



EAST WINDSOR

REGIONAL SCHOOL DISTRICT

Hightstown, New Jersey
County of Mercer

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2024

East Windsor Regional School District

Hightstown, New Jersey

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

Prepared by

Business Office

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Introductory Section



Serving Students of East Windsor & Hightstown, NJ

February 26, 2025

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

Dear Board Members and Constituents:

We are pleased to submit the Annual Comprehensive Financial Report of the East Windsor Regional School District (hereafter the "District") for the fiscal year ending June 30, 2024. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the District. To the best of our knowledge, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the results of operations of the various funds and government-wide financial statements of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

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

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational as well as special education for handicapped and preschool handicapped children. The District had 5,023 students enrolled on October 15, 2023. Enrollment is defined as students on roll (both full and shared time count as one) and students placed out of district including Mercer County Special Services School District. The following details the changes in the student enrollment of the District over the last ten years.

ENROLLMENT

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2014-15	5,019	-1.70%
2015-16	5,139	+2.39%
2016-17	5,221	+0.15%
2017-18	5,129	-0.17%
2018-19	5,113	-0.04%
2019-20	5,178	+0.13%
2020-21	5,019	-3.00%
2021-22	4,954	-1.31%
2022-23	5,042	+1.78%
2023-24	5,023	-0.38%

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

3) MAJOR INITIATIVES: Expenditures made during the 2023-2024 school year were designed to support the District's mission, goals and instructional action plans as well as the state's core curriculum standards. The 2023-24 major initiatives were:

- Written Out Loud, a program that turns young students into published authors, served 381 students and published 94 books..
- A K-8 STEM program with a focus on the "4 Cs"; Creativity, Collaboration, Communication and Critical Thinking, was introduced. This program focused on real world applications and infused cross curricular extensions.
- The Community was engaged by New Jersey School Boards Association in the creation of a five (5) year Strategic Plan. The Plan focuses on 5 core areas; Student Centered Learning, Staffing, Community Engagement, Facilities/Finance and Culture & Climate.
- Creation of a multi-sensory reading program for grades K – 8.
- Conducted an audit of Autistic programming for improved program performance.
- Inclusion of 2 Therapy Dogs for therapeutic services.
- Creation of a new sensory room at the Middle School.
- Completion of a partial HVAC / classroom renovation at Grace N. Rogers Elementary School.

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

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

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

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

5. BUDGETARY CONTROLS: In addition to internal controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. The legal level of budgetary controls is established at the line item accounts within each fund. Annual appropriated budgets are adopted for the general fund, the special revenue fund and debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

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

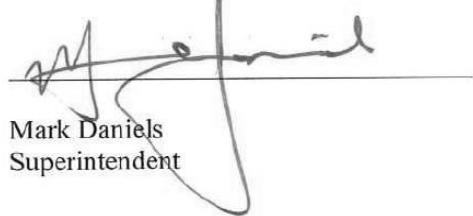
7. CASH MANAGEMENT: The investment policy of the District is regulated by state statute as detailed in "Notes to the Basic Financial Statements," Note 3. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions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

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

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

10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the East Windsor Regional School District for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully submitted,



Mark Daniels
Superintendent



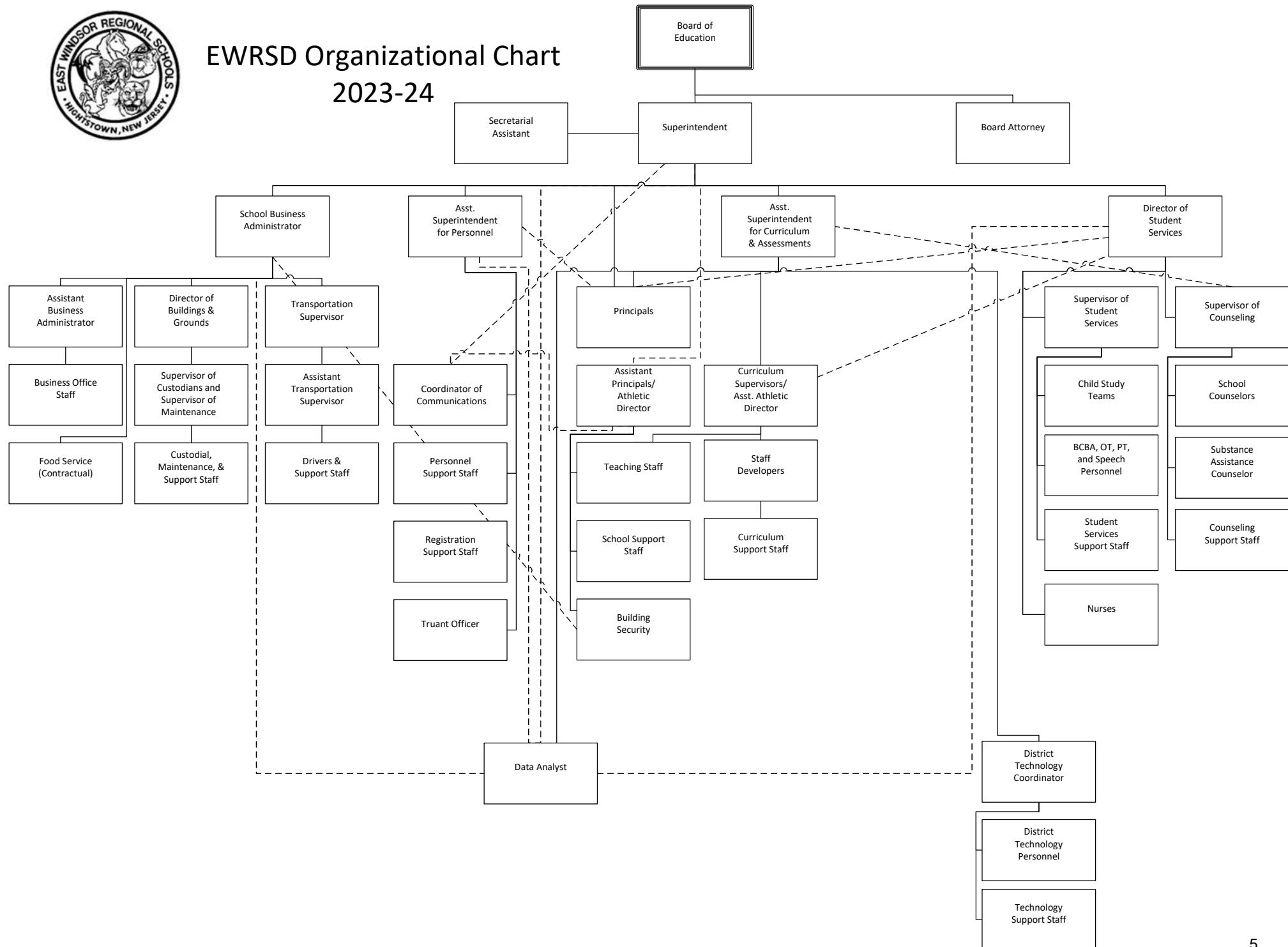
Paul Todd

Paul Todd
Board Secretary/Business Administrator



EWRSD Organizational Chart

2023-24



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

Roster of Officials

June 30, 2024

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Nicole LaRusso, President	2025
Christina "Tina" Lands, Vice President	2024
Jeanne Bourjolly	2026
Paula Calia	2024
Jennifer "Jenna" Drake	2024
Colleen Murphy	2024
Jagruity Patel	2025
Karen Salter	2026
Michael Weeks	2026

Other Officials

Mark Daniels, Superintendent
Sandy Small, Assistant Superintendent/Curriculum & Assessment Supervisor
Erin Servillo, Assistant Superintendent/Human Resources
Paul Todd, Business Administrator / Board Secretary
Christina Moskal, Assistant Business Administrator (5/1/23-7/31/23)
Linda Hoefele, Interim Assistant Business Administrator (12/1/23-6/30/24)
Pamela Pittman, Assistant Business Administrator (began 8/1/24)
David Roe, Director of Student Services

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

Independent Auditors and Advisors

Solicitor

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

Independent Auditors

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

Official Depository

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

Financial Section



Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the East Windsor Regional School District, County of Mercer, New Jersey (the "District"), 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 District as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

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

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

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report for the year ended June 30, 2024. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' opinion thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Cranford, New Jersey
February 26, 2025

Scott A. Clelland

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

Required Supplementary Information – Part I

Management's Discussion and Analysis

East Windsor Regional School District
Hightstown, New Jersey

Management's Discussion and Analysis
Year Ended June 30, 2024

As management of the East Windsor Regional School District ("District"), we offer readers of the District's financial statements this narrative discussion, overview, and analysis of the financial activities of the District for the year ended June 30, 2024. We encourage readers to consider the information presented, in conjunction with additional information that we have furnished in our letter of transmittal.

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

Financial Highlights

Key financial highlights for fiscal 2024 are as follows:

- Total net position of the governmental activities and business-type activities is \$116,113,359 at June 30, 2024. It is comprised of both current and capital assets and deferred outflows of resources less deferred inflows of resources and current and outstanding long-term liabilities (Schedule A-1).
- General revenues accounted for \$137,468,776 of total revenue or 93.7 percent of all revenues. Program specific revenues in the form of charges for services and operating and capital grants and contributions accounted for \$9,188,940 or 6.3 percent of total revenues of \$146,657,716 (Schedule A-2).
- The District had \$153,766,672 in governmental fund expenditures (Schedule B-2). Of that amount, the General Fund expenditures totaled \$142,687,102, including \$24,409,221 in State on-behalf TPAF pension, medical, and disability and social security contributions. Grant-related, scholarship and student activity expenditures in the special revenue fund totaled \$5,158,424. Business-type activities expenses were \$3,156,484 (Schedule B-5).
- The District maintains internal service funds to provide service and fuel for the District's vehicles as well as health insurance costs for the District's employees. The internal service fund – fueling facility fund had \$576,468 in revenues and \$586,187 in expenses for supplies, fuel costs, and depreciation. The internal service fund – self-insurance fund had \$17,979,264 in operating revenues and \$18,185,684 in expenses for insurance claims and other objects (Schedule B-5).
- The District transferred unrestricted funds during the year into restricted capital reserves in the amount of \$3,000,000 to fund future capital projects.

Using this Annual Comprehensive Financial Report (ACFR)

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

Overview of the Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The School District as a Whole

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

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following table provides a summary of net position relating to the District's governmental and business-type activities as of June 30, 2024 and 2023:

	Net Position June 30,					
	2024			2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current and other assets	\$ 36,897,057	\$ 3,272,083	\$ 40,169,140	\$ 33,629,595	\$ 3,737,392	\$ 37,366,987
Restricted cash	5,751,223		5,751,223	8,426,398		8,426,398
Capital assets, net	112,001,782	1,685,482	113,687,264	104,974,177	584,771	105,558,948
Total assets	154,650,062	4,957,565	159,607,627	147,030,170	4,322,163	151,352,333
Deferred Outflows of Resources:						
Deferred loss on refunding of debt				332		332
Pension deferrals	3,345,533		3,345,533	2,960,981		2,960,981
Total deferred outflows	3,345,533	-	3,345,533	2,961,313	-	2,961,313
Liabilities:						
Current liabilities	13,091,231	148,554	13,239,785	9,165,579	119	9,165,698
Net pension liability	17,576,475		17,576,475	16,919,314		16,919,314
Unearned revenue	45,709	38,299	84,008	44,513	64,067	108,580
Long-term liabilities outstanding	13,368,592		13,368,592	22,087,072		22,087,072
Total liabilities	44,082,007	186,853	44,268,860	48,216,478	64,186	48,280,664
Deferred Inflows of Resources:						
Deferred gain on refunding of debt	117,213		117,213	145,344		145,344
Pension deferrals	2,453,728		2,453,728	4,404,951		4,404,951
Total deferred outflows	2,570,941	-	2,570,941	4,550,295	-	4,550,295
Net Position:						
Net investment in capital assets	96,228,196	1,685,482	97,913,678	92,111,967	584,771	92,696,738
Restricted	27,417,497		27,417,497	16,566,637		16,566,637
Unrestricted (deficit)	(12,303,046)	3,085,230	(9,217,816)	(11,453,884)	3,673,206	(7,780,678)
Total net position	\$ 111,342,647	\$ 4,770,712	\$ 116,113,359	\$ 97,224,720	\$ 4,257,977	\$ 101,482,697

The largest portion of the District's net position is its net investment in capital assets, e.g. land, construction in progress, buildings and improvements, and furniture and equipment, less any related debt (general obligation bonds payable and financed purchases) used to acquire those assets that are still outstanding, which amounts to \$97,801,712. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The net pension liability recorded as of June 30, 2024 is the result of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* and Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. The increase of \$657,161 from the prior year relates to changes in the actuarial assumptions from the prior year and the pension funding status of the State of New Jersey.

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

An additional portion of the District's net position (restricted) represents resources that are subject to external restrictions on how they may be used, which total \$27,417,497 at June 30, 2024. The restricted net position increase is a result of additional funds being deposited into the capital reserve and maintenance reserve with balances of \$10,428,406 and \$2,773,054, respectively, at June 30, 2024 and current year excess fund balance generated. Additionally, \$1,530,542 has been restricted for unemployment claims, \$343,908 was restricted for student activities, and \$46,808 was restricted for scholarships. Furthermore, \$2,549,505 was restricted for subsequent year's expenditures from prior year excess fund balance, and \$4,553,291 was reported as current year excess surplus to be utilized in the 2025-2026 budget. Lastly, \$5,191,983 is restricted for capital projects within the Capital Projects fund. The remaining balance of unrestricted net position may be used to meet the District's ongoing obligations to citizens and creditors.

Business-type assets increased from the prior year. Overall, the activity within the business-type activities increased approximately \$513,000, mainly due to the increase in charges for services. The increase in net position in the food service enterprise fund is attributed to the increased operating revenues over the prior year. The decrease in net position in the Kid Care Enterprise Fund was directly related to the District's operating expenditures exceeding operating revenues for the year ended June 30, 2024.

District activities. The key elements of the District's changes in net position for the years ended June 30, 2024 and 2023 are as follows:

Changes in Net Position Year Ended June 30,						
	2024			2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program Revenues:						
Charges for services	\$ 683,737	\$ 1,484,443	\$ 2,168,180	\$ 727,955	\$ 1,349,422	\$ 2,077,377
Operating and capital grants and contributions	5,194,823	1,825,937	7,020,760	5,829,639	1,859,463	7,689,102
General revenues:						
Property taxes	72,910,437		72,910,437	72,083,165		72,083,165
Grants and contributions not restricted						
to specific programs	62,265,205		62,265,205	54,391,380		54,391,380
Other	2,178,821	114,313	2,293,134	586,410	58,715	645,125
Total Revenues	143,233,023	3,424,693	146,657,716	133,618,549	3,267,600	136,886,149
Expenses:						
Instructional services	77,464,966		77,464,966	73,510,780		73,510,780
Support services	50,782,526		50,782,526	45,743,988		45,743,988
Special schools	364,597		364,597	133,065		133,065
Interest and other charges on long-term debt	258,481		258,481	294,174		294,174
Food Service		2,446,302	2,446,302		2,299,590	2,299,590
Kid Care		710,182	710,182		510,405	510,405
Total Expenses	128,870,570	3,156,484	132,027,054	119,682,007	2,809,995	122,492,002
Change in net position before transfers	14,362,453	268,209	14,630,662	13,936,542	457,605	14,394,147
Transfer	(244,526)	244,526	-	-	-	-
Change in net position	14,117,927	512,735	14,630,662	13,936,542	457,605	14,394,147
Net position-beginning of year	97,224,720	4,257,977	101,482,697	83,288,178	3,800,372	87,088,550
Net position-end of year	\$ 111,342,647	\$ 4,770,712	\$ 116,113,359	\$ 97,224,720	\$ 4,257,977	\$ 101,482,697

The increase in governmental activities revenues is the result of additional grant revenues and an increase in the local tax levy in the current year.

The increase in instructional and support services expenses is mainly the result of the increase in expenses related to GASB 75 and the District spending more within those budget lines.

The activity in the business-type funds increased during the 2024 fiscal year mostly due to increase in sales of food.

Financial Analysis of the District's Funds

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

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

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the General Fund, Special Revenue Fund and Debt Service Fund revenues for the fiscal year ended June 30, 2024, and the increases and decreases in relation to the prior year:

Revenues
Year Ended June 30, 2024

Revenue	Amount	Percent of Total	Increase (Decrease) from 2023	Percent of Increase (Decrease)
Local sources	\$ 76,186,528	49.4%	\$ 2,058,051	2.8%
State sources	73,894,956	47.9%	9,315,820	14.4%
Federal sources	4,210,254	2.7%	(1,021,835)	-19.5%
Total	\$ 154,291,738	100.0%	\$ 10,352,036	7.2%

The increase in state sources is mainly due to the increase in TPAF pension contributions made by the State on behalf of the District and additional state formula aid received in 2024.

The decrease in federal sources is mainly due to the Education Stabilization Funds grants coming to an end in the current fiscal year.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2024 and the increases and decreases in relation to the prior year:

Expenditures
Year Ended June 30, 2024

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2023	Percent of Increase (Decrease)
Current expenditures:				
Instruction	\$ 48,671,049	32.3%	\$ 2,502,285	5.4%
Support services	86,295,973	57.3%	5,981,360	7.4%
Capital outlay	10,452,237	6.9%	(1,098,162)	-9.5%
Debt service	5,230,548	3.5%	24,455	0.5%
Total	<u>\$150,649,807</u>	100.0%	<u>\$ 7,409,938</u>	5.2%

General Fund Budgetary Highlights

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

State sources exceeded anticipated revenues by \$25,310,983 as a result of the District not anticipating revenues related to Extraordinary Aid, Non-public transportation aid, State on-behalf TPAF pension, medical and disability contributions, and State reimbursed TPAF social security contributions.

