | | | 95,685 | (168,005) | | | $ (107,366) | $ 35,046 | | 168,005 |
| Title I | 84.010 | S010A220030 | N/A | 215,939 | 7/1/22 | 6/30/23 | $ (161,232) | | 161,232 | | | | | | | 215,939 |
| Total Title I Part A | | | | | | | (161,232) | - | 256,917 | (168,005) | - | - | (107,366) | 35,046 | - | 383,944 |
| Title II | 84.367 | S367B230027 | N/A | 31,157 | 7/1/23 | 6/30/24 | | $ (6,834) | 4,608 | (12,320) | | | (33,383) | 18,837 | | 12,320 |
| Title II | 84.367 | S367B220027 | N/A | 32,216 | 7/1/22 | 6/30/23 | (36,823) | 6,834 | 33,998 | (4,009) | | | | | | 32,216 |
| Total Title II | | | | | | | (36,823) | - | 38,606 | (16,329) | - | - | (33,383) | 18,837 | - | 44,536 |
| Title III | 84.365 | S367B230030 | N/A | 33,824 | 7/1/23 | 6/30/24 | | (24,517) | 11,410 | (15,833) | $ 6,768 | | (46,931) | 24,759 | | (15,833) |
| Title III | 84.365 | S367B220030 | N/A | 25,280 | 7/1/22 | 6/30/23 | (4,572) | 24,517 | 10,088 | (30,033) | | | | | | 25,280 |
| Total Title III | | | | | | | (4,572) | - | 21,498 | (45,866) | 6,768 | - | (46,931) | 24,759 | - | 9,447 |
| Title III Immigrant | 84.365 | S367B230030 | N/A | 9,543 | 7/1/23 | 6/30/24 | | (3,655) | - | - | | | (14,164) | 10,509 | | - |
| Title III Immigrant | 84.365 | S367B220030 | N/A | 7,381 | 7/1/22 | 6/30/23 | 284 | 3,655 | 2,760 | (6,699) | | | | | | 7,381 |
| Total Title III Immigrant | | | | | | | 284 | - | 2,760 | (6,699) | - | - | (14,164) | 10,509 | - | 7,381 |
| Title IV | 84.424A | S424B230031 | N/A | 16,404 | 7/1/23 | 6/30/24 | | | 8,611 | (19,296) | 2,892 | | (7,793) | | | 16,404 |
| Title IV | 84.424A | S424B220031 | N/A | 18,499 | 7/1/22 | 6/30/23 | (28,926) | | 35,805 | (6,879) | | | | | | 18,499 |
| Total Title IV | | | | | | | (28,926) | - | 44,416 | (26,175) | 2,892 | - | (7,793) | - | - | 34,903 |
| I.D.E.A. Part B, Basic Regular | 84.027 | H027A230100 | N/A | 311,323 | 7/1/23 | 6/30/24 | | | 190,963 | (279,862) | | | (120,360) | 31,461 | | 279,862 |
| I.D.E.A. Part B, Basic Regular | 84.027 | H027A220100 | N/A | 264,671 | 7/1/22 | 6/30/23 | (264,671) | | 264,671 | | | | | | | 264,671 |
| I.D.E.A. Part B, Preschool | 84.173 | H173A230114 | N/A | 9,366 | 7/1/23 | 6/30/24 | | (8,911) | 8,603 | (6,201) | | | (9,674) | 3,165 | | 6,201 |
| I.D.E.A. Part B, Preschool | 84.173 | H173A220114 | N/A | 8,911 | 7/1/22 | 6/30/23 | - | 8,911 | - | (8,911) | | | | | | 8,911 |
| American Rescue Plan-IDEA Basic | 84.027X | H027X230100 | ARP IDEA | 63,653 | 3/13/20 | 9/30/24 | 63,653 | | | (63,653) | | | | | | 63,653 |
| American Rescue Plan-IDEA Preschool | 84.173X | H173X230114 | ARP IDEA PS | 5,407 | 3/13/20 | 9/30/24 | 5,407 | | | (5,407) | | | | | | 5,407 |
| Subtotal-Special Education Cluster | | | | | | | (195,611) | | 464,237 | (364,034) | | | (130,034) | 34,626 | | 628,705 |
| CARES Emergency Relief Grant | 84.425D | S425D230027 | CARES | 200,014 | 3/13/20 | 9/30/22 | 8,570 | | | | | | | 8,570 | | 191,444 |
| CRRSA - ESSR II | 84.425D | S425D230027 | CRRSA | 777,146 | 3/13/20 | 9/30/23 | (128,625) | | 212,790 | (84,165) | | | | | | 777,146 |
| CRRSA - Learning | 84.425D | S425D230027 | CRRSA | 49,873 | 3/13/20 | 9/30/23 | 22,166 | | 12,469 | (34,635) | | | | | | 49,873 |
| American Rescue Plan-ESSER III | 84.425U | S425U230027 | ARP | 1,746,586 | 3/13/20 | 9/30/24 | (252,527) | | 925,157 | (747,789) | | | (442,166) | 367,007 | | 1,379,579 |
| American Rescue Plan-Accel. Learn. Coaching & Ed. Support | 84.425U | S425U230027 | ARP | 129,447 | 3/13/20 | 9/30/24 | - | | 122,710 | (102,685) | | | (6,737) | 26,762 | | 102,685 |
| American Rescue Plan-Evidence Based Summer Learning | 84.425U | S425U230027 | ARP | 40,000 | 3/13/20 | 9/30/24 | - | | - | - | | | (40,000) | 40,000 | | - |
| American Rescue Plan-Evidence Based Beyond the Sch. Day | 84.425U | S425U230027 | ARP | 40,000 | 3/13/20 | 9/30/24 | - | | 15,412 | (19,216) | | | (24,588) | 20,784 | | 19,216 |
| American Rescue Plan-NJTSS Mental Health Support Staffing | 84.425U | S425U230027 | ARP | 45,000 | 3/13/20 | 9/30/24 | (45,000) | | 45,000 | - | | | - | - | | 45,000 |
| American Rescue Plan-Homeless | 84.425U | S425U230027 | ARP | 8,313 | 3/13/20 | 9/30/24 | (7,902) | | 7,902 | (411) | | | (411) | - | | 8,313 |
| American Rescue Plan-Climate Education & Resilience | 84.425U | S425U230027 | ARP | 75,702 | 6/1/24 | 5/31/25 | - | | - | (40,594) | | | (75,702) | 35,108 | | 40,594 |
| American Rescue Plan-Teacher Climate & Culture | 84.425U | S425U230027 | ARP | 125,000 | 5/1/24 | 2/28/25 | - | | - | - | | | (125,000) | 125,000 | | - |
| American Rescue Plan-High Impact Tutoring | 84.425V | S425V230031 | ARP | 76,000 | 10/11/23 | 8/31/24 | - | | 41,939 | (47,870) | | | (34,061) | 28,130 | | 47,870 |
| Total Education Stabilization Fund | | | | | | | (403,318) | - | 1,383,379 | (1,077,365) | - | - | (748,665) | 651,361 | - | 2,661,720 |
| **Total Special Revenue Fund** | | | | | | | **(830,198)** | | **2,211,813** | **(1,704,473)** | **9,660** | | **(1,088,336)** | **775,138** | | **3,770,636** |
| **U.S. Dept. of Agriculture Passed-** | | | | | | | | | | | | | | | | |
| **Through State Dept. of Agriculture:** | | | | | | | | | | | | | | | | |
| **Enterprise Fund:** | | | | | | | | | | | | | | | | |
| **Child Nutrition Cluster:** | | | | | | | | | | | | | | | | |
| National School Lunch Program (Food Distribution) | 10.555 | 231NJ304N1199 | N/A | | 7/1/22 | 6/30/23 | 13,642 | | | (13,642) | | | | | | 13,642 |
| National School Lunch Program (Food Distribution) | 10.555 | 241NJ304N1199 | N/A | 46,319 | 7/1/23 | 6/30/24 | | | 46,319 | (42,934) | | | | 3,385 | | 42,934 |
| School Breakfast Program | 10.553 | 231NJ304N1199 | N/A | | 7/1/22 | 6/30/23 | (2,189) | | 2,189 | | | | | | | |
| School Breakfast Program | 10.553 | 241NJ304N1199 | N/A | 47,340 | 7/1/23 | 6/30/24 | | | 45,062 | (47,340) | | | (2,278) | | | 47,340 |
| National School Lunch Program | 10.555 | 231NJ304N1199 | N/A | | 7/1/22 | 6/30/23 | (11,169) | | 11,169 | | | | | | | |
| National School Lunch Program | 10.555 | 241NJ304N1199 | N/A | 394,432 | 7/1/23 | 6/30/24 | | | 378,981 | (394,432) | | | (15,451) | | | 394,432 |
| Supply Chain Assistance Funding | 10.555 | 241NJ344N8903 | N/A | 34,018 | 7/1/22 | 6/30/23 | | | 34,018 | (34,018) | | | - | | | 34,018 |
| Subtotal-Child Nutrition Cluster | | | | | | | 284 | | 517,738 | (532,366) | | | (17,729) | 3,385 | | 532,366 |
| P-EBT Administrative Cost | 10.649 | 242222S900941 | N/A | 653 | 7/1/23 | 6/30/24 | | | 653 | (653) | | | - | | | 653 |
| Subtotal-Other Programs | | | | | | | | | 653 | (653) | | | | | | 653 |
| **Total Enterprise Fund** | | | | | | | **284** | | **518,391** | **(533,019)** | | | **(17,729)** | **3,385** | | **533,019** |
| **TOTAL FEDERAL ASSISTANCE** | | | | | | | **$ (829,914)** | **-** | **$ 2,784,097** | **$ (2,291,385)** | **$ 9,660** | **-** | **$ (1,106,065)** | **$ 778,523** | **-** | **$ 4,357,548** |