Significant budgetary transfers were made between budgetary line items approved by the Board for various reasons including:

- Regular Programs – Instruction – The transfer of approximately \$2.2 million out of the Regular Programs – Instruction was made due to an increase in budgetary needs for other programs.
- Undist. Expend. – Required Maint. for Sch. Facil. – The transfer of approximately \$1.1 million into the Required Maint. for Sch. Facil. is due to the District requiring additional funds to maintain facilities.
- Capital Outlay – The transfer of approximately \$6.6 million into Capital Outlay is due to the rollover of prior year encumbrances plus the planning of current and future District projects.

Capital Assets and Debt Administration

Capital Assets: At June 30, 2024, the District's governmental activities and business-type activities had capital assets of \$113,687,264 (net of accumulated depreciation), including land, construction in progress, school buildings and improvements, site and site improvements, machinery, equipment and vehicles.

The District's governmental activities and business-type activities capital assets, net of accumulated depreciation consisted of the following at June 30, 2024 and 2023:

	June 30	
	2023	2023
Land	\$ 149,550	\$ 149,550
Construction in progress	19,424,765	7,968,870
Buildings and improvements	85,575,376	89,584,913
Site and site improvements	1,550,063	1,822,206
Machinery, equipment and vehicles	5,302,028	5,448,648
Business-type	1,685,482	584,771
Total capital assets, net	\$ 113,687,264	\$ 105,558,958

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

Debt Administration and Long-term Liabilities. During the 2024 fiscal year, the District's governmental activities had outstanding long-term liabilities of \$38,093,186, of which \$7,148,119 was classified as the current portion.

At June 30, 2024 and 2023, the District's long-term liabilities consisted of:

	June 30	
	2024	2023
Bonds payable	\$ 10,495,000	\$ 13,135,000
Net pension liability	17,576,475	16,919,314
Financed Purchases	5,310,929	7,581,397
Compensated absences payable	1,579,134	1,369,864
IBNR Liability	3,131,648	2,903,923
Unamortized bond premium		811
Total long-term liabilities	\$ 38,093,186	\$ 41,910,309

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

Requests for Information

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

Basic Financial Statements

Government-wide Financial Statements

The government-wide financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all governmental activities and business-type activities as of and for the year ended June 30, 2024.

East Windsor Regional School District

Statement of Net Position

June 30, 2024

	Governmental Activities	Business-type Activities	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 34,539,188	\$ 2,826,880	\$ 37,366,068
Accounts receivable	2,310,913	400,180	2,711,093
Inventories	46,956	45,023	91,979
Restricted assets:			
Cash held by fiscal agent	5,751,223		5,751,223
Capital assets, non-depreciable	19,574,315	1,488,341	21,062,656
Capital assets, depreciable, net	92,427,467	197,141	92,624,608
Total assets	<u>154,650,062</u>	<u>4,957,565</u>	<u>159,607,627</u>
Deferred Outflow of Resources			
Pension deferrals	<u>3,345,533</u>		3,345,533
Total deferred outflow of resources	<u>3,345,533</u>		<u>3,345,533</u>
Liabilities			
Accounts payable and accrued expenses	5,720,791	148,554	5,869,345
Payroll deductions and withholdings payable	77,298		77,298
Unemployment claims payable	33,006		33,006
Accrued interest payable	111,967		111,967
Other liabilities	50		50
Unearned revenue	45,709	38,299	84,008
Net pension liability	17,576,475		17,576,475
Current portion of long-term obligations	7,148,119		7,148,119
Noncurrent portion of long-term obligations	13,368,592		13,368,592
Total liabilities	<u>44,082,007</u>	<u>186,853</u>	<u>44,268,860</u>
Deferred Inflows of Resources			
Deferred gain on refunding of debt	117,213		117,213
Pension deferrals	<u>2,453,728</u>		2,453,728
Total deferred inflows of resources	<u>2,570,941</u>		<u>2,570,941</u>
Net Position			
Net investment in capital assets	96,228,196	1,685,482	97,913,678
Restricted for:			
Capital projects	5,191,983		5,191,983
Capital reserve	10,428,406		10,428,406
Maintenance reserve	2,773,054		2,773,054
Unemployment claims reserve	1,530,542		1,530,542
Student activity reserve	343,908		343,908
Scholarship reserve	46,808		46,808
Excess surplus	7,102,796		7,102,796
Unrestricted (deficit)	<u>(12,303,046)</u>	<u>3,085,230</u>	<u>(9,217,816)</u>
Total net position	<u>\$ 111,342,647</u>	<u>\$ 4,770,712</u>	<u>\$ 116,113,359</u>

See accompanying notes to basic financial statements.

East Windsor Regional School District

Statement of Activities

Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities							
Instruction							
Regular Instruction	\$ 47,348,852	\$ 593,354	\$ 1,336,951		\$ (45,418,547)		\$ (45,418,547)
Special Education Instruction	19,673,882		1,583,210		(18,090,672)		(18,090,672)
Other Special Education Instruction	7,804,395				(7,804,395)		(7,804,395)
Other Instruction	2,637,837				(2,637,837)		(2,637,837)
Support Services							
Student and Instruction Related Services	18,716,277		1,222,122		(17,494,155)		(17,494,155)
School Administration	6,521,659				(6,521,659)		(6,521,659)
Other Administration Services	3,947,476				(3,947,476)		(3,947,476)
Plant Operation and Maintenance	14,095,684			\$ 1,052,540	(13,043,144)		(13,043,144)
Pupil Transportation	7,473,802	90,383			(7,383,419)		(7,383,419)
Charter Schools		27,628			(27,628)		(27,628)
Special Schools		364,597			(364,597)		(364,597)
Interest on long-term debt		258,481			(258,481)		(258,481)
Total governmental activities	<u>128,870,570</u>	<u>683,737</u>	<u>4,142,283</u>	<u>1,052,540</u>	<u>(122,992,010)</u>		<u>(122,992,010)</u>
Business-type activities							
Food service							
	2,446,302	819,268	1,825,937		\$ 198,903		198,903
Kid Care		710,182	665,175		(45,007)		(45,007)
Total business-type activities	<u>3,156,484</u>	<u>1,484,443</u>	<u>1,825,937</u>		<u>153,896</u>		<u>153,896</u>
Total primary government	<u>\$ 132,027,054</u>	<u>\$ 2,168,180</u>	<u>\$ 5,968,220</u>	<u>\$ 1,052,540</u>	<u>(122,992,010)</u>	<u>153,896</u>	<u>(122,838,114)</u>
General revenues and transfers:							
Taxes:							
Property taxes, levied for general purposes					70,194,676		70,194,676
Property taxes, levied for debt service					2,715,761		2,715,761
Federal sources					111,164		111,164
State sources—unrestricted					62,154,041		62,154,041
Investment income					1,452,138	114,313	1,566,451
Miscellaneous					726,683		726,683
Transfers					(244,526)	244,526	-
Total general revenues and transfers					<u>137,109,937</u>	<u>358,839</u>	<u>137,468,776</u>
Change in net position					<u>14,117,927</u>	<u>512,735</u>	<u>14,630,662</u>
Net Position—beginning					<u>97,224,720</u>	<u>4,257,977</u>	<u>101,482,697</u>
Net Position—ending					<u>\$ 111,342,647</u>	<u>\$ 4,770,712</u>	<u>\$ 116,113,359</u>

See accompanying notes to basic financial statements.

Fund Financial Statements

Governmental Funds

East Windsor Regional School District
Governmental Funds

Balance Sheet

June 30, 2024

	Major Funds			
	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 29,473,965	\$ 390,716		\$ 29,864,681
Accounts receivable:				
State	1,280,300		\$ 213,636	1,493,936
Federal		625,693		625,693
Other	151,000	209		151,209
Interfund	582,511			582,511
Restricted assets:				
Cash held by fiscal agent			5,341,539	5,341,539
Total assets	<u>\$ 31,487,776</u>	<u>\$ 1,016,618</u>	<u>\$ 5,555,175</u>	<u>\$ 38,059,569</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued expenses	\$ 3,253,678	\$ 239,455	\$ 50,250	\$ 3,543,383
Payroll deductions and withholdings payable	77,298			77,298
Unemployment claims payable	33,006			33,006
Intergovernmental payables:				
State		6,094		6,094
Federal		234,337		234,337
Other liabilities	50			50
Interfunds payable		100,307	312,942	413,249
Unearned revenue		45,709		45,709
Total liabilities	<u>3,364,032</u>	<u>625,902</u>	<u>363,192</u>	<u>4,353,126</u>
Fund balances:				
Restricted for:				
Excess surplus - current year	4,553,291			4,553,291
Excess surplus - prior year - designated for subsequent year's expenditures	2,549,505			2,549,505
Unemployment claims	1,530,542			1,530,542
Student activities		343,908		343,908
Scholarships		46,808		46,808
Capital reserve	10,428,406			10,428,406
Maintenance reserve	2,773,054			2,773,054
Capital projects			5,191,983	5,191,983
Assigned to:				
Designated for subsequent year's expenditures	415,348			415,348
Other purposes	<u>5,873,598</u>			<u>5,873,598</u>
Total fund balances	<u>28,123,744</u>	<u>390,716</u>	<u>5,191,983</u>	<u>33,706,443</u>
Total liabilities and fund balances	<u>\$ 31,487,776</u>	<u>\$ 1,016,618</u>	<u>\$ 5,555,175</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$206,718,470 and the accumulated depreciation is \$94,716,688.	112,001,782
Internal service funds are used by the District to charge the costs of the District's fuel facility fund and self-insurance fund to the individual funds. The assets and liabilities of the internal service funds are included with governmental activities.	1,618,007
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(111,967)
Gains arising from the issuance of refunding bonds that are a result of the difference in the carrying value of the refunded bonds and the new bonds are deferred and amortized over the life of the bonds.	(117,213)
Deferred pension costs in governmental activities are not financial resources and therefore are not reported in the funds.	891,805
Accrued pension contributions for the June 30, 2024 plan year end are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(1,684,672)
Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the funds.	(17,576,475)
Long-term liabilities, including bonds payable, financed purchases and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(17,385,063)
Net position of governmental activities (A-1)	<u>\$ 111,342,647</u>

See accompanying notes to basic financial statements.

East Windsor Regional School District
Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2024

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
Revenues					
Local sources:					
Local tax levy	\$ 70,194,676			\$ 2,715,761	\$ 72,910,437
Transportation fees	90,383				90,383
Tuition	593,354				593,354
Rents and royalties	153,511				153,511
Interest on investments	817,237		\$ 204,318		1,021,555
Interest on maintenance reserve	145,144				145,144
Interest on capital reserve	285,439				285,439
Miscellaneous	573,172	\$ 617,851			1,191,023
Total local sources	72,852,916	617,851	204,318	2,715,761	76,390,846
State sources	73,401,352	405,084		88,520	73,894,956
Federal sources	111,164	4,099,090			4,210,254
Total revenues	146,365,432	5,122,025	204,318	2,804,281	154,496,056
Expenditures					
Instruction:					
Regular instruction	30,695,159	1,336,951			32,032,110
Special education instruction	8,363,242	1,583,210			9,946,452
Other special instruction	5,062,770				5,062,770
Other instruction	1,629,717				1,629,717
Support services:					
Tuition	5,904,713				5,904,713
Student and instruction related services	11,939,709	1,185,723			13,125,432
School administration services	4,194,029				4,194,029
Other administration services	2,923,728				2,923,728
Plant operations and maintenance	9,839,928				9,839,928
Pupil transportation	5,474,311				5,474,311
Employee benefits	20,153,313				20,153,313
On-behalf pension, medical and disability contributions	20,838,034				20,838,034
On-behalf TPAF social security contributions	3,571,187				3,571,187
Capital outlay	9,399,697	1,052,540	3,116,865		13,569,102
Special schools	243,670				243,670
Debt service:					
Principal	2,270,468			2,640,000	4,910,468
Interest	155,799			164,281	320,080
Contribution to charter schools	27,628				27,628
Total expenditures	142,687,102	5,158,424	3,116,865	2,804,281	153,766,672
Excess (Deficiency) of revenues over (under) expenditures	3,678,330	(36,399)	(2,912,547)	-	729,384
Other financing uses:					
Transfers out	(244,525)				(244,525)
Total other financing uses	(244,525)				(244,525)
Net change in fund balances	3,433,805	(36,399)	(2,912,547)	-	484,859
Fund balances, July 1	24,689,939	427,115	8,104,530	-	33,221,584
Fund balances, June 30	\$ 28,123,744	\$ 390,716	\$ 5,191,983	\$ -	\$ 33,706,443

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

See accompanying notes to basic financial statements.

East Windsor Regional School District
Governmental Funds

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

Year Ended June 30, 2024

Total net change in fund balances - governmental funds (from B-2) \$ 484,859

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

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

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

Depreciation expense	\$ (5,655,878)
Capital asset additions	<u>12,683,473</u>
	7,027,595

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

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

32,989

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

The net effect of these transactions is as follows:

Amortization of premium on bonds	811
Amortization of deferred gain on defeasance	<u>27,799</u>
	28,610

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

Change in net position	224,520
Depreciation, included above	<u>2,366</u>
	226,886

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

Repayment of long-term debt	2,640,000
Payments on financed purchases	<u>2,270,468</u>
	4,910,468

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

(209,270)

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

Pension expense	<u>1,615,790</u>
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Change in net position of governmental activities (A-2) \$ 14,117,927

Proprietary Funds

East Windsor Regional School District
Proprietary Funds

Statement of Net Position

June 30, 2024

	Major Funds			Nonmajor Funds		
	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds		
	Food Service	Kid Care	Totals	Fueling Facility	Self Insurance	Totals
Assets						
Current assets:						
Cash and cash equivalents	\$ 2,184,370	\$ 642,510	\$ 2,826,880		\$ 4,674,507	\$ 4,674,507
Accounts receivable:						
State	21,290		21,290			
Federal	378,890		378,890			
Other				\$ 40,075		40,075
Inventories	45,023		45,023	46,956		46,956
Restricted assets:						
Cash held by fiscal agent				409,684		409,684
Total current assets	2,629,573	642,510	3,272,083	87,031	5,084,191	5,171,222
Noncurrent assets:						
Construction in progress	1,488,341		1,488,341			
Equipment	777,604		777,604	67,380		67,380
Accumulated depreciation	(580,463)		(580,463)	(45,404)		(45,404)
Total capital assets, net	1,685,482	-	1,685,482	21,976		21,976
Total assets	4,315,055	642,510	4,957,565	109,007	5,084,191	5,193,198
Liabilities						
Current liabilities:						
Accounts payable	148,554		148,554		252,305	252,305
Accrued liabilities					2,901,951	2,901,951
Interfund payable				169,262		169,262
Unearned revenue	32,449	5,850	38,299			
Total current liabilities	181,003	5,850	186,853	169,262	3,154,256	3,323,518
Noncurrent liabilities:						
Accrued liability for insurance claims					229,697	229,697
Total noncurrent liabilities					229,697	229,697
Total liabilities	181,003	5,850	186,853	169,262	3,383,953	3,553,215
Net Position						
Investment in capital assets	1,685,482		1,685,482	21,976		21,976
Unrestricted (deficit)	2,448,570	636,660	3,085,230	(82,231)	1,700,238	1,618,007
Total net position	\$ 4,134,052	\$ 636,660	\$ 4,770,712	\$ (60,255)	\$ 1,700,238	\$ 1,639,983

See accompanying notes to basic financial statements.

East Windsor Regional School District
Proprietary Funds

Statements of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2024

	Major Funds			Nonmajor Funds		
	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds		
	Food Service	Kid Care	Totals	Fueling Facility	Self Insurance	Totals
Operating revenues:						
Local sources:						
Daily sales reimbursable programs	\$ 503,672		\$ 503,672			
Daily sales non-reimbursable programs	315,596		315,596			
Tuition		\$ 665,175	665,175			
Charges for services - district contributions				\$ 15,556,344	\$ 15,556,344	
Charges for services - employee contributions				2,422,920	2,422,920	
Charges for services				\$ 576,468	576,468	
Total operating revenues	819,268	665,175	1,484,443	576,468	17,979,264	18,555,732
Operating expenses:						
Salaries	812,006	481,403	1,293,409			
Employee benefits	255,082	40,857	295,939			
Purchased professional services		30,454	30,454	11,264		11,264
Facility usage fee		128,656	128,656			
Management and admin services	187,323		187,323			
Supplies and materials	130,686	28,812	159,498	572,557		572,557
Depreciation	83,204		83,204	2,366		2,366
Cost of sales - non-reimbursable programs	49,155		49,155			
Cost of sales - reimbursable programs	901,851		901,851			
Insurance claims				16,799,665	16,799,665	
Other objects				1,386,019	1,386,019	
Miscellaneous	26,995		26,995			
Total operating expenses	2,446,302	710,182	3,156,484	586,187	18,185,684	18,771,871
Operating (loss)	(1,627,034)	(45,007)	(1,672,041)	(9,719)	(206,420)	(216,139)
Non-operating revenues:						
Interest	114,314		114,314		197,758	197,758
Reinsurance reimbursements					242,901	242,901
State sources:						
State school lunch program	52,133		52,133			
School breakfast program	4,002		4,002			
State school lunch program-NJEIE	12,289		12,289			
State school breakfast program-NJEIE	1,899		1,899			
State SEBT	1,556		1,556			
Federal sources:						
School breakfast program	180,754		180,754			
National school lunch program	1,112,465		1,112,465			
HHFKA	35,959		35,959			
Local food for schools	25,001		25,001			
Federal SEBT	1,556		1,556			
Food donation program	277,136		277,136			
COVID-19 Supply Chain Assistance	121,187		121,187			
Total nonoperating revenues	1,940,251		1,940,251		440,659	440,659
Net income (loss) before transfer	313,217	(45,007)	268,210	(9,719)	234,239	224,520
Transfer In	244,525		244,525			
Change in net position	557,742	(45,007)	512,735	(9,719)	234,239	224,520
Total net position (deficit) - beginning	3,576,310	681,667	4,257,977	(50,536)	1,465,999	1,415,463
Total net position (deficit) - ending	\$ 4,134,052	\$ 636,660	\$ 4,770,712	\$ (60,255)	\$ 1,700,238	\$ 1,639,983

See accompanying notes to basic financial statements.