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

DUNELLEN SCHOOL DISTRICT

**K-4**

Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2024

Schedule B

| STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE | GRANT OR STATE PROJECT NUMBER | GRANT PERIOD | AWARD AMOUNT | BALANCE 6/30/2023 | CARRY-OVER AMOUNT | CASH RECEIVED | BUDGET. EXPEND. | ADJUST. | REPAYMENT OF PRIOR YEARS' BALANCES | BALANCE AT JUNE 30, 2024 (ACCTS. RECEIV.) | INTERFUND PAYABLE/ DEFER. REVENUE | DUE TO GRANTOR | MEMO BUDGETARY RECEIVABLE | MEMO CUMULATIVE TOTAL EXPEND. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **State Department of Education** | | | | | | | | | | | | | | |
| **General Fund:** | | | | | | | | | | | | | | |
| Equalization Aid | 24-495-034-5120-078 | 7/1/23-6/30/24 | $ 14,456,786 | | | $ 14,456,786 | $ (14,456,786) | | | | | | $ 1,438,097 | $ 14,456,786 |
| Transportation Aid | 24-495-034-5120-014 | 7/1/23-6/30/24 | 76,133 | | | 76,133 | (76,133) | | | | | | 7,574 | 76,133 |
| Special Education Aid | 24-495-034-5120-089 | 7/1/23-6/30/24 | 1,045,367 | | | 1,045,367 | (1,045,367) | | | | | | 103,988 | 1,045,367 |
| Security Aid | 24-495-034-5120-084 | 7/1/23-6/30/24 | 361,377 | | | 361,377 | (361,377) | | | | | | 35,948 | 361,377 |
| Extraordinary Aid | 23-495-034-5120-044 | 7/1/22-6/30/23 | 230,054 | $ (230,054) | | 230,054 | | | | | | | | 230,054 |
| Extraordinary Aid | 24-495-034-5120-044 | 7/1/23-6/30/24 | 240,563 | | | | (240,563) | | | $ (240,563) | | | | 240,563 |
| On Behalf TPAF Pension | 24-495-034-5094-002 | 7/1/23-6/30/24 | 3,121,251 | | | 3,121,251 | (3,121,251) | | | | | | | 3,121,251 |
| On Behalf TPAF Pension PRM | 24-495-034-5094-001 | 7/1/23-6/30/24 | 849,490 | | | 849,490 | (849,490) | | | | | | | 849,490 |
| On Behalf TPAF Pension LTD Ins | 24-495-034-5094-004 | 7/1/23-6/30/24 | 1,780 | | | 1,780 | (1,780) | | | | | | | 1,780 |
| Reimbursed TPAF Soc.Secur.Contrib. | 24-495-034-5094-003 | 7/1/23-6/30/24 | 819,423 | (67,635) | | 846,379 | (819,423) | | | (40,679) | | | | 819,423 |
| **Total General Fund** | | | | (297,689) | | 20,988,617 | (20,972,170) | | | (281,242) | | | 1,585,607 | 21,202,224 |
| **Special Revenue Fund:** | | | | | | | | | | | | | | |
| Preschool Education Aid | 24-495-034-5120-086 | 7/1/23-6/30/24 | 444,180 | | | 444,180 | (512,127) | $ 67,947 | | - | - | | 55,522 | 512,127 |
| Trees for Schools Grant-NJ Dept. EPA | Unknown | 7/1/23-6/30/24 | 68,164 | | | 34,082 | (54,052) | | | (34,082) | $ 14,112 | | | |