East Windsor Regional School District
Proprietary Funds

Statement of Cash Flows

Year Ended June 30, 2024

	Major Funds			Nonmajor Funds		
	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds		
	Food Service	Kid Care	Total	Fueling Facility	Self Insurance	Total
Cash flows from operating activities:						
Receipts from customers	\$ 792,850	\$ 665,825	\$ 1,458,675	\$ 604,880	\$ 17,996,727	\$ 604,880
Receipts from services provided						17,996,727
Payments for insurance claims					(16,574,996)	(16,574,996)
Payments to employees	(812,006)	(481,403)	(1,293,409)			
Payments for benefits	(255,082)	(40,857)	(295,939)			
Payments to suppliers	(1,134,983)	(188,041)	(1,323,024)	(600,921)	(1,373,939)	(1,974,860)
Net cash (used in) provided by operating activities	(1,409,221)	(44,476)	(1,453,697)	3,959	47,792	51,751
Cash flows from noncapital financing activities:						
Cash received from state and federal sources	1,529,832		1,529,832			
Cash received from other funds	(205,250)					
Stop loss insurance proceeds					242,901	242,901
Transfer from other funds	244,526			(3,959)		(3,959)
Net cash provided by (used in) noncapital financing activities	1,569,108		1,529,832	(3,959)	242,901	238,942
Cash flows from capital and related financing activity						
Purchase of capital assets	(1,183,915)		(1,183,915)			
Net cash (used in) capital and related financing activity	(1,183,915)		(1,183,915)			
Cash flows from investing activity:						
Interest received	114,313		114,313		197,758	197,758
Net cash provided by investing activity	114,313		114,313		197,758	197,758
Net (decrease) increase in cash and cash equivalents	(909,715)	(44,476)	(954,191)	-	488,451	488,451
Cash and cash equivalents, beginning of year	3,094,085	686,986	3,781,071	-	4,186,056	4,186,056
Cash and cash equivalents, end of year	\$ 2,184,370	\$ 642,510	\$ 2,826,880	\$ -	\$ 4,674,507	\$ 4,674,507
Reconciliation of operating (loss) to net cash (used in) provided by operating activities:						
Operating (loss)	\$ (1,627,034)	\$ (45,007)	\$ (1,672,041)	\$ (9,719)	\$ (206,420)	\$ (216,139)
Adjustments to reconcile operating (loss) to net cash (used in) provided by operating activities						
Depreciation	83,204		83,204	2,366		2,366
Change in assets and liabilities:						
Decrease in other accounts receivable				28,412	17,463	45,875
Decrease (increase) in inventory	12,473		12,473	(17,100)		(17,100)
Increase (Decrease) in accounts payable	148,554	(119)	148,435		12,080	12,080
Increase in accrued liability for insurance claims					227,725	227,725
(Increase) in restricted cash					(3,056)	(3,056)
(Decrease) Increase in unearned revenue	(26,418)	650	(25,768)			
Net cash (used in) provided by operating activities	\$ (1,409,221)	\$ (44,476)	\$ (1,453,697)	\$ 3,959	\$ 47,792	\$ 51,751
Noncash noncapital financing activities:						
The District received \$271,577 of food commodities from the U.S. Department of Agriculture for the year ended June 30, 2024.						

See accompanying notes to basic financial statements.

East Windsor Regional School District

Notes to the Basic Financial Statements

Year ended June 30, 2024

1. Summary of Significant Accounting Policies

The financial statements of the East Windsor Regional School District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are disclosed below.

A. Reporting Entity

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

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

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

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

B. Government-wide and Fund Financial Statements

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

1. Summary of Significant Accounting Policies (continued)

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

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

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

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

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

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

1. Summary of Significant Accounting Policies (continued)

The District has reported the following major governmental funds:

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

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

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

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

The District reports the following proprietary funds:

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

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

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

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

1. Summary of Significant Accounting Policies (continued)

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

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

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

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

Ad Valorem (Property) taxes are susceptible to accrual as, under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable."

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

1. Summary of Significant Accounting Policies (continued)

D. Budgets/Budgetary Control

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

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

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

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

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

E. Cash, Cash Equivalents and Investments

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

Investments are stated at fair value in accordance with the GASB. The District classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments and are stated at cost. All other investments are stated at fair value.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

1. Summary of Significant Accounting Policies (continued)

F. Interfund Receivables/Payables

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

G. Inventories

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

Proprietary funds inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. At June 30, 2024, the unused Food Donation Program commodities of \$3,847 are reported as unearned revenue in the food service enterprise fund.

H. Capital Assets

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

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

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

	Years
Machinery and equipment	2-20
Buildings	40
Building improvements	20
Vehicles	5-10

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

1. Summary of Significant Accounting Policies (continued)

I. Compensated Absences

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

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2024, a liability existed for compensated absences in the government-wide financial statements in the amount of \$1,579,134 and no liability existed for compensated absences in the proprietary fund types.

J. Deferred Outflows/Inflows of Resources

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

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

K. Long-Term Obligations

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

1. Summary of Significant Accounting Policies (continued)

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

L. Deferred Gain/Loss on Defeasance of Debt

Deferred gains and losses on defeasance of debt arising from the issuance of refunding bonds are recorded as a deferred outflows and inflows of resources. They are amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. As of June 30, 2024, the District has reported an unamortized gain on the refunding of debt of \$117,213 as a deferred inflow of resources. Amortization expense for the year ended June 30, 2024 was \$27,799.

M. Unearned Revenue

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

N. Net Position

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

O. Fund Balances

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

1. Summary of Significant Accounting Policies (continued)

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

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

Of the \$28,123,744 of fund balances in the General Fund, \$5,873,598 is assigned to other purposes, \$2,549,505 has been classified as restricted excess surplus – prior year – designated for subsequent year's expenditures, \$4,553,291 has been classified as restricted excess surplus – current year, \$13,201,460 has been classified as restricted for maintenance reserve and capital reserve in the amounts of \$2,773,054 and \$10,428,406, respectively, \$1,530,542 has been classified as restricted for unemployment claims and \$415,348 is assigned to designated for subsequent year's expenditures.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

1. Summary of Significant Accounting Policies (continued)

Of the \$390,716 of fund balances in the Special Revenue Fund, \$343,908 is classified as restricted for student activities and \$46,808 is classified as restricted for scholarships.

All of the fund balance in the Capital Projects Fund of \$5,191,983 is restricted for capital projects.

P. Management Estimates

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

Q. On-Behalf Payments

Revenues and expenditures of the general fund include payments made or reimbursed by the State of New Jersey for social security and post-retirement medical and pension contributions for certified teachers and other members of the New Jersey Teachers Pension and Annuity Fund. Additionally, revenues and expenses related to on-behalf pension contributions in the government-wide financial statements have been adjusted by \$11,698,359 to record for the full accrual basis expense incurred by the State of New Jersey during the most recent measurement period. The amounts are not required to be included in the District's annual budget.

R. Calculation of Excess Surplus

The designation for restricted fund balance - excess surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve fund balance of the General Fund at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The District has excess fund balance at June 30, 2024 in the amount of \$7,102,796. Of this amount, \$2,549,505 has been appropriated in the 2024/25 budget and the remaining \$4,553,291, which was generated during the 2024 fiscal year, will be appropriated in the 2025/26 budget.

S. GASB Pronouncements

Recently Issued Accounting Pronouncements

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

1. Summary of Significant Accounting Policies (continued)

The GASB issued Statement No. 102, *Certain Risk Disclosures* in January 2024. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for periods beginning after June 15, 2024, and all reporting periods thereafter. Management has not determined the impact of the Statement on the financial statements.

The GASB issued Statement No. 103, *Financial Reporting Model Improvements* in April 2024. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for periods beginning after June 15, 2025, and all reporting periods thereafter. Management has not determined the impact of the Statement on financial statements.

The GASB issued Statement No. 104, *Disclosure of Certain Capital Assets* in September 2024. The objective of this Statement is to provide users of governmental financial statements with essential information about certain types of capital assets, other intangible assets and assets held for sale. The requirements of this Statement are effective for periods beginning after June 15, 2025, and all reporting periods thereafter. Management has not determined the impact of the Statement on the financial statements.

T. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2024 and February 26, 2025, the date that the financial statements were available for issuance. The effect of those events and transactions that provide additional pertinent information about conditions that existed at the balance sheet and statement of net position date, have been recognized in the accompanying financial statements.

2. Reconciliation of Government-Wide and Fund Financial Statements

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

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

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

The details of this \$17,385,063 difference are as follows:

Bonds payable	\$ 10,495,000
Financed purchases payable	5,310,929
Compensated absences payable	<u>1,579,134</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net position - governmental activities	<u>\$ 17,385,063</u>

3. Deposits and Investments

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

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

Deposits

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

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

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

3. Deposits and Investments (continued)

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

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

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

At June 30, 2024 the carrying amount of the District's deposits was \$37,366,068 and the bank balance was \$41,092,900 (not including mutual funds). Of the bank balance, \$250,000 of the District's cash deposits on June 30, 2024 was secured by federal depository insurance. The New Jersey Governmental Unit Deposit Protection Act (GUDPA) covered the bank balance of \$43,614,858. \$2,271,958 held in the District's agency accounts are not covered by GUDPA. The District also has \$5,751,223 of funds held with fiscal agent at June 30, 2024 related to unspent lease funds held by the lessor and advance deposits held by the insurance carrier on behalf of the District.

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

3. Deposits and Investments (continued)

Investments

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

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

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

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

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

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

The District had no investments at June 30, 2024.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

4. Capital Assets

The following is a summarization of the governmental activities changes in capital assets for the fiscal year ended June 30, 2024:

	Beginning Balance	Increases	Ending Balance
Governmental activities			
Capital assets, not being depreciated			
Land	\$ 149,550		\$ 149,550
Construction in progress	7,968,870	\$ 11,455,895	19,424,765
Total capital assets, not being depreciated	8,118,420	11,455,895	19,574,315
Capital assets, being depreciated			
Site and site improvements	5,978,152		5,978,152
Buildings and building improvements	163,916,562	26,799	163,943,361
Machinery, equipment, and vehicles	15,954,483	1,200,779	17,155,262
Machinery, equipment - Internal Service	67,380		67,380
Total capital assets being depreciated	185,916,577	1,227,578	187,144,155
Less accumulated depreciation for:			
Site and site improvements	4,155,946	272,143	4,428,089
Buildings and building improvements	74,331,649	4,036,336	78,367,985
Machinery, equipment, and vehicles	10,530,177	1,345,033	11,875,210
Machinery, equipment - Internal Service	43,038	2,366	45,404
Total accumulated depreciation	89,060,810	5,655,878	94,716,688
Total capital assets being depreciated, net	96,855,767	(4,428,300)	92,427,467
Governmental activities capital assets, net	\$ 104,974,187	\$ 7,027,595	\$112,001,782

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

4. Capital Assets (continued)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 2,150,931
Special Education Instruction	667,897
Other Special Instruction	339,961
Other Instruction	109,434
Student and Instruction Related Services	881,363
School Administration Services	281,626
Other Administration Services	196,326
Plant Operations and Maintenance	660,744
Pupil Transportation	367,596
	<u>\$ 5,655,878</u>

The following is a summarization of the business-type activities changes in capital assets for the fiscal year ended June 30, 2024:

	Beginning Balance	Increases	Ending Balance
Business-type activities			
Capital assets, not being depreciated:			
Construction in progress	\$ 304,426	\$ 1,183,915	\$ 1,488,341
Total capital assets, not being depreciated	304,426	1,183,915	1,488,341
Capital assets, being depreciated:			
Equipment	777,604		777,604
Less accumulated depreciation for:			
Equipment	(497,259)	(83,204)	(580,463)
Capital assets, being depreciated, net	280,345	(83,204)	197,141
Total business-type activities capital assets, net	<u>\$ 584,771</u>	<u>\$ 1,100,711</u>	<u>\$ 1,685,482</u>

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

5. Long-Term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
Compensated absences payable	\$ 1,369,864	\$ 398,446	\$ 189,176	\$ 1,579,134	\$ 198,456
Bonds payable	13,135,000		2,640,000	10,495,000	2,235,000
Premium on bonds	811		811		
Financed purchases payable	7,581,397		2,270,468	5,310,929	1,812,712
Subtotal	22,087,072	398,446	5,100,455	17,385,063	4,246,168
Net pension liability	16,919,314	657,161		17,576,475	
IBNR liability	2,903,923	21,732,689	21,504,964	3,131,648	2,901,951
Total governmental activities					
long-term liabilities	\$ 41,910,309	\$ 22,788,296	\$ 26,605,419	\$ 38,093,186	\$ 7,148,119

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

Bonds Payable

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

Bonds payable at June 30, 2024 are comprised of the following issues:

\$3,280,000, 2015 refunding bonds, with the final installment of \$375,000 paid on July 15, 2023.

\$15,320,000, 2021 refunding bonds, due in annual installments ranging from \$1,970,000 to \$2,235,000 through March 1, 2029 at interest rates ranging from 1.00% to 1.80%. These bonds were issued to provide resources to refund a portion of the District's outstanding debt. As of June 30, 2024, none of the defeased debt remains outstanding.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

5. Long-Term Liabilities (continued)

Principal and interest due on all bonds outstanding at June 30, 2024 are as follows:

	Principal	Interest	Total
Fiscal year ending June 30:			
2025	\$ 2,235,000	\$ 141,419	\$ 2,376,419
2026	2,155,000	119,405	2,274,405
2027	2,105,000	95,592	2,200,592
2028	2,030,000	66,627	2,096,627
2029	1,970,000	35,243	2,005,243
	\$ 10,495,000	\$ 458,286	\$ 10,953,286

Financed Purchases

Governmental Funds

During the 2023 fiscal year, the District entered into a financed purchase with JP Morgan, in the amount of \$8,000,000 with an interest rate of 2.37%.

During the 2023 fiscal year, the District entered into a financed purchase with Apple Financial Services, in the amount of \$719,749 with an interest rate of 0.00%.

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

The following is a schedule of the future payments at June 30, 2024:

	Principal	Interest	Total
Fiscal year ending June 30:			
2025	\$ 1,812,712	\$ 114,497	\$ 1,927,209
2026	1,849,987	77,222	1,927,209
2027	1,648,230	39,063	1,687,293
	\$ 5,310,929	\$ 230,782	\$ 5,541,711

Bonds Authorized But Not Issued

As of June 30, 2024, the District does not have any authorized but not issued bonds.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

6. Pension Plans

Description of Systems

Substantially all of the Board's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Teachers' Pension and Annuity Fund Retirement System is considered a cost-sharing multiple-employer plan, with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers. The Public Employees' Retirement System is considered a cost-sharing multiple-employer plan. District employees employed by the Enterprise Funds are not eligible for pension benefits. Employees employed by the Enterprise Funds are not eligible for pension benefits. Employees in the Food Service Enterprise Fund are employees of the Food Service Management Company and therefore are not eligible for pension benefits. Employees of the remaining Enterprise Funds are either part-time or stipend employees and are therefore not eligible for pension benefits.

Teachers' Pension and Annuity Fund

The Teachers' Pension and Annuity Fund was established in January 1955 under the provisions of N.J.S.A. 18A:66 to provide coverage, including post-retirement health care, to substantially all full-time public school employees in the State. Members are fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on contributions. In the case of death before retirement, members beneficiaries are entitled to full interest credited to the members account.

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

Public Employees' Retirement System

The Public Employees' Retirement System (PERS) was established in January 1955 and the contribution policy is set by the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full-time employees of the State or any county, municipality, school Board or public agency, provided the employee is not a member of another State-administered retirement system or other state pension fund or local jurisdiction's pension

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

6.. Pension Plans (continued)

fund. Pursuant to the provisions of P.L. 2022, C.78, the member contribution rate was 7.5% in State fiscal year 2023.

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

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

Funding Policy

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

During the year ended June 30, 2024, the State of New Jersey contributed \$20,838,034 to the TPAF for post-retirement medical benefits and other pension costs on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$3,571,187 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. These amounts have been included in the government-wide and fund financial statements.

The Board's actuarially determined contributions to PERS for each of the years ended June 30, 2024, 2023, and 2022 were \$1,621,848, \$1,413,792, and \$1,437,212, respectively, equal to the required contributions for each year.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

6. Pension Plans (continued)

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

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

Public Employees' Retirement System (PERS)

At June 30, 2024, the District reported a liability of \$17,576,475 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation July 1, 2022, which was rolled forward to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2023, the District's proportion was 0.1213478430 percent, which was an increase of 0.0092353798 from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized full accrual pension expense of \$6,058 in the government-wide financial statements. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 38,612	\$ 1,065,210
Difference between expected and actual experience	168,054	71,847
Net difference between projected and actual earnings on pension plan investments	80,942	
Changes in proportion and differences between District contributions and proportionate share of contributions	1,373,253	1,316,671
District contributions subsequent to the measurement date	1,684,672	
	<u>\$ 3,345,533</u>	<u>\$ 2,453,728</u>

\$1,684,672 is reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

6. Pension Plans (continued)

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:		
2025	\$	(961,105)
2026		(625,190)
2027		644,932
2028		125,587
2029		22,909
	<hr/>	<hr/>
	\$	(792,867)

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, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate:

Price	2.75%
Wage	3.25%

Salary increases:	2.75 -6.55%
based on years of service	

Investment rate of return	7.00%
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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.

Mortality Rates

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

6. Pension Plans (continued)

Long-Term Rate of Return

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

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

6. Pension Plans (continued)

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

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

The following presents the District's proportionate share of the net pension liability as of June 30, 2023, calculated using the discount rate as disclosed on the previous page as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	At 1% decrease (6.00%)	At current discount rate (7.00%)	At 1% increase (8.00%)
State's proportionate share of the net pension liability associated with the District	\$ 22,880,831	\$ 17,576,475	\$ 13,061,767

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report for the State of New Jersey Public Employees' Retirement System.

Additional Information

Collective balances of the local group at June 30, 2023 are as follows:

Deferred outflows of resources	\$ 1,080,204,730
Deferred inflows of resources	\$ 1,780,216,457
Net pension liability	\$ 14,606,489,066
District's Proportion	0.1213478430%

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

6. Pension Plans (continued)

Collective pension benefit for the Local Group for the measurement period ended June 30, 2023 is \$79,181,803.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2023, 2022, 2021, 2020, 2019, 2018, 2017 and 2016 is 5.08, 5.04, 5.13, 5.16, 5.21, 5.63, 5.48, and 5.57 years, respectively.

Special Funding Situation

A special funding situation exists for certain Local employers of the PERS. The State of New Jersey, a non-employer, is required to pay the additional costs incurred by local employers under Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The June 30, 2023 State special funding situation net pension liability amount of \$122.1 million is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2023, there was no net pension liability associated with this special funding situation. There was no accumulated difference between the annual normal cost under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense of \$55.7 million, for the fiscal year ending June 30, 2023, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2023. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The District's expense related to the special funding situation is \$54,814.

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

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. The State's proportionate share of the TPAF net pension liability associated with the District as of June 30, 2023 was \$190,271,495. The District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022,

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

6. Pension Plans (continued)

which was rolled forward to June 30, 2023. The State's proportionate share of the net pension liability associated with the District was based on a projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2023, the State's proportionate share of the TPAF net pension liability associated with the District was 0.3728425268 percent, which was a decrease of 0.0056905026 from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized on-behalf pension expense and revenue in the government wide financial statements for contributions incurred by the State.

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. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate:

Price	2.75%
Wage	3.25%

Salary increases 2.75 - 4.25%

based on years of service

Investment rate of return 7.00%

Mortality Rates

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

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

6. 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 Investments and Divisions of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 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-U.S. developed markets equity	12.75%	9.22%
International small cap equity	1.25%	9.22%
Emerging markets equity	5.50%	11.13%
Private equity	13.00%	12.50%
Real estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High yield	4.50%	6.97%
Private credit	8.00%	9.20%
Investment grade credit	7.00%	5.19%
Cash equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	<u>100.00%</u>	

Discount Rate

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

6. Pension Plans (continued)

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

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

	At 1% decrease (6.00%)	At current discount rate (7.00%)	At 1% increase (8.00%)
State's proportionate share of the net pension liability associated with the District	\$ 224,364,620	\$ 190,271,495	\$ 161,556,981

Pension plan fiduciary net position

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

Additional Information

Collective balances of the local group at June 30, 2023 are as follows:

Deferred outflows of resources	\$ 2,498,730,891
Deferred inflows of resources	\$ 14,719,080,314
Net pension liability	\$ 51,032,669,551
District's Proportion	0.3728425268%

Collective pension expense-Local Group for the plan for the measurement period ended June 30, 2023 is \$1,292,291,943.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2023, 2022, 2021, 2019, 2018, 2017, 2016, and 2015 is 7.93, 7.83, 7.93, 8.04, 8.29, 8.30, 8.30, and 8.30 years, respectively.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

7. Post-Retirement Benefits

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan:

For Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2023, the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability.

The State's share of the net pension liability, based on a measurement date of June 30, 2022 which is required to be recorded on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds the post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as you-go" PRM benefits costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

7. Post-Retirement Benefits (continued)

In accordance with the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the State is required to quantify and disclose its obligation to pay Other Postemployment Benefits (OPEB) to retired plan members. The State is required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. 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/financialreports.shtml>.

Total OPEB Liability

The Nonemployer OPEB liability from the State of New Jersey's plan is \$52,361,668,239.

Changes in Total Non-employee OPEB Liability

Below represents the changes in the District's total OPEB liability for the year ended June 30, 2023:

	<u>Total OPEB Liability</u>
Beginning Total OPEB Liability, June 30, 2022	\$ 180,175,802
 Charges for the year:	
Service cost	7,510,507
Interest	6,532,869
Difference between actual and expected	(4,174,084)
Changes in assumptions or other inputs	373,879
Member contributions	167,414
Benefit payments	<u>(5,092,478)</u>
Net changes	5,318,107
Ending Total OPEB Liability, June 30, 2023	<u>\$ 185,493,909</u>

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

7. Post-Retirement Benefits (continued)

Employees covered by benefit terms

The following employees were covered by the benefit terms:

Local Education Group	June 30, 2023
Active Plan Members	217,212
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	152,383
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	-
Total Plan Members	<u>369,595</u>

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective total OPEB liability on the Statement of Net Position. The State's proportionate share of the total OPEB liability associated with the District as of June 30, 2023 was \$107,620,865. Additional information can be obtained from the State of New Jersey's annual comprehensive financial report.

Actuarial assumptions and other inputs

The total non-employer OPEB liability in the June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	TPAF	PERS
Salary increases:		
Through 2026	2.75 - 4.25% based on years of service	2.75 - 6.55% based on years of service

Mortality Rates

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

7. Post-Retirement Benefits (continued)

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the actual experience studies for the periods July 1, 2018 to June 30, 2021. 100% of active members are considered to participate in the Plan upon retirement.

Discount Rate

The discount rate used to measure the total OPEB liability for June 30, 2023 was 3.65%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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 eight years. For post-65 medical benefits PPO, the trend is initially (1.99%) in fiscal year 2023, increasing to 13.80% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially (3.54%) in fiscal year 2023, increasing to 17.40% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

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

The following presents the total non-employer OPEB liability associated with the District as of June 30, 2023 calculated using a discount rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current discount rate:

	At 1% decrease (2.65%)	At current discount rate (3.65%)	At 1% increase (4.65%)
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 217,459,763	\$ 185,493,909	\$ 159,829,039

The following presents the total non-employer OPEB liability associated with the District as of June 30, 2023 calculated using a healthcare cost trend rate as disclosed above as well as what the total

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

7. Post-Retirement Benefits (continued)

non-employer OPEB liability would be if it was calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	At	At	At
	1% decrease	Healthcare Cost Trend Rates	1% increase
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 153,988,542	\$ 185,493,909	\$ 226,718,762

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

For the year ended June 30, 2024, the District recognized on-behalf OPEB expense and revenue in the government-wide financial statements of \$868,444 for OPEB expenses incurred by the State.

Collective balances of the Local Education Group at June 30, 2023 are as follows:

Deferred outflows of resources	\$ 17,347,811,894
Deferred inflows of resources	\$ 30,503,688,706
Collective OPEB Expense	\$ 1,389,124,126
District's Proportion	0.35%

Special Funding Situation

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

8. Interfund Receivables and Payables

The total interfund accounts receivable and payable for the District at June 30, 2024 are as follows:

	Interfund Receivable	Interfund Payable
General Fund	\$ 582,511	
Special Revenue Fund		\$ 100,307
Capital Projects Fund		312,942
Internal Service Fund - Fueling Facility		169,262
	<u>\$ 582,511</u>	<u>\$ 582,511</u>

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

8. Interfund Receivables and Payables (continued)

The interfund receivable in the General Fund of \$582,511 is comprised of an interfund payable from the special revenue fund in the amount of \$100,307, capital projects fund in the amount of \$312,942, and internal service fund – fueling facility in the amount of \$169,262, which represent short-term loans to provide the funds with sufficient cash flow until cash is received for accounts receivable.

All interfunds are expected to be repaid within one year.

9. Economic Dependency

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

10. Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2024 may be impaired. As a result of the impact of COVID-19, the District has received funding under the Elementary and Secondary School Emergency Relief (ESSER) Fund, American Rescue Plan Act (ARP) and the Coronavirus Relief Fund (CRF). To the extent that the District has not complied with the rules and regulations governing the ESSER and CRF funds, money may be required to be returned. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations or final eligible cost requirements governing the respective grants or funding; therefore, no provisions have been recorded in the accompanying basic financial statements for such contingencies.

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

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

11. Risk Management

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

11. Risk Management (continued)

Property and Liability Insurance

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

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

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

Self-Insurance

The District is self-insured for medical, prescription and dental benefits and established an internal service fund to account for its self-insurance activities. At June 30, 2024, the accrued liability for unpaid medical, prescription and dental claims of \$3,131,648 has been recorded in the internal service fund financial statements for Incurred But Not Reported Claims (IBNR), which is subject to modification and/or assessment of existing or additional claims. The medical, prescription, and dental benefits IBNR liability has been calculated by an actuary contracted by the District's claims administrator. The actuary utilized a 21% margin to estimate the liabilities.

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

Fiscal Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
2023-2024	\$ 2,903,923	\$ 21,732,689	\$ 21,504,964	\$ 3,131,648
2022-2023	3,002,219	13,864,677	13,962,973	2,903,923
2021-2022		11,182,473	8,180,254	3,002,219

New Jersey Unemployment Compensation Insurance

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

12. Deferred Compensation Plans

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

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

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

13. Maintenance Reserve Account

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

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

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

Beginning balance July 1, 2023	\$ 2,627,910
Deposits:	
Interest earned	145,144
Ending balance, June 30, 2024	<u>\$ 2,773,054</u>

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

13. Maintenance Reserve Account (continued)

The balance in the maintenance reserve does not exceed four percent of the replacement cost of the school district's school facilities for the current year at June 30, 2024. The District has not budgeted any of the June 30, 2024 maintenance reserve balance in its 2024-25 fiscal year budget.

14. Capital Reserve Account

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

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

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

Beginning balance July 1, 2023	\$ 8,512,217
Withdrawals:	
Capital Outlay – Budgeted Withdrawal	(1,369,250)
Deposits:	
Interest earned on capital reserve funds	285,439
Deposit into Capital Reserve (June 2024 Board Resolution)	3,000,000
Ending balance, June 30, 2024	<u>\$ 10,428,406</u>

The June 30, 2024 long-range facility plan (LRFP) balance of local support costs of uncompleted projects exceeds the amount set aside in the capital reserve. The District has budgeted \$1,625,887 of the June 30, 2024 capital reserve balance in its 2024-25 fiscal year budget.

15. Commitments

The District has contracts with several vendors for goods and services that have not been received as of June 30, 2024. These encumbrances, in the amount of \$7,149,713, are recorded as part of the assigned to other purposes on the general fund balance sheet.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

16. Net Position - Net Investment in Capital Assets

Net investment in capital assets, Governmental Activities, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. The net investment in capital assets of \$96,228,196 indicated as part of the Governmental Activities net position is calculated as follows:

Capital assets, net of depreciation	\$ 112,001,782
Bonds payable (used to build or acquire capital assets)	(10,495,000)
Capital Projects fund balance	(5,191,983)
Financed purchases payable	(5,310,929)
Deferred gain on defeasance of debt	(117,213)
Unexpended lease proceeds	5,341,539
Total net investment in capital assets	<u>\$ 96,228,196</u>

17. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those 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.

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

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

East Windsor Township recognized revenue of \$1,227,813 in 2024 from the annual service charge in lieu of payment of taxes and taxes that otherwise would have been due on these long-term tax exemptions amount to \$2,171,750, based upon the assessed valuations of the long-term tax exemptions properties. A portion of the \$943,937 abatement would have been allocated to the District. Hightstown Borough does not currently have any such long-term tax exemptions in place.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2024

18. Deficit Fund Balance

The District had a deficit net position of \$60,255 in the Fueling Facility Internal Service Fund as of June 30, 2024 as reported in the fund financial statements. The District has instituted a plan to fund this deficit from the General Fund budget over the next year.

Required Supplementary Information – Part II

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

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

Last Ten Fiscal Years

	Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability (asset) - Local Group	0.1213478430%	0.1125603702%	0.1227215514%	0.1238203338%	0.1215957017%	0.118922327%	0.1144046609%	0.1187251190%	0.1176478520%	0.1180527689%
District's proportionate share of the net pension liability (asset)	\$ 17,576,475	\$ 16,919,314	\$ 14,538,208	\$ 20,191,858	\$ 21,909,701	\$ 23,415,195	\$ 26,631,576	\$ 35,162,975	\$ 26,409,585	\$ 22,102,707
District's covered-employee payroll	\$ 9,489,732	\$ 8,089,639	\$ 8,517,539	\$ 8,874,466	\$ 8,696,143	\$ 8,291,053	\$ 8,047,029	\$ 7,900,026	\$ 8,106,472	\$ 8,075,037
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	185.22%	209.15%	170.69%	227.53%	251.95%	282.42%	330.95%	445.10%	325.78%	273.72%
Plan fiduciary net position as a percentage of the total pension liability - Local Group	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

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

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

Last Ten Fiscal Years

	Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 1,621,848	\$ 1,413,792	\$ 1,437,212	\$ 1,354,533	\$ 1,182,892	\$ 1,059,837	\$ 1,054,737	\$ 1,046,372	\$ 1,021,477	\$ 983,231
Contributions in relation to the contractually required contribution	(1,621,848)	(1,413,792)	(1,437,212)	(1,354,533)	(1,182,892)	(1,059,837)	(1,054,737)	(1,046,372)	(1,021,477)	(983,231)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 9,554,716	\$ 9,489,732	\$ 8,089,639	\$ 8,517,539	\$ 8,874,466	\$ 8,696,143	\$ 8,291,053	\$ 8,047,029	\$ 7,900,026	\$ 8,106,472
Contributions as a percentage of covered-employee payroll	16.97%	14.90%	17.77%	15.90%	13.33%	12.19%	12.72%	13.00%	12.93%	12.13%

See accompanying notes to required supplementary information.

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

Last Ten Fiscal Years*

	Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
State's proportion of the net pension liability (asset) associated with the District - Local Group	0.3728425268%	0.3785330294%	0.3684032643%	0.3698467189%	0.3605261060%	0.3553317756%	0.3697162402%	0.3616411567%	0.3588673050%	0.3524449084%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 190,271,495	\$ 195,301,905	\$ 177,110,564	\$ 243,539,614	\$ 221,258,274	\$ 226,054,443	\$ 249,276,021	\$ 284,489,960	\$ 226,819,461	\$ 188,370,333
Total proportionate share of the net pension liability (asset) associated with the District	<u>\$ 190,271,495</u>	<u>\$ 195,301,905</u>	<u>\$ 177,110,564</u>	<u>\$ 243,539,614</u>	<u>\$ 221,258,274</u>	<u>\$ 226,054,443</u>	<u>\$ 249,276,021</u>	<u>\$ 284,489,960</u>	<u>\$ 226,819,461</u>	<u>\$ 188,370,333</u>
Plan fiduciary net position as a percentage of the total pension liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

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

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

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

Last Ten Fiscal Years*

	Year Ended June 30,							
	2024	2023	2022	2021	2020	2019	2018	2017
State's proportion of the net OPEB liability (asset) associated with the District	0.35%	0.36%	0.35%	0.35%	0.36%	0.36%	0.35%	0.36%
District's proportionate share of the net OPEB liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability (asset) associated with the District	\$ 185,493,909	\$ 180,175,802	\$ 212,231,046	\$ 238,206,080	\$ 149,521,614	\$ 164,014,658	\$ 190,341,937	\$ 206,215,591
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 185,493,909</u>	<u>\$ 180,175,802</u>	<u>\$ 212,231,046</u>	<u>\$ 238,206,080</u>	<u>\$ 149,521,614</u>	<u>\$ 164,014,658</u>	<u>\$ 190,341,937</u>	<u>\$ 206,215,591</u>
Plan fiduciary net position as a percentage of the total OPEB liability -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total OPEB Liability	2024	2023	2022	2021	2020	2019	2018	2017**
Service cost	\$ 7,510,507	\$ 9,905,527	\$ 11,156,831	\$ 6,173,234	\$ 5,428,315	\$ 5,976,104	\$ 7,223,585	
Interest cost	6,532,869	4,774,858	5,505,497	5,379,553	6,472,080	6,953,062	6,022,931	
Changes of assumptions and experience and other inputs	(3,800,205)	(42,157,720)	(38,441,322)	81,152,956	(21,939,627)	(35,022,328)	(24,873,787)	
Member contributions	167,414	151,729	140,749	125,695	136,056	151,577	162,340	
Gross benefit payments	(5,092,478)	(4,729,638)	(4,336,789)	(4,146,972)	(4,589,868)	(4,385,694)	(4,408,723)	
Net change in total OPEB liability	5,318,107	(32,055,244)	(25,975,034)	88,684,466	(14,493,044)	(26,327,279)	(15,873,654)	
Total OPEB liability - beginning	180,175,802	212,231,046	238,206,080	149,521,614	164,014,658	190,341,937	206,215,591	
Total OPEB liability - ending	<u>\$ 185,493,909</u>	<u>\$ 180,175,802</u>	<u>\$ 212,231,046</u>	<u>\$ 238,206,080</u>	<u>\$ 149,521,614</u>	<u>\$ 164,014,658</u>	<u>\$ 190,341,937</u>	
Covered-employee payroll	\$ 53,938,423	\$ 50,273,519	\$ 51,016,309	\$ 50,438,549	\$ 48,450,339	\$ 47,091,773	\$ 45,239,473	
Total OPEB liability as a percentage of covered-employee payroll	343.90%	358.39%	416.01%	472.27%	308.61%	348.29%	420.74%	

*

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

** Information not available.

East Windsor Regional School District

**Notes to Required Supplementary Information
Year Ended June 30, 2024**

1. PENSION - PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Assumptions

There were none.