| SDA Grant - Emergent and Capital Aid | 24-100-034-5120-519 | 7/1/23-6/30/24 | 30,882 | - | | 30,882 | (30,882) | | | | | | | 30,882 |
| School Climate Change Pilot | 23-100-034-5063-359 | 4/1/22-6/30/23 | 6,660 | (6,660) | | 6,660 | | | | | | | | |
| **Total Special Revenue Fund** | | | | (6,660) | - | 515,804 | (597,061) | 67,947 | - | (34,082) | 14,112 | - | 55,522 | 543,009 |
| **Debt Service Fund:** | | | | | | | | | | | | | | |
| Debt Service Aid Type 2 | 24-100-034-5120-124 | 7/1/23-6/30/24 | 1,022,742 | | | 1,022,742 | (1,022,742) | | | | | | | 1,022,742 |
| **Total Debt Service Fund** | | | | - | - | 1,022,742 | (1,022,742) | - | - | - | - | - | - | 1,022,742 |
| **State Department of Agriculture:** | | | | | | | | | | | | | | |
| **Enterprise Fund:** | | | | | | | | | | | | | | |
| Nat.School Lunch Prog.(State Share) | 23-100-010-3350-023 | 7/1/22-6/30/23 | | (456) | | 456 | | | | | | | | |
| Nat.School Lunch Prog.(State Share) | 24-100-010-3350-023 | 7/1/23-6/30/24 | 23,177 | | | 22,233 | (23,177) | | | (944) | | | | 23,177 |
| **Total Enterprise Fund** | | | | (456) | | 22,689 | (23,177) | | | (944) | | | | 23,177 |
| **Total State Financial Assistance** | | | | **$ (304,805)** | **-** | **$ 22,549,852** | **$ (22,615,150)** | **$ 67,947** | **-** | **$ (316,268)** | **$ 14,112** | **-** | **$ 1,641,129** | **$ 22,791,152** |
| Less On-behalf TPAF Pension Amounts: | | | | | | | | | | | | | | |
| On Behalf TPAF Pension | 24-495-034-5094-002 | 7/1/23-6/30/24 | 3,121,251 | | | | 3,121,251 | | | | | | | |
| On Behalf TPAF Pension PRM | 24-495-034-5094-001 | 7/1/23-6/30/24 | 849,490 | | | | 849,490 | | | | | | | |
| On Behalf TPAF Pension LTD Ins | 24-495-034-5094-004 | 7/1/23-6/30/24 | 1,780 | | | | 1,780 | | | | | | | |
| **Total State Expenditures Subject to Major Program Determination** | | | | | | | **$ (18,642,629)** | | | | | | | |

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

NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2024

**NOTE 1. GENERAL**

The accompanying schedule of expenditures of state financial assistance includes state award activity of the Board of Education, Dunellen School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All state awards received directly from state agencies, as well as state financial assistance passed through other government agencies is included on the schedule of expenditure of state financial assistance.