2. PENSION – TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Assumptions

There were none.

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

Benefit Changes

There were none.

Changes of Assumptions

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

Required Supplementary Information – Part III

Budgetary Comparison Schedules

East Windsor Regional School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2024

	Original <u>Budget</u>	Budget <u>Transfers</u>	Final <u>Budget</u>	Actual	Variance Final to <u>Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 70,194,676		\$ 70,194,676	\$ 70,194,676	
Tuition from other LEAs within the State	400,506		400,506	593,354	\$ 192,848
Transportation fees from other LEAs within the State	60,000		60,000	90,383	30,383
Rents and Royalties	228,656		228,656	153,511	(75,145)
Interest Earned on Investments	1,426,397		1,426,397	817,237	(609,160)
Interest Earned on Capital Reserve	100		100	285,439	285,339
Interest Earned on Maintenance Reserve	100		100	145,144	145,044
Miscellaneous	150,000		150,000	573,172	423,172
Total - Local Sources	72,460,435		72,460,435	72,852,916	392,481
State Sources:					
Equalization Aid	40,373,998		40,373,998	40,373,998	
Transportation Aid	2,095,914		2,095,914	2,095,914	
Categorical Special Education Aid	4,847,402		4,847,402	4,847,402	
Security Aid	1,255,961		1,255,961	1,255,961	
Additional Non-Public Transportation Aid				68,705	68,705
Extraordinary Aid	210,000		210,000	1,043,057	833,057
TPAF Pension (On-Behalf - Non-Budgeted)				16,372,776	16,372,776
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				4,456,070	4,456,070
TPAF Non-contributory Insurance (On-Behalf - Non-Budgeted)				9,188	9,188
TPAF Social Security (Reimbursed - Non-Budgeted)				3,571,187	3,571,187
Total - State Sources	48,783,275		48,783,275	74,094,258	25,310,983
Federal Sources:					
Medical Assistance Program	158,603		158,603	111,164	(47,439)
Total - Federal Sources	158,603		158,603	111,164	(47,439)
Total Revenues	121,402,313		121,402,313	147,058,338	25,656,025
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	1,308,614	\$ 41,500	1,350,114	1,333,253	16,861
Grades 1-5 - Salaries of Teachers	9,693,240	(632,227)	9,061,013	8,851,210	209,803
Grades 6-8 - Salaries of Teachers	7,179,188	(963,366)	6,215,822	6,179,741	36,081
Grades 9-12 - Salaries of Teachers	9,733,394	(954,102)	8,779,292	8,749,168	30,124
Regular Programs - Home Instruction					
Salaries of Teachers	50,000		50,000	25,554	24,446
Purchased Professional-Educational Services	98,000	16,400	114,400	79,787	34,613
Regular Programs - Undistributed Instruction					
Purchased Professional-Educational Services	1,513,316	1,479,551	2,992,867	2,922,628	70,239
Purchased Technical Services	961,620	55,451	1,017,071	965,180	51,891
Other Purchased Services	5,300	641	5,941	725	5,216
General Supplies	2,812,871	(743,363)	2,069,508	1,741,996	327,512
Textbooks	1,100,250	(470,187)	630,063	575,808	54,255
Other Objects	14,062	(3,053)	11,009	9,073	1,936
TOTAL REGULAR PROGRAMS - INSTRUCTION	34,469,855	(2,172,755)	32,297,100	31,434,123	862,977
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities					
Salaries of Teachers	728,194	(130,000)	598,194	550,230	47,964
Other Salaries for Instruction	237,103		237,103	150,374	86,729
General Supplies	5,150		5,150	1,928	3,222
Total Learning and/or Language Disabilities	970,447	(130,000)	840,447	702,532	137,915
Multiple Disabilities					
Salaries of Teachers	437,784	(43,700)	394,084	349,784	44,300
Other Salaries for Instruction	137,108	12,800	149,908	149,908	
General Supplies	5,700	(4,600)	1,100	1,080	20
Other Objects	2,500	(1,000)	1,500	634	866
Total Multiple Disabilities	583,092	(36,500)	546,592	501,406	45,186

East Windsor Regional School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Resource Room/Resource Center					
Salaries of Teachers	\$ 5,422,524	\$ (363,500)	\$ 5,059,024	\$ 5,015,679	\$ 43,345
Other Salaries for Instruction	388,301		388,301	326,501	61,800
Purchased Professional-Educational Services	200,000	(200,000)			
General Supplies	5,150		5,150	5,113	37
Total Resource Room/Resource Center	6,015,975	(563,500)	5,452,475	5,347,293	105,182
Autism					
Salaries of Teachers	469,846		469,846	466,912	2,934
Other Salaries for Instruction	456,623	188,500	645,123	645,061	62
General Supplies	12,000	(3,900)	8,100	8,039	61
Total Autism	938,469	184,600	1,123,069	1,120,012	3,057
Preschool Disabilities - Part-Time					
Salaries of Teachers	493,608	20,000	513,608	499,855	13,753
Other Salaries for Instruction	124,417	60,300	184,717	184,675	42
General Supplies	7,500		7,500	7,469	31
Total Preschool Disabilities - Part-Time	625,525	80,300	705,825	691,999	13,826
TOTAL SPECIAL EDUCATION - INSTRUCTION	9,133,508	(465,100)	8,668,408	8,363,242	305,166
Basic Skills/Remedial - Instruction					
Salaries of Teachers	967,743	119,000	1,086,743	1,076,256	10,487
Total Basic Skills/Remedial - Instruction	967,743	119,000	1,086,743	1,076,256	10,487
Bilingual Education - Instruction					
Salaries of Teachers	4,587,620	(753,300)	3,834,320	3,753,154	81,166
Other Salaries for Instruction	38,136		38,136	10,000	28,136
Purchased Professional-Educational Services	7,500	(7,500)			
General Supplies	37,100	111,983	149,083	30,305	118,778
Textbooks	205,075	(11,983)	193,092	193,055	37
Total Bilingual Education - Instruction	4,875,431	(660,800)	4,214,631	3,986,514	228,117
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	367,756	38,900	406,656	361,808	44,848
Purchased Services	35,500	3,070	38,570	28,335	10,235
Supplies and Materials	26,250	(7,637)	18,613	18,361	252
Other Objects	34,350	(16,917)	17,433	10,984	6,449
Total School-Spon. Cocurricular Actvts. - Inst.	463,856	17,416	481,272	419,488	61,784
School-Spon. Athletics					
Salaries	747,349	121,790	869,139	857,628	11,511
Purchased Services	95,500	27,566	123,066	115,563	7,503
Supplies and Materials	225,500	8,139	233,639	220,797	12,842
Other Objects	36,990	(17,646)	19,344	16,241	3,103
Total School-Spon. Athletics	1,105,339	139,849	1,245,188	1,210,229	34,959
Other Supplementary/At-Risk Program- Instruction					
Salaries of Teachers	60,000	(60,000)			
General Supplies	25,000	(25,000)			
Total Other Supplementary/At-Risk Program- Instruction	85,000	(85,000)			
TOTAL INSTRUCTION	51,100,732	(3,107,390)	47,993,342	46,489,852	1,503,490

East Windsor Regional School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2024

	Original <u>Budget</u>	Budget <u>Transfers</u>	Final <u>Budget</u>	Actual	Variance Final to <u>Actual</u>
Undistributed Expenditures - Instruction					
Tuition to County Voc. School Dist. - Regular	\$ 734,987		\$ 734,987	\$ 690,068	\$ 44,919
Tuition to CSSD and Regional Day Schools	3,584,771	\$ 149,189	3,733,960	3,451,564	282,396
Tuition to Private Schools for the Disabled - Within State	1,747,247	(128,192)	1,619,055	1,428,491	190,564
Tuition - State Facilities	220,000	(178,751)	41,249	41,075	174
Tuition - Other	250,327	43,671	293,998	293,515	483
Total Undistributed Expenditures - Instruction	6,537,332	(114,083)	6,423,249	5,904,713	518,536
Undistributed Expend. - Attend. and Social Work					
Salaries	119,310	37,000	156,310	121,925	34,385
Purchased Professional and Technical Services	14,000	15,000	29,000	26,540	2,460
Travel		207	207	207	
Supplies and Materials	7,000		7,000	2,008	4,992
Total Undistributed Expend. - Attend. and Social Work	140,310	52,207	192,517	150,680	41,837
Undist. Expend. - Health Services					
Salaries	801,447	26,200	827,647	791,762	35,885
Purchased Professional and Technical Services	46,630	252,169	298,799	288,307	10,492
Supplies and Materials	22,850	190	23,040	21,909	1,131
Total Undistributed Expenditures - Health Services	870,927	278,559	1,149,486	1,101,978	47,508
Undist. Expend. - Other Supp. Serv. Students - Related Serv.					
Salaries	838,550	36,000	874,550	866,126	8,424
Purchased Professional - Educational Services	30,500	(12,900)	17,600	17,600	
Supplies and Materials	5,500		5,500	5,476	24
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	874,550	23,100	897,650	889,202	8,448
Undist. Expend. - Other Supp. Serv. Students - Extra Serv.					
Salaries	413,509	245,366	658,875	658,870	5
Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.	413,509	245,366	658,875	658,870	5
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	2,057,291	(24,789)	2,032,502	1,901,051	131,451
Salaries of Secretarial and Clerical Assistants	92,134		92,134	81,885	10,249
Purchased Professional - Educational Services	2,000	2,400	4,400	4,400	
Other Purchased Prof. and Tech. Services	25,000	1,220	26,220	22,303	3,917
Other Purchased Services	2,600	(2,600)			
Supplies and Materials	42,275	1,155	43,430	41,058	2,372
Other Objects	1,200		1,200	209	991
Total Undist. Expend. - Guidance	2,222,500	(22,614)	2,199,886	2,050,906	148,980
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	2,858,429	(186,330)	2,672,099	2,557,991	114,108
Salaries of Secretarial and Clerical Assistants	171,268	14,200	185,468	185,404	64
Purchased Prof. - Educational Services	1,175,700	(14,000)	1,161,700	1,026,016	135,684
Other Purchased Prof. and Tech. Services	45,000	(23,000)	22,000	21,845	155
Other Purchased Services	14,000	(3,500)	10,500	7,061	3,439
Supplies and Materials	65,500	31,723	97,223	95,209	2,014
Other Objects	9,000	(1,300)	7,700	7,582	118
Total Undist. Expend. - Child Study Teams	4,338,897	(182,207)	4,156,690	3,901,108	255,582
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisors of Instruction	953,301	(33,920)	919,381	594,504	324,877
Salaries of Other Professional Staff	72,000		72,000		72,000
Salaries of Secretarial and Clerical Assistants	114,815	1,250	116,065	116,060	5
Other Salaries	31,285		31,285	30,971	314
Purchased Prof. - Educational Services	148,000	9,505	157,505	150,726	6,779
Other Purchased Services	1,200		1,200	596	604
Supplies and Materials	12,350	(1,753)	10,597	8,241	2,356
Other Objects	16,582		16,582	11,625	4,957
Total Undist. Expend. - Improvement of Inst. Serv.	1,349,533	(24,918)	1,324,615	912,723	411,892

East Windsor Regional School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2024

	Original <u>Budget</u>	Budget <u>Transfers</u>	Final <u>Budget</u>	Actual	Variance Final to <u>Actual</u>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	\$ 1,410,252	\$ 89,000	\$ 1,499,252	\$ 1,333,008	\$ 166,244
Purchased Professional and Technical Services	672,989	(13,966)	659,023	520,004	139,019
Supplies and Materials	38,100	(623)	37,477	37,323	154
Total Undist. Expend. - Edu. Media Serv./Sch. Library	2,121,341	74,411	2,195,752	1,890,335	305,417
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Supervisors of Instruction	227,681	1,000	228,681	228,334	347
Salaries - Other Professional Staff		21,850	21,850	21,826	24
Purchased Professional - Educational Services	7,500	49,145	56,645	54,916	1,729
Other Purchased Services	157,700	(45,252)	112,448	78,601	33,847
Supplies and Materials		230	230	230	
Total Undist. Expend. - Instructional Staff Training Serv.	392,881	26,973	419,854	383,907	35,947
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	336,558		336,558	324,050	12,508
Legal Services	110,000	56,420	166,420	68,555	97,865
Audit Fees	75,000	14,865	89,865	89,865	
Architectural/Engineering Services	55,000		55,000	23,000	32,000
Other Purchased Professional Services	40,000	55,912	95,912	44,111	51,801
Communications/Telephone	400,000		400,000	280,656	119,344
Board of Education Other Purchased Services	10,500	9,388	19,888	10,562	9,326
Miscellaneous Purchased Services	387,000	(152)	386,848	362,615	24,233
General Supplies	8,000	2,767	10,767	7,306	3,461
Miscellaneous Expenditures	18,000		18,000	7,823	10,177
Board of Education Dues and Fees	26,700	500	27,200	27,195	5
Total Undist. Expend. - Supp. Serv. - General Admin.	1,466,758	139,700	1,606,458	1,245,738	360,720
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	2,620,388	371,000	2,991,388	2,921,088	70,300
Salaries - Other Professional Staff	132,282		132,282	132,282	
Salaries of Secretarial and Clerical Assistants	1,056,184	17,200	1,073,384	1,069,377	4,007
Purchased Prof. and Tech. Services	75,000	(71,500)	3,500	1,125	2,375
Other Purchased Services	9,000	(6,541)	2,459	1,511	948
Supplies and Materials	26,500	(4,855)	21,645	19,824	1,821
Other Objects	56,545	(3,735)	52,810	48,822	3,988
Total Undist. Expend. - Support Serv. - School Admin.	3,975,899	301,569	4,277,468	4,194,029	83,439
Undist. Expend. - Central Services					
Salaries	1,196,331	30,000	1,226,331	1,139,677	86,654
Purchased Professional Services	37,200	30,000	67,200	56,815	10,385
Purchased Technical Services	215,000	44,461	259,461	166,627	92,834
Misc Purchased Services	22,500	(5,501)	16,999	7,889	9,110
Supplies and Materials	57,250	7,486	64,736	52,448	12,288
Interest on Lease Purchase Agreements	151,000		151,000	150,909	91
Miscellaneous Expenditures	10,000	27,576	37,576	35,445	2,131
Total Undist. Expend. - Central Services	1,689,281	134,022	1,823,303	1,609,810	213,493
Undist. Expend. - Technology Admin.					
Salaries	190,387	13,200	203,587	203,548	39
Purchased Professional Services		14,308	14,308	13,744	564
Purchased Technical Services	10,000	(10,000)			
Other Purchased Services	3,000		3,000	1,807	1,193
Total Undist. Expend. - Technology Admin.	203,387	17,508	220,895	219,099	1,796
Undist. Expend. - Required Maint. for Sch. Facil.					
Salaries	1,957,739	18,698	1,976,437	1,711,168	265,269
Cleaning, Repair and Maintenance Services	631,000	912,238	1,543,238	974,545	568,693
General Supplies	579,000	136,341	715,341	537,327	178,014
Other Objects	30,200		30,200	29,426	774
Total Undist. Expend. - Required Maint. for Sch. Facil.	3,197,939	1,067,277	4,265,216	3,252,466	1,012,750

East Windsor Regional School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Custodial Services					
Salaries	\$ 2,692,413	\$ 262,302	\$ 2,954,715	\$ 2,939,649	\$ 15,066
Purchased Professional - Technical Services	20,000	(20,000)			
Cleaning, Repair and Maintenance Services	39,000	(561)	38,439	29,235	9,204
Other Purchased Property Services	90,000	22,147	112,147	101,706	10,441
Insurance	398,381	(62,250)	336,131	326,999	9,132
Travel		1,084	1,084	1,049	35
General Supplies	360,000	38,623	398,623	357,757	40,866
Natural Gas	600,000	(230,000)	370,000	333,589	36,411
Electricity	1,100,000	253,400	1,353,400	1,353,312	88
Gasoline	20,000	19,550	39,550	38,044	1,506
Total Undist. Expend. - Custodial Services	5,319,794	284,295	5,604,089	5,481,340	122,749
Undist. Expend. - Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	195,500	24,090	219,590	212,578	7,012
General Supplies	165,000	(55,300)	109,700	69,452	40,248
Total Undist. Expend. - Care and Upkeep of Grounds	360,500	(31,210)	329,290	282,030	47,260
Undist. Expend. - Security					
Salaries	851,590	94,721	946,311	823,469	122,842
Purchased Professional and Technical Services	23,000	(12,770)	10,230	230	10,000
General Supplies	3,000	12,794	15,794	393	15,401
Total Undist. Expend. - Security	877,590	94,745	972,335	824,092	148,243
Undist. Expend. - Student Transportation Serv.					
Salaries for Non-Instructional Aids	314,841	54,172	369,013	323,383	45,630
Salaries for Pupil Trans. (Between Home and School) - Regular	2,214,937	508,626	2,723,563	2,549,443	174,120
Salaries for Pupil Trans. (Between Home and School) - Sp. Ed.	410,001	(205,841)	204,160	167,757	36,403
Salaries for Pupil Trans. (Other than Between Home and School)	557,676	(219,412)	338,264	247,724	90,540
Other Purchased Professional and Technical Services	38,359	500	38,859	38,319	540
Cleaning, Repair and Maintenance Services	37,150	10,499	47,649	44,377	3,272
Contracted Services Aid In Lieu of Payment for Non-public School Students	200,000	5,841	205,841	205,841	
Contracted Services (Sp. Ed.) - Joint Agreements	1,381,100	56,836	1,437,936	1,365,641	72,295
Contracted Services (Regular Students) - ESCs	75,000	74,403	149,403	143,209	6,194
Travel	5,000	(3,500)	1,500	739	761
Miscellaneous Purchased Services - Transportation	86,500	(80,896)	5,604		5,604
General Supplies	187,500	109,400	296,900	283,470	13,430
Transportation Supplies	240,300		240,300	96,580	143,720
Other Objects	11,550	(3,000)	8,550	7,828	722
Total Undist. Expend. - Student Transportation Serv.	5,759,914	307,628	6,067,542	5,474,311	593,231
Unallocated Benefits					
Group Insurance	5,000	110	5,110	5,102	8
Social Security Contributions	1,100,000	150,100	1,250,100	1,250,100	
TPAF Contributions ERIP	20,000	(599)	19,401	4,817	14,584
Other Retirement Contributions - PERS	1,640,000	(9,439)	1,630,561	1,630,561	
Other Retirement Contributions - ERIP	10,000	(4,557)	5,443	2,038	3,405
Other Retirement Contributions - Regular	70,000	35,085	105,085	105,050	35
Worker's Compensation	433,545	(14,900)	418,645	394,462	24,183
Health Benefits	16,037,523	468,000	16,505,523	16,505,487	36
Tuition Reimbursement	260,000	(214,700)	45,300	45,231	69
Other Employee Benefits	160,000	56,300	216,300	210,465	5,835
Total Unallocated Benefits	19,736,068	465,400	20,201,468	20,153,313	48,155
On-behalf Contributions					
TPAF Pension Contributions (On-behalf - Non-Budgeted)				16,372,776	(16,372,776)
TPAF Post Retirement Medical (On-behalf - Non-Budgeted)				4,456,070	(4,456,070)
TPAF Non-contributory Insurance (On-behalf - Non-Budgeted)				9,188	(9,188)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				3,571,187	(3,571,187)
Total On-behalf Contributions				24,409,221	(24,409,221)
TOTAL UNDISTRIBUTED EXPENDITURES	61,848,910	3,137,728	64,986,638	84,989,871	(20,003,233)
TOTAL GENERAL CURRENT EXPENSE	112,949,642	30,338	112,979,980	131,479,723	(18,499,743)

East Windsor Regional School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2024

	Original <u>Budget</u>	Budget <u>Transfers</u>	Final <u>Budget</u>	Actual	Variance Final to <u>Actual</u>
CAPITAL OUTLAY					
Equipment					
Regular Programs-Instruction					
Grades 1-5		\$ 346,885	\$ 346,885	\$ 36,339	\$ 310,546
Grades 6-8	\$ 3,200	127,187	130,387	33,667	96,720
Grades 9-12	3,000	241,455	244,455	94,811	149,644
Special Education-Instruction					
School- Spons. and Other Instructional Programs	11,000	47,591	58,591	52,379	6,212
Undistributed Expenditures					
Support Services - Child Study Teams	15,300	(3,000)	12,300	7,429	4,871
Admin Info Tech	78,500	128,655	207,155	116,909	90,246
Req. Maint. of School Facilities	100,000	643,832	743,832	463,413	280,419
Custodial Services		29,122	29,122	29,122	
Undistributed Exp.-Care and Upkeep of Grounds		132,702	132,702	132,702	
Undistributed Exp.-Non-Instructional Services					
Non-Instructional Equipment	185,000	53,584	238,584	238,540	44
School buses-regular	450,000	(282,484)	167,516	22,268	145,248
Total Equipment	<u>846,000</u>	<u>1,465,529</u>	<u>2,311,529</u>	<u>1,227,579</u>	<u>1,083,950</u>
Facilities Acquisition and Construction Services					
Architectural/Engineering Services		2,025,082	2,025,082	1,428,589	596,493
Construction Services	10,401,642	3,086,205	13,487,847	6,539,884	6,947,963
Lease purchase agreements-principal	1,536,384		1,536,384	1,536,384	
Other Objects - Debt Service Assessment - SDA	203,645		203,645	203,645	
Total Facilities Acquisition and Construction Services	<u>12,141,671</u>	<u>5,111,287</u>	<u>17,252,958</u>	<u>9,708,502</u>	<u>7,544,456</u>
TOTAL CAPITAL OUTLAY	<u>12,987,671</u>	<u>6,576,816</u>	<u>19,564,487</u>	<u>10,936,081</u>	<u>8,628,406</u>
SPECIAL SCHOOLS					
Summer School - Instruction					
Salaries of Teachers	216,500	216,500	216,244	256	
Other Salaries of Instruction	27,500	27,500	27,426	74	
Total Summer School Instruction	<u>244,000</u>	<u>244,000</u>	<u>243,670</u>	<u>330</u>	
TOTAL SPECIAL SCHOOLS	<u>244,000</u>	<u>244,000</u>	<u>243,670</u>	<u>330</u>	
Contribution to Charter Schools	<u>65,000</u>		<u>65,000</u>	<u>27,628</u>	<u>37,372</u>
TOTAL EXPENDITURES	<u>126,002,313</u>	<u>6,851,154</u>	<u>132,853,467</u>	<u>142,687,102</u>	<u>(9,833,635)</u>
(Deficiency) Excess of Revenues (Under) Over Expenditures	<u>(4,600,000)</u>	<u>(6,851,154)</u>	<u>(11,451,154)</u>	<u>4,371,236</u>	<u>15,822,390</u>
Other Financing Uses:					
Transfer Out				(244,525)	(244,525)
Total Other Financing uses				<u>(244,525)</u>	<u>(244,525)</u>
Change in Fund Balance	<u>(4,600,000)</u>	<u>(6,851,154)</u>	<u>(11,451,154)</u>	<u>4,126,711</u>	<u>15,577,865</u>
Fund Balance, July 1	<u>28,540,468</u>		<u>28,540,468</u>	<u>28,540,468</u>	
Fund Balance, June 30	<u>\$ 23,940,468</u>	<u>\$ (6,851,154)</u>	<u>\$ 17,089,314</u>	<u>\$ 32,667,179</u>	<u>\$ 15,577,865</u>
Recapitulation of (Deficiency) Excess of Revenues (Under) Over Expenditures:					
Budgeted Fund Balance	\$ (3,230,750)	\$ 290,574	\$ (2,940,176)	\$ 12,637,689	\$ 15,577,865
Adjustment for Prior Year Encumbrances, net cancellations		(7,141,728)	(7,141,728)	(7,141,728)	
Withdrawal Capital Reserve	(1,369,250)		(1,369,250)	(1,369,250)	
Total	<u>\$ (4,600,000)</u>	<u>\$ (6,851,154)</u>	<u>\$ (11,451,154)</u>	<u>\$ 4,126,711</u>	<u>\$ 15,577,865</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Excess Surplus Designated for Subsequent Year's Expenditures				\$ 2,549,505	
Excess Surplus-current year				4,553,291	
Capital Reserve				10,428,406	
Maintenance Reserve				2,773,054	
Unemployment Compensation Claims				1,530,542	
Assigned to:					
Designated for Subsequent Year's Expenditures				415,348	
Year End Encumbrances				7,149,713	
Unassigned Fund Balance				3,267,320	
				<u>32,667,179</u>	
Reconciliation of Budgetary Fund Balance to GAAP Fund Balance:					
Final State Aid Payments Not Realized on GAAP Basis				(4,543,435)	
Fund balance per Governmental Funds (GAAP)				<u>\$ 28,123,744</u>	

East Windsor Regional School District
Special Revenue Fund
Required Supplementary Information
Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues					
Federal sources	\$ 1,432,754	\$ 2,174,718	\$ 3,607,472	\$ 3,917,098	\$ 309,626
State sources	28,179	1,621,673	1,649,852	405,084	(1,244,768)
Local sources	10,000	(9,975)	25	616,680	616,655
Total revenues	<u>1,470,933</u>	<u>3,786,416</u>	<u>5,257,349</u>	<u>4,938,862</u>	<u>(318,487)</u>
Expenditures					
Current expenditures:					
Instruction:					
Salaries of teachers	83,330	682,505	765,835	549,495	216,340
Purchased professional services	131,906	212,530	344,436	261,740	82,696
Other purchased services	734,651	1,065,200	1,799,851	1,724,651	75,200
General supplies	275,483	829,916	1,105,399	784,777	320,622
Textbooks		5,261	5,261	4,870	391
Other objects		8,250	8,250	688	7,562
Total instruction	<u>1,225,370</u>	<u>2,803,662</u>	<u>4,029,032</u>	<u>3,326,221</u>	<u>702,811</u>
Support services:					
Salaries	72,000	68,147	140,147	128,145	12,002
Personal services—employee benefits	30,831	205,566	236,397	224,631	11,766
Purchased professional services	57,530	141,014	198,544	140,159	58,385
Other purchased professional services		67,087	67,087	33,198	33,889
Supplies and materials		182,909	182,909	68,859	114,050
Scholarships awarded				26,272	(26,272)
Student activities				626,807	(626,807)
Other objects		6,000	6,000	3,736	2,264
Total support services	<u>160,361</u>	<u>670,723</u>	<u>831,084</u>	<u>1,251,807</u>	<u>(420,723)</u>
Capital outlay:					
Noninstructional equipment	85,202	312,031	397,233	397,233	
Total capital outlay	<u>85,202</u>	<u>312,031</u>	<u>397,233</u>	<u>397,233</u>	<u>-</u>
Total expenditures	<u>1,470,933</u>	<u>3,786,416</u>	<u>5,257,349</u>	<u>4,975,261</u>	<u>282,088</u>
Deficiency of revenues under expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(36,399)</u>	<u>\$ (36,399)</u>
Fund Balance July 1, 2023				<u>427,115</u>	
Fund Balance, June 30, 2024				<u>\$ 390,716</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 46,808	
Student activities				<u>343,908</u>	
Total Fund Balance				<u>\$ 390,716</u>	

East Windsor Regional School District
Note to Required Supplementary Information

Budget to GAAP Reconciliation

Year ended June 30, 2024

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-1, C-2)	\$ 147,058,338	\$ 4,938,862
Differences - Budgetary to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior year	832,000	
Current year	(648,837)	
State aid payments recognized for budgetary purposes, not recognized for GAAP statements.		
Prior year	3,850,529	
Current year	(4,543,435)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds (B-2)	<u>\$ 146,365,432</u>	<u>\$ 5,122,025</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule (C-1, C-2)	\$ 142,687,102	\$ 4,975,261
Differences - Budgetary to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Prior year	832,000	
Current year	(648,837)	
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 142,687,102</u>	<u>\$ 5,158,424</u>

Supplementary Information

Special Revenue Fund

East Windsor Regional School District
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures
Budgetary Basis

Year ended June 30, 2024

	COVID-19 Education Stabilization Fund												Coronavirus State and Local Fiscal Recovery Funds	
	E.S.E.A.				I.D.E.A.				COVID-19 Education Stabilization Fund					
	Title I Part A	Title II A	Title III Immigrant	Title IV	Part B Basic	Preschool	ARP NJTSS Mental Health	ARP Homeless Grant II	Accelerated Learning Coach and Educator Support	ARP ESSER III	ARP Evidence Based Comprehensive Beyond	COVID-19 ACSERS	High Impact Tutoring	
Revenues:														
Local sources														
State sources														
Federal sources														
Total revenues	\$ 488,428	\$ 50,001	\$ 94,713	\$ 5,990	\$ 32,848	\$ 1,522,125	\$ 61,085	\$ 38,875	\$ 24,087	\$ 406,141	\$ 877,370	\$ 20,593	\$ 141,441	\$ 153,401
Expenditures:														
Instruction:														
Salaries of teachers	\$ 276,252		\$ 66,323	\$ 765						\$ 76,181	\$ 118,004			\$ 11,970
Purchased professional services										117,855	97,755			46,130
Other purchased services							\$ 1,522,125	\$ 61,085						
Instructional supplies	63,755		16,377	5,225	\$ 32,848									141,441
Textbooks														91,601
Other objects	688													
Total instruction	340,695		82,700	5,990	32,848	1,522,125	61,085					194,036	751,400	20,593
Undistributed:														
Support services:														
Salaries	22,000													
Personal services-employee benefits	112,940													
Purchased professional services		\$ 37,704												
Other purchased professional services			9,111											3,700
Supplies and materials	12,793	8,561	2,902											
Student activities														
Scholarships awarded														
Other objects		3,736												
Total support services	147,733	50,001	12,013											3,700
Capital outlay:														
Noninstructional equipment														
Total capital outlay														
Total expenditures	\$ 488,428	\$ 50,001	\$ 94,713	\$ 5,990	\$ 32,848	\$ 1,522,125	\$ 61,085	\$ 38,875	\$ 24,087	\$ 406,141	\$ 877,370	\$ 20,593	\$ 141,441	\$ 153,401
Deficiency of Revenues														
Under Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer														
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

**Combining Schedule of Program Revenues and Expenditures
Budgetary Basis**

Year ended June 30, 2024

	Nonpublic Aid				SDA Emergent Grant	Student Activities	Scholarships	Totals
	Textbooks	Nursing	Security	Technology				
Revenues:								
Local sources	\$ 4,870	\$ 10,920	\$ 14,331	\$ 4,406	\$ 370,557	\$ 594,221	\$ 22,459	\$ 616,680
State sources								405,084
Federal sources								3,917,098
Total revenues	\$ 4,870	\$ 10,920	\$ 14,331	\$ 4,406	\$ 370,557	\$ 594,221	\$ 22,459	\$ 4,938,862
Expenditures:								
Instruction:								
Salaries of teachers								\$ 549,495
Purchased professional services								261,740
Other purchased services								1,724,651
Instructional supplies			\$ 14,331	\$ 4,406				784,777
Textbooks	\$ 4,870							4,870
Other objects								688
Total instruction	4,870		14,331	4,406				3,326,221
Undistributed:								
Support services:								
Salaries								128,145
Personal services—employee benefits								224,631
Purchased professional services		\$ 10,920						140,159
Other purchased professional services								33,198
Supplies and materials								68,859
Student activities					\$ 626,807			626,807
Scholarships awarded						\$ 26,272		26,272
Other objects								3,736
Total support services		10,920			\$ 626,807		\$ 26,272	1,251,807
Capital outlay:								
Noninstructional equipment				\$ 370,557				397,233
Total capital outlay				370,557				397,233
Total expenditures	\$ 4,870	\$ 10,920	\$ 14,331	\$ 4,406	\$ 370,557	\$ 626,807	\$ 26,272	\$ 4,975,261
Deficiency of Revenues Under Expenditures	-	-	-	-	-	(32,586)	(3,813)	(36,399)
Fund Balance, July 1	-	-	-	-	-	376,494	50,621	427,115
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 343,908	\$ 46,808	\$ 390,716

Capital Projects Fund

**East Windsor Regional School District
Capital Projects Fund**

**Summary Schedule of Project Revenues, Expenditures,
Project Balance and Project Status**

(Budgetary Basis)

Year ended June 30, 2024

	Current Year
Revenues and other financing sources	
Interest on investments	\$ 204,318
Total Revenues	<u>204,318</u>
Expenditures	
Purchased Professional Services	201,000
Construction Services	2,915,865
Total Expenditures	<u>3,116,865</u>
Deficiency of Revenues Under Expenditures	(2,912,547)
Fund Balance, July 1	8,121,444
Fund Balance, June 30	<u>\$ 5,208,897</u>
<u>Reconciliation of budgetary basis to GAAP basis:</u>	
Fund Balance, Budgetary Basis at June 30, 2024	\$ 5,208,897
Less: Revenue not recognized on a GAAP basis	(16,914)
Fund Balance - June 30, 2024 GAAP Basis	<u>\$ 5,191,983</u>

**East Windsor Regional School District
Capital Projects Fund**

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

From Inception and for the year ended June 30, 2024

	Prior Periods	Current Year	Totals	Authorized Cost
Revenues and Other Financing				
State Sources - SDA Grant	\$ 1,612,185		\$ 1,612,185	\$ 1,612,185
Financed Purchase Proceeds	8,000,000		8,000,000	8,000,000
Transfer from Capital Reserve	2,574,589		2,574,589	2,574,589
Interest earned on investments	18,991	\$ 204,318	223,309	223,309
Total Revenues	12,205,765	204,318	12,410,083	12,410,083
Expenditures and Other Financing				
Purchased Professional Services		201,000	201,000	201,000
Construction Services	4,084,366	2,915,865	7,000,231	12,209,083
Other Expense				
Transfers Out				
Total Expenditures	4,084,366	3,116,865	7,201,231	12,410,083
Excess (Deficiency) of Revenues (Under) Expenditures	\$ 8,121,399	\$ (2,912,547)	\$ 5,208,852	\$ -
Other Revenue - 2016		45		45
Budgetary Fund Balance	<u>\$ 8,121,444</u>		<u>\$ 5,208,897</u>	

**East Windsor Regional School District
Capital Projects Fund**

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

Telecommunication Replacement for Various Schools

From Inception and for the year ended June 30, 2024

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

**East Windsor Regional School District
Capital Projects Fund**

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

Roof and Door Replacement for Various Schools

From Inception and for the year ended June 30, 2024

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

**East Windsor Regional School District
Capital Projects Fund**

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

District Wide HVAC Upgrades

From Inception and for the year ended June 30, 2024

	Prior Periods	Current Year	Totals	Authorized Cost
Revenues and Other Financing				
State Sources - SDA Grant				
Financed Purchase Proceeds	\$ 8,000,000		\$ 8,000,000	\$ 8,000,000
Transfer from Capital Reserve				
Interest earned on investments	18,991	\$ 204,318	223,309	223,309
Total Revenues	8,018,991	204,318	8,223,309	8,223,309
Expenditures and Other Financing				
Purchased Professional Services		201,000	201,000	201,000
Construction Services	199,656	2,915,865	3,115,521	8,022,309
Other Expense				
Transfer Out to Debt Service Fund				
Total Expenditures	199,656	3,116,865	3,316,521	8,223,309
Excess (Deficiency) of Revenues (Under) Expenditures	\$ 7,819,335	\$ (2,912,547)	\$ 4,906,788	\$ -
Additional project information				
Project number		2023-1		
Grant date		NA		
Bond authorization date		NA		
Bonds Authorized		NA		
Bonds Issued		NA		
Original Authorized Cost	\$ 8,000,000			
Additional Authorized Cost	\$ 223,309			
Revised Authorized Cost	\$ 8,223,309			
Percentage Increase over Original Authorized Cost		3%		
Percentage completion		40%		
Original target completion date		September 2025		
Revised target completion date		June 2026		