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the enterprise funds, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and NJ OMB 15-08* . Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

**NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS**

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A.* 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is ($311,312) for the general fund and $66,327 for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2024

**NOTE 3. (Continued)**

| | Federal | State | Total |
|---|---|---|---|
| General Fund | $ 53,893 | $ 20,660,858 | $ 20,714,751 |
| Special Revenue Fund | 1,770,800 | 473,592 | 2,244,392 |
| Debt Service Fund | | 873,112 | 873,112 |
| Food Service Fund | 533,019 | 23,178 | 556,197 |
| Total Financial Assistance | $ 2,357,712 | $ 22,030,740 | $ 24,388,452 |

**NOTE 4. RELATIONSHIP TO STATE FINANCIAL REPORTS**

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

**NOTE 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 district for the year ended June 30, 2024. TPAF Social Security Contributions represents the amount reimbursed by the state for employer's share of social security contributions for TPAF members for the year ended June 30, 2024.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section I - Summary of Auditor's Results

**Financial Statement Section**

| | |
|---|---|
| Type of auditor's report issued: | Unmodified |
| Internal control over financial reporting: | |
| 1) Material weakness(es) identified? | ___Yes__x__No |
| 2) Were significant deficiencies identified that were not considered to be material weaknesses? | ___Yes<br>_x_None Reported |
| Noncompliance material to financial statements noted? | ___Yes__x__No |

**Federal Awards**

| | |
|---|---|
| Internal control over major programs: | |
| 1) Material weakness(es) identified? | ___Yes__x__No |
| 2) Were significant deficiencies identified that were not considered to be material weaknesses? | ___Yes<br>__x__None |
| Type of auditor's report issued on compliance for major programs: | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of ? | ___Yes__x__No |

Identification of major programs:

| Assistance Listing | FAIN Number(s) | Name of Federal Program or Cluster |
|---|---|---|
| Education Stabilization Fund: | | |
| 84.425D | S425D230027 | CRRSA ESSER |
| 84.425U | S425U230027 | American Rescue Plan (ARP) ESSER |
| 84.425V | S425V230027 | American Rescue Plan High Impact Tutoring |

| | |
|---|---|
| Dollar threshold used to distinguish between Type A and Type B programs: | $750,000 |
| Auditee qualified as low-risk auditee? | ___Yes_x_No |

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**State Financial Assistance Section**

| | |
|---|---|
| Dollar threshold used to distinguish between Type A and Type B programs: | $750,000 |
| Auditee qualified as low-risk auditee? | ___Yes_x_No |
| Internal Control over major programs: | |
| 1) Material weakness(es) identified? | ___Yes_x_No |
| 2) Were significant deficiencies identified that were not considered to be material weaknesses? | ___Yes_x_No |
| Type of auditor's report on compliance for major programs: | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular letter 15-08 as applicable? | ___Yes_x_No |

Identification of major programs:

| State Grant/Project Number(s) | Name of State Program |
|---|---|
| 24-495-034-5120-078 | Equalization Aid (State Aid Cluster) |
| 24-495-034-5120-089 | Special Education Aid (State Aid Cluster) |
| 24-495-034-5120-084 | Security Aid (State Aid Cluster) |
| 24-495-034-5120-044 | Extraordinary Aid |

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

## Section II-Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting.

**Financial Statement** N/A

## Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* and NJOMB Circular Letter 15-08, as applicable.

**State Awards** N/A

**Federal Awards** N/A

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**STATUS OF PRIOR YEAR FINDINGS**

In accordance with *government auditing standards* , our procedures included a review of all prior year recommendations. All prior year year findings were corrected.