East Windsor Regional School District
Capital Projects Fund

Summary Schedule of Project Expenditures

Year ended June 30, 2024

Issue/Project Title	Date	Appropriations	Expenditures to Date		Unexpended Balance
			Prior Year	Current Year	
Telecommunication Replacement for Various Schools	1/27/14	\$ 567,551	\$ 520,550		\$ 47,001
Roof Replacement for Various Schools	5/12/14	3,619,223	3,364,160		255,063
District Wide HVAC Upgrades	4/24/23	8,223,309	199,656	\$ 3,116,865	4,906,788
		<u>\$ 12,410,083</u>	<u>\$ 4,084,366</u>	<u>\$ 3,116,865</u>	<u>5,208,852</u>
Other					45
					<u>\$ 5,208,897</u>

Long-Term Debt

East Windsor Regional School District
Long-Term Debt

Schedule of Serial Bonds Payable

Year ended June 30, 2024

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2023	Retired	Balance June 30, 2024
			Date	Amount				
2015 Refunding Bonds	3/18/2015	\$ 3,280,000				\$ 375,000		\$ 375,000
2021 Refunding Bonds	2/24/2021	15,320,000	3/1/2025	\$ 2,235,000	1.00%			
			3/1/2026	2,155,000	1.10%			
			3/1/2027	2,105,000	1.40%			
			3/1/2028	2,030,000	1.50%			
			3/1/2029	1,970,000	1.80%	12,760,000	2,265,000	\$ 10,495,000
						\$ 13,135,000	\$ 2,640,000	\$ 10,495,000

East Windsor Regional School District
Long-Term Debt

Schedule of Financed Purchases Payable

Year ended June 30, 2024

	Interest Rate	Amount of Original Issue	Balance July 1, 2023	Retired	Balance June 30, 2024
TD Equipment Finance	0.10%	\$ 1,965,000	\$ 494,168	\$ 494,168	
JPMorgan Chase Bank	2.37%	8,000,000	6,367,480	1,536,384	\$ 4,831,096
Apple Financial Services - Education Finance	0.00%	719,749	719,749	239,916	479,833
			\$ 7,581,397	\$ 2,270,468	\$ 5,310,929

East Windsor Regional School District
Debt Service Fund

Budgetary Comparison Schedule

Year ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
Revenues:					
Local sources:					
Local tax levy	\$ 2,715,761		\$ 2,715,761	\$ 2,715,761	
State sources:					
Debt Service Aid Type II	88,520		88,520	88,520	
Total revenues	2,804,281		2,804,281	2,804,281	
Expenditures:					
Principal on bonds	2,640,000		2,640,000	2,640,000	
Interest on bonds	164,281		164,281	164,281	
Total expenditures	2,804,281		2,804,281	2,804,281	
Net change in fund balances	-		-	-	
Fund balance, July 1	-		-	-	
Fund balance, June 30	\$ -		\$ -	\$ -	\$ -

**Statistical Section
(Unaudited)**

Statistical Section
Unaudited

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

East Windsor Regional School District
Net Position by Component
Last Ten Fiscal Years

(Accrual Basis of Accounting)
Unaudited

	As of June 30,									
	2015 (As restated)	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 66,115,732	\$ 69,467,999	\$ 72,406,375	\$ 72,810,331	\$ 75,373,950	\$ 78,784,906	\$ 81,933,434	\$ 83,988,713	\$ 92,111,967	\$ 96,228,196
Restricted	9,808,188	10,665,161	11,385,023	28,407,639	10,937,952	11,004,607	12,553,088	14,692,249	16,566,637	27,417,497
Unrestricted (deficit)	(17,505,642)	(20,297,232)	(23,932,469)	(24,778,738)	(24,538,403)	(21,829,520)	(19,498,746)	(15,392,784)	(11,453,884)	(12,303,046)
Total governmental activities net position	\$ 58,418,278	\$ 59,835,928	\$ 59,858,929	\$ 76,439,232	\$ 61,773,499	\$ 67,959,993	\$ 74,987,776	\$ 83,288,178	\$ 97,224,720	\$ 111,342,647
Business-type activities										
Investment in capital assets	\$ 278,395	\$ 237,717	\$ 255,267	\$ 216,040	\$ 181,316	\$ 146,261	\$ 125,340	\$ 113,880	\$ 584,771	\$ 1,685,482
Unrestricted	1,223,267	1,517,967	1,794,993	1,993,734	2,382,596	2,502,191	2,323,125	3,686,492	3,673,206	3,085,230
Total business-type activities net position	\$ 1,501,662	\$ 1,755,684	\$ 2,050,260	\$ 2,209,774	\$ 2,563,912	\$ 2,648,452	\$ 2,448,465	\$ 3,800,372	\$ 4,257,977	\$ 4,770,712
Government-wide										
Net investment in capital assets	\$ 66,394,127	\$ 69,705,716	\$ 72,661,642	\$ 73,026,371	\$ 75,555,266	\$ 78,931,167	\$ 82,058,774	\$ 84,102,593	\$ 92,696,738	\$ 97,913,678
Restricted	9,808,188	10,665,161	11,385,023	28,407,639	10,937,952	11,004,607	12,553,088	14,692,249	16,566,637	27,417,497
Unrestricted (deficit)	(16,282,375)	(18,779,265)	(22,137,476)	(22,785,004)	(22,155,807)	(19,327,329)	(17,175,621)	(11,706,292)	(7,780,678)	(9,217,816)
Total government-wide net position	\$ 59,919,940	\$ 61,591,612	\$ 61,909,189	\$ 78,649,006	\$ 64,337,411	\$ 70,608,445	\$ 77,436,241	\$ 87,088,550	\$ 101,482,697	\$ 116,113,359

Source: ACFR Schedule A-1 and District records.

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

East Windsor Regional School District
Changes in Net Position
Last Ten Fiscal Years

(Accrual Basis of Accounting)
Unaudited

	Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
Instruction										
Regular	\$ 25,670,386	\$ 43,048,737	\$ 48,218,048	\$ 49,708,064	\$ 46,264,449	\$ 44,153,643	\$ 51,771,380	\$ 48,544,655	\$ 45,597,681	\$ 47,348,852
Special Education	6,096,653	18,572,594	17,694,893	18,895,740	18,269,286	23,667,122	27,071,401	25,327,515	25,847,881	27,478,277
Other Instruction	2,992,569	6,747,736	7,808,512	8,499,028	7,962,224	1,966,362	1,738,551	1,938,883	2,065,218	2,637,837
Adult/Continuing Education Programs	1,197,485	27,184	2,197	3,473						
Support services:										
Tuition	6,491,066									
Student and Instruction Related Services	7,829,405	13,487,234	15,681,851	17,371,718	15,418,777	16,037,004	18,184,520	17,077,635	17,496,837	18,716,277
School Administrative Services	3,042,989	6,227,047	6,460,488	6,823,317	6,365,761	5,880,643	6,626,438	6,089,212	5,956,420	6,521,659
General and Business Administrative Services	987,075	2,505,451	3,718,895	3,664,616	3,328,359	3,215,601	3,892,060	3,559,290	3,528,482	3,947,476
Central Services	979,006									
Administrative Information Technology	235,688									
Plant Operations and Maintenance	7,230,915	9,715,746	10,536,268	10,937,635	10,835,855	10,282,857	11,855,706	11,599,043	11,771,596	14,095,684
Pupil Transportation	3,491,546	4,153,905	5,892,631	6,266,659	6,312,275	5,931,103	5,978,881	6,622,369	6,939,218	7,473,802
Transfers to Charter Schools			9,751	46,778	59,443	50,430	48,568	56,722	64,223	51,435
Special Schools		42,676	48,765	115,976	108,738	100,065	104,872	144,746	195,678	133,065
Interest on Long-Term Debt	1,532,276		1,124,003	1,005,821	926,240	845,734	787,111	641,801	208,379	294,174
Unallocated Employee Benefits	29,249,738									
Unallocated Amortization of Bond Costs	(119,329)									
Unallocated Depreciation	3,842,200									
Unallocated Compensated Absences	(237,384)									
Loss/Adjustment to Fixed Assets	2,509,558									
Total governmental activities	103,064,518	105,668,153	117,182,358	123,264,671	115,753,215	112,074,886	127,962,206	121,226,882	119,682,007	128,870,570
Business-type activities:										
Food service	1,681,029	1,778,459	1,858,803	1,855,771	1,850,931	1,496,245	592,410	2,115,796	2,299,590	2,446,302
Kid Care	753,458	737,167	526,130	565,897	555,112	548,797	537,525	508,512	510,405	710,182
Total business-type activities expense	2,434,487	2,515,626	2,384,933	2,421,668	2,406,043	2,045,042	1,129,935	2,624,308	2,809,995	3,156,484
Total district expenses	105,499,005	108,183,779	119,567,291	125,686,339	118,159,258	114,119,928	129,092,141	123,851,190	122,492,002	132,027,054
Program Revenues										
Governmental activities:										
Charges for services	1,146,167	525,533	618,167	553,987	613,972	799,128	734,046	727,701	727,955	683,737
Operating grants and contributions	18,026,976	2,021,484	2,113,637	2,277,674	2,137,277	2,097,632	4,169,514	3,762,731	4,492,007	4,142,283
Capital grants and contributions		751,239	903,611						1,337,632	1,052,540
Total governmental activities program revenues	19,173,143	3,298,256	3,635,415	2,831,661	2,751,249	2,896,760	4,903,560	4,490,432	6,557,594	5,878,560
Business-type activities:										
Charges for services										
Food service	736,272	751,380	781,171	821,284	881,280	626,563	32,247	91,064	771,906	819,268
Kid Care	866,156	841,422	638,994	603,502	645,438	451,769	93,663	517,744	577,516	665,175
Operating grants and contributions	1,073,302	1,174,301	1,259,344	1,156,396	1,233,463	1,051,250	795,241	3,361,992	1,859,463	1,825,937
Total business type activities program revenues	2,675,730	2,767,103	2,679,509	2,581,182	2,760,181	2,129,582	921,151	3,970,800	3,208,885	3,310,380
Total district program revenues	21,848,873	6,065,359	6,314,924	5,412,843	5,511,430	5,026,342	5,824,711	8,461,232	9,766,479	9,188,940
Net (Expense)/Revenue										
Governmental activities	(83,891,375)	(102,369,897)	(113,546,943)	(120,433,010)	(113,001,966)	(109,178,126)	(123,058,646)	(116,736,450)	(113,124,413)	(122,992,010)
Business-type activities	241,243	251,477	294,576	159,514	354,138	84,540	(208,784)	1,346,492	398,890	153,896
Total government-wide net expense	\$ (83,650,132)	\$ (102,118,420)	\$ (113,252,367)	\$ (120,273,496)	\$ (112,647,828)	\$ (109,093,586)	\$ (123,267,430)	\$ (115,389,958)	\$ (112,725,523)	\$ (122,838,114)

East Windsor Regional School District
Changes in Net Position
Last Ten Fiscal Years

(Accrual Basis of Accounting)
Unaudited

	Year Ended 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	\$ 60,278,129	\$ 61,483,692	\$ 62,713,366	\$ 63,717,633	\$ 64,741,986	\$ 65,786,826	\$ 67,102,563	\$ 68,194,614	\$ 69,308,506	\$ 70,194,676
Property taxes levied for debt service	3,201,658	3,167,898	3,124,874	3,054,895	3,046,318	3,003,784	2,958,285	2,756,767	2,774,659	2,715,761
Unrestricted grants and contributions	20,526,963	38,936,163	46,732,774	53,216,994	46,762,945	46,035,664	57,728,140	53,693,146	54,391,380	62,265,205
Investment earnings	19,457	33,883	52,598	108,526	253,906	361,548	164,539	40,961	326,611	1,452,138
Miscellaneous income	318,898	165,911	946,332	265,265	181,078	176,798	320,756	351,364	259,799	726,683
Transfers	400,000									(244,526)
Total governmental activities	84,745,105	103,787,547	113,569,944	120,363,313	114,986,233	115,364,620	128,274,283	125,036,852	127,060,955	137,109,937
Business-type activities:										
Investment income		2,545								
Transfers	(400,000)									
Total business-type activities	(400,000)	2,545	-	-	-	-	8,797	5,415	58,715	114,313
Total government-wide	84,345,105	103,790,092	113,569,944	120,363,313	114,986,233	115,364,620	128,283,080	125,042,267	127,119,670	137,468,776
Change in Net Position										
Governmental activities	853,730	1,417,650	23,001	(69,697)	1,984,267	6,186,494	5,215,637	8,300,402	13,936,542	14,117,927
Business-type activities	(158,757)	254,022	294,576	159,514	354,138	84,540	(199,987)	1,351,907	457,605	512,735
Total district	\$ 694,973	\$ 1,671,672	\$ 317,577	\$ 89,817	\$ 2,338,405	\$ 6,271,034	\$ 5,015,650	\$ 9,652,309	\$ 14,394,147	\$ 14,630,662

Source: ACFR Schedules A-2 and District records

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

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

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

(Modified Accrual Basis of Accounting)
 Unaudited

	As of June 30,											
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
General Fund												
Restricted	\$ 9,848,926	\$ 8,831,520	\$ 10,836,908	\$ 11,472,444	\$ 10,652,757	\$ 10,719,412	\$ 11,900,508	\$ 13,994,651	\$ 16,034,992	\$ 21,834,798		
Assigned to	4,313,306	3,732,985	2,479,687	2,776,584	3,438,211	6,249,392	7,920,684	7,654,975	8,654,947	6,288,946		
Unassigned	238,946	318,702	254,557	243,346			1,810,236	1,635,443				
Total general fund	\$ 14,401,178	\$ 12,883,207	\$ 13,571,152	\$ 14,492,374	\$ 14,090,968	\$ 16,968,804	\$ 21,631,428	\$ 23,285,069	\$ 24,689,939	\$ 28,123,744		
All Other Governmental Funds												
Restricted for:												
Special revenue fund *												
Capital projects fund	\$ 364,249	\$ 1,833,641	\$ 536,629	\$ 285,195	\$ 285,195	\$ 285,195	\$ 367,385	\$ 412,403	\$ 427,115	\$ 390,716		
Debt service fund	1	25,968	25,967				285,195	285,195	8,104,530	5,191,983		
Total all other governmental funds	\$ 364,250	\$ 1,859,609	\$ 562,596	\$ 285,195	\$ 285,195	\$ 285,195	\$ 652,580	\$ 697,598	\$ 8,531,645	\$ 5,582,699		

Source: ACFR Schedule B-1 and District records.

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

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

(Modified Accrual Basis of Accounting)
Unaudited

	Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax Levy	\$ 63,479,787	\$ 64,651,590	\$ 65,838,240	\$ 66,772,528	\$ 67,788,304	\$ 68,790,610	\$ 70,060,848	\$ 70,951,381	\$ 72,083,165	\$ 72,910,437
Transportation Fees	43,521.24	83,599	146,570	111,460	98,967	51,412	37,176	71,442	132,387	90,383
Tuition Charges	560,407	441,934	471,597	442,527	515,005	747,716	696,870	656,259	580,856	593,354
Interest on Investments		33,883	52,598	108,526	253,906	361,548	164,539	40,961	326,611	1,452,138
Rents & Royalties		23,011	38,469	66,758	51,722	13,460	151,350	10,598	41,398	153,511
Miscellaneous	375,525	1,375,584	961,561	226,041	164,677	204,611	425,224	890,063	983,051	1,191,023
State Sources	28,221,958	28,646,863	30,302,752	32,266,716	37,546,828	41,221,554	45,880,450	57,079,765	64,579,136	73,894,956
Federal Sources	2,098,887	2,048,759	2,176,690	2,329,762	2,207,442	2,153,081	4,037,209	3,410,597	5,232,089	4,210,254
Total revenue	94,780,086	97,305,223	99,988,477	102,324,318	108,626,851	113,543,992	121,453,666	133,111,066	143,958,693	154,496,056
Expenditures										
Instruction										
Regular Instruction	25,670,386	25,349,163	25,946,098	26,259,020	27,354,545	27,380,721	29,731,941	31,555,570	30,689,887	32,032,110
Special Education Instruction	6,096,653	7,875,334	7,450,145	7,780,064	8,225,324	8,382,494	8,937,870	9,333,844	9,339,734	9,946,452
Other Special Instruction		2,727,753	2,851,959	3,195,190	3,265,287	3,668,783	4,184,472	4,405,549	4,863,353	5,062,770
Other Instruction	2,992,569	1,100,372	1,185,551	1,137,566	1,187,644	1,143,738	912,593	1,246,326	1,275,790	1,629,717
Community Svc Program/Operations	1,197,485	15,899	2,057	3,250						
Support Services:										
Tuition	6,491,066	5,652,013	5,163,274	5,495,412	5,754,332	5,497,365	4,792,165	4,828,163	5,484,435	5,904,713
Student and Instruction Related Services	7,829,405	7,949,697	8,655,610	9,023,052	9,299,784	10,262,079	10,875,470	11,485,228	12,486,225	13,125,432
General administration	1,487,075									
School Administration Services	3,042,989	3,062,994	3,342,918	3,502,028	3,618,698	3,562,179	3,605,471	3,795,449	3,875,662	4,194,029
Central services	979,006									
Other Admin Services		2,210,539	2,335,736	2,324,464	2,281,641	2,295,407	2,544,884	2,528,219	2,664,718	2,923,728
Admin. Information Technology	235,688									
Plant Operations and maintenance	6,699,051	6,749,160	6,616,091	6,650,372	7,267,385	7,475,062	7,546,228	8,859,474	9,373,716	9,839,928
Pupil transportation	3,491,546	3,782,275	3,564,618	3,797,700	4,282,557	4,283,391	3,802,156	4,891,315	5,141,581	5,474,311
Employee Benefits	20,805,829	22,452,902	24,860,559	25,768,632	28,278,639	28,143,033	33,525,531	39,919,058	41,236,841	44,562,534
Transfer to Charter School		9,751	46,778	59,443	50,430	48,568	56,722	64,223	51,435	27,628
Capital Outlay	8,513,481	5,067,632	5,274,048	3,430,388	4,945,610	5,346,253	6,543,850	5,496,194	11,750,055	13,569,102
Special Schools	42,676	48,765	60,978	56,091	58,356	65,633	80,650	148,450		243,670
Debt Service:										
Principal	2,020,000	2,065,000	2,070,000	2,105,000	2,145,000	2,180,000	2,230,000	2,555,000	4,957,104	4,910,468
Interest and other charges	1,394,335	1,208,585	1,171,125	1,092,825	1,013,025	931,450	963,985	300,345	248,989	320,080
Total expenditures	98,989,240	97,327,834	100,597,545	101,680,497	109,028,257	110,666,156	120,333,988	131,412,407	143,439,525	153,766,672
Excess (Deficiency) of revenues over (under) expenditures	(4,209,154)	(22,611)	(609,068)	643,821	(401,406)	2,877,836	1,119,678	1,698,659	519,168	729,384
Other Financing sources (uses)										
Lease proceeds	2,246,183								8,000,000	
Assets acquired by financed purchases									719,749	
Payment to bond refunding escrow agent	(3,366,301)							1,965,000		
Refunding bonds issued	3,442,184							(15,186,815)		
Transfers In	535,632	2,547,303		251,057				15,320,000		
Transfers Out		(2,547,303)		(251,057)						
Total other financing sources (uses)	2,857,698	-	-	-	-	-	2,098,185	-	8,719,749	(244,525)
Net change in fund balances	\$ (1,351,456)	\$ (22,611)	\$ (609,068)	\$ 643,821	\$ (401,406)	\$ 2,877,836	\$ 3,217,863	\$ 1,698,659	\$ 9,238,917	\$ 484,859
Debt service as a percentage of noncapital expenditures	3.77%	3.55%	3.40%	3.25%	3.03%	2.95%	2.81%	2.27%	3.95%	3.73%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

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

FISCAL YEAR ENDED JUNE 30,	PRIOR YEAR REFUNDS	RENTAL OF FACILITIES	TUITION	TRANSPORTATION FEES	INTEREST EARNINGS	MISCELLANEOUS	Annual Totals
2024	\$ 16,919	\$ 153,511	\$ 593,354	\$ 90,383	\$ 1,247,820	\$ 556,253	\$ 2,658,240
2023		41,398	580,856	132,387	307,620	218,401	1,280,662
2022		10,598	656,259	71,442	40,961	340,766	1,120,026
2021		151,350	696,870	37,176	164,539	169,406	1,219,341
2020	39,212	13,460	747,716	51,412	361,548	124,126	1,337,474
2019		44,172	422,463	98,967	253,906	105,526	925,034
2018		66,758	442,527	111,460	108,526	198,507	927,778
2017	499,994	38,469	471,597	146,570	52,598	407,869	1,617,097
2016		23,011	441,934	83,599	33,856	142,855	725,255
2015		19,457	560,407	43,521		318,898	942,283

Source: District records

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

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	PERS. PROP	TOTAL ASSESSED VALUE	TAX EXEMPT PROPERTY	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE b	ACTUAL (COUNTY EQUALIZED) VALUE
East Windsor													
2024	\$ 45,436,100	\$ 2,023,007,300	\$ 10,401,300	\$ 1,286,200	\$ 389,108,300	\$ 227,443,700	\$ 172,391,500	\$ 3,501,400	\$ 2,872,575,800	\$ 250,577,000	\$ 2,872,575,800	\$ 2.23	\$ 4,151,460,570
2023	36,809,100	2,022,456,800	10,157,000	1,263,500	401,873,300	214,099,100	172,391,500	3,918,700	2,862,969,000	241,578,700	2,862,969,000	2.19	4,140,874,712
2022	35,998,700	2,019,600,600	10,115,300	1,216,700	400,361,500	213,613,500	172,391,500	4,289,845	2,857,587,645	240,502,600	2,857,587,645	2.16	3,571,086,108
2021	35,117,100	2,019,677,100	10,102,900	1,220,600	400,481,800	188,851,700	171,420,800	4,542,658	2,831,414,658	238,573,400	2,831,414,658	2.16	3,157,457,835
2020	29,514,800	2,016,561,800	10,808,800	1,279,900	401,985,050	186,547,700	169,966,300	4,443,653	2,821,108,003	244,492,800	2,821,108,003	2.14	3,047,818,651
2019	29,623,500	2,015,198,300	11,011,700	1,299,700	405,311,650	179,766,200	169,288,300	4,507,360	2,816,006,710	245,033,200	2,816,006,710	2.11	2,816,006,710
2018	38,039,700	2,014,170,300	10,542,400	1,324,700	420,630,150	151,870,200	169,889,900	4,591,136	2,811,058,486	199,219,200	2,811,058,486	2.09	2,862,184,819
2017	53,385,400	2,008,698,197	10,283,500	1,299,900	416,028,050	104,470,200	158,328,000	4,679,638	2,757,172,885	199,061,000	2,757,172,885	2.09	2,801,966,101
2016	40,292,200	2,004,509,297	10,264,300	1,327,800	418,307,250	103,107,300	158,328,000	4,537,469	2,740,673,616	193,193,200	2,740,673,616	2.07	2,700,842,361
2015	36,112,600	2,007,679,679	17,725,000	1,675,100	421,826,350	105,287,300	158,560,400	4,536,175	2,753,402,604	193,637,200	2,753,402,604	2.01	2,753,402,604
Hightstown													
2024	\$ 2,615,800	\$ 319,798,000		\$ 51,959,600	\$ 3,552,900	\$ 13,373,200	\$ 3,025,900	\$ 394,325,400	\$ 157,801,500	\$ 394,325,400	\$ 2.35	\$ 574,933,147	
2023	2,706,000	318,253,900		54,577,700	3,552,900	13,373,200	3,249,600	395,713,300	157,892,500	395,713,300	2.44	576,643,697	
2022	2,778,300	317,106,600		56,068,100	3,552,900	13,373,200	3,222,092	396,101,192	157,301,600	396,101,192	2.42	534,602,123	
2021	2,318,700	316,258,000		56,615,600	4,012,500	13,373,200	3,594,397	396,172,397	156,451,300	396,172,397	2.34	494,617,614	
2020	2,365,800	314,503,000		56,967,000	4,193,400	13,373,200	3,284,099	394,686,499	148,641,300	394,686,499	2.28	463,643,730	
2019	2,436,800	314,070,100		54,258,400	3,167,900	13,373,200	3,381,420	393,687,620	146,638,200	393,687,620	2.21	393,687,820	
2018	2,529,900	312,979,100		57,485,900	3,167,900	13,349,900	3,582,656	393,095,356	146,682,000	393,095,356	2.16	408,925,687	
2017	2,652,000	312,588,100		57,330,600	3,149,400	13,043,900	3,416,396	392,180,396	146,885,100	392,180,396	2.20	412,573,255	
2016	3,121,500	310,610,300		57,167,600	3,149,400	13,043,900	3,374,648	390,467,348	147,275,600	390,467,348	2.20	414,616,885	
2015	3,096,100	310,248,700		57,030,300	3,149,400	13,043,900	2,963,474	389,531,874	193,367,200	389,531,874	2.19	415,636,477	
East Windsor & Hightstown													
2024	\$ 48,051,900	\$ 2,342,805,300	\$ 10,401,300	\$ 1,286,200	\$ 441,067,900	\$ 230,996,600	\$ 185,764,700	\$ 6,527,300	\$ 3,266,901,200	\$ 408,378,500	3,266,901,200	\$ 4.58	\$ 4,726,393,717
2023	39,515,100	2,340,710,700	10,157,000	1,263,500	456,451,000	217,652,000	185,764,700	7,168,300	3,258,682,300	399,471,200	3,258,682,300	4.63	4,717,518,409
2022	38,777,000	2,336,707,200	10,115,300	1,216,700	456,429,600	217,166,400	185,764,700	7,511,937	3,253,688,837	397,804,200	3,253,688,837	4.58	4,105,688,231
2021	37,435,800	2,335,935,100	10,102,900	1,220,600	457,097,400	192,864,200	184,794,000	8,137,055	3,227,587,055	395,024,700	3,227,587,055	4.50	3,652,075,449
2020	31,880,600	2,331,064,800	10,808,800	1,279,900	458,952,050	190,741,100	183,339,500	7,727,752	3,215,794,502	393,134,100	3,215,794,502	4.42	3,511,462,381
2019	32,060,300	2,329,268,400	11,011,700	1,299,700	459,570,050	182,934,100	182,661,500	7,888,780	3,209,694,330	391,671,400	3,209,694,330	4.32	3,209,694,530
2018	40,569,600	2,327,149,400	10,542,400	1,324,700	478,116,050	155,038,100	183,239,800	8,173,792	3,204,153,842	345,901,200	3,204,153,842	4.25	3,271,110,506
2017	56,037,400	2,321,286,297	10,283,500	1,299,900	473,358,650	107,619,600	171,371,900	8,096,034	3,149,353,281	345,946,100	3,149,353,281	4.29	3,214,539,356
2016	43,413,700	2,315,119,597	10,264,300	1,327,800	475,474,850	106,256,700	171,371,900	7,912,117	3,131,140,964	340,468,800	3,131,140,964	4.27	3,115,459,246
2015	39,208,700	2,317,928,379	17,725,000	1,675,100	478,856,650	108,436,700	171,604,300	7,499,649	3,142,934,478	387,004,400	3,142,934,478	4.20	3,169,039,081

Source: Municipal Tax Assessors

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

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

EAST WINDSOR REGIONAL SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES			
FISCAL YEAR ENDED JUNE 30,	BASIC RATE	TOTAL DIRECT SCHOOL TAX RATE	BOROUGH OR TOWNSHIP	MERCER COUNTY	TOTAL DIRECT & OVERLAPPING TAX RATE	
East Windsor						
2024	\$ 2.23	\$ 2.23	\$ 0.46	\$ 0.91	\$ 3.60	
2023	2.19	2.19	0.43	0.78	3.40	
2022	2.16	2.16	0.43	0.71	3.31	
2021	2.16	2.16	0.43	0.71	3.28	
2020	2.14	2.14	0.43	0.71	3.29	
2019	2.11	2.11	0.43	0.71	3.25	
2018	2.09	2.09	0.43	0.69	3.21	
2017	2.09	2.09	0.43	0.60	3.12	
2016	2.07	2.07	0.43	0.58	3.08	
2015	2.01	2.01	0.43	0.57	3.02	
Hightstown						
2024	\$ 2.35	\$ 2.35	\$ 1.63	\$ 0.92	\$ 4.90	
2023	2.44	2.44	1.57	0.84	4.85	
2022	2.42	2.42	1.47	0.80	4.69	
2021	2.34	2.34	1.35	0.78	4.52	
2020	2.28	2.28	1.35	0.78	4.41	
2019	2.21	2.21	1.33	0.75	4.29	
2018	2.16	2.16	1.29	0.71	4.16	
2017	2.20	2.20	1.22	0.62	4.04	
2016	2.20	2.20	1.18	0.71	4.09	
2015	2.19	2.19	1.16	0.62	4.06	

Source: Municipal Tax Collectors

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

NOT AVAILABLE

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
Unaudited

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE TAX LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2024	\$ 72,910,437	\$ 72,910,437	100.00%	
2023	72,083,165	72,083,165	100.00%	
2022	70,951,381	70,951,381	100.00%	
2021	70,060,848	70,060,848	100.00%	
2020	68,790,610	68,790,610	100.00%	
2019	67,788,304	67,788,304	100.00%	
2018	66,772,528	66,772,528	100.00%	
2017	65,838,240	65,838,240	100.00%	
2016	64,651,590	64,651,590	100.00%	
2015	63,479,787	63,479,787	100.00%	

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

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

YEAR ENDED JUNE 30,	GENERAL OBLIGATIONS BONDS	FINANCED PURCHASES	TOTAL DISTRICT	PER CAPITA INCOME	PERCENTAGE OF PERSONAL INCOME a	DISTRICT POPULATION	PER CAPITA a
2024	\$ 10,495,000	\$ 5,310,929	\$ 15,805,929	\$ 80,116	1.42%	29,758	\$ 1,138
2023	13,135,000	7,581,397	20,716,397	79,354	1.41%	29,813	1,119
2022	15,815,000	1,133,920	16,948,920	77,911	1.41%	29,823	1,099
2021	18,370,000	1,768,888	20,138,888	74,218	2.47%	30,045	1,833
2020	19,875,000	500,786	20,375,786	69,344	2.13%	32,592	1,477
2019	22,055,000	880,389	22,935,389	56,102	1.71%	32,757	959
2018	24,200,000	1,745,534	25,945,534	54,894	1.33%	33,025	733
2017	26,305,000	2,595,703	28,900,703	53,673	0.20%	32,933	799
2016	28,375,000		28,375,000	N/A	N/A	N/A	N/A
2015	30,440,000		30,440,000	N/A	N/A	N/A	N/A

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

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

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

Unaudited

GENERAL BONDED DEBT OUTSTANDING

FISCAL YEAR ENDED JUNE 30,	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
2024	\$ 10,495,000		\$ 10,495,000	0.321%	\$ 353
2023	13,135,000		13,135,000	0.403%	440
2022	15,815,000		15,815,000	0.486%	530
2021	18,370,000		18,370,000	0.569%	611
2020	19,875,000		19,875,000	0.618%	610
2019	22,050,000		22,050,000	0.687%	673
2018	24,200,000		24,200,000	0.755%	733
2017	26,305,000	\$ 25,967	26,279,033	0.835%	799
2016	28,375,000	25,968	28,349,032	0.905%	867
2015	30,440,000		30,440,000	1.873%	N/A

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

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

EAST WINDSOR REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of December 31, 2023
Unaudited

GOVERNMENTAL UNIT	DEBT <u>OUTSTANDING</u>	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
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NOT AVAILABLE

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Debt limit	\$ 180,609,089	\$ 166,284,845	\$ 141,253,296	\$ 135,246,390	\$ 133,230,232	\$ 129,271,259	\$ 128,014,788	\$ 126,653,836	\$ 126,096,951	\$ 126,360,057
Total Net Debt Applicable to Limit	<u>10,495,000</u>	<u>13,135,000</u>	<u>15,815,000</u>	<u>18,370,000</u>	<u>19,875,000</u>	<u>22,055,000</u>	<u>24,200,000</u>	<u>26,279,033</u>	<u>28,375,000</u>	<u>30,440,000</u>
Legal Debt Margin	<u>\$ 170,114,089</u>	<u>\$ 153,149,845</u>	<u>\$ 125,438,296</u>	<u>\$ 116,876,390</u>	<u>\$ 113,355,232</u>	<u>\$ 107,216,259</u>	<u>\$ 103,814,788</u>	<u>\$ 100,374,803</u>	<u>\$ 97,721,951</u>	<u>\$ 95,920,057</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	5.81%	7.90%	11.20%	13.58%	14.92%	17.06%	18.90%	20.75%	22.50%	24.09%

Legal Debt Margin Calculation for Fiscal Year 2023

	Equalized valuation basis		
	East Windsor	Hightstown	Total
2024	\$ 4,151,460,570	\$ 574,933,147	\$ 4,726,393,717
2023	4,136,956,012	576,643,697	4,713,599,709
2022	3,571,086,108	534,602,123	4,105,688,231
	<u>\$ 11,859,502,690</u>	<u>\$ 1,686,178,967</u>	<u>\$ 13,545,681,657</u>
Average Equalized Valuation of Taxable Property	\$ 3,953,167,563	\$ 562,059,656	\$ 4,515,227,219
Debt limit (4 % of Average Equalization Value)			\$ 180,609,089
Net Bonded School Debt			<u>10,495,000</u>
Legal Debt Margin			<u>\$ 170,114,089</u>

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

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

Unaudited

EAST WINDSOR

YEAR	POPULATION (a)	PER CAPITA PERSONAL INCOME (b)	UNEMPLOYMENT RATE (c)
2024	29,758	\$ 80,116	2.90%
2023	29,823	79,354	10.00%
2022	29,823	77,911	10.00%
2021	30,045	74,218	6.40%
2020	32,592	69,344	2.40%
2019	32,757	56,102	5.70%
2018	33,025	54,894	3.40%
2017	32,933	53,673	3.60%
2016	32,690	N/A	3.70%
2015	N/A	N/A	N/A

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development.
^b Per capita information provided by US Dept of Commerce, Bureau of Economic Analysis
^c Unemployment data provided by the NJ Dept of Labor and Workforce Development.

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

Unaudited

NOT AVAILABLE

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

Unaudited

Function/Program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instruction:										
Regular	331	327	378	371	328	353	356	346	335	320
Special Education	178	174	84	84	140	82	73	72	71	72
Other Special Education Aides	58	51	32	32	28	28	30	29	28	29
Other Instruction/ Nurse	11	11	8	8	9	9	9	9	8	8
Guidance	24	24	22	20	20	20	19	17	15	15
Support Services:										
Student & Instruction Related Services	19	19	53	50	47	47	44	42	46	39
General Administration	2	2	6	6	8	8	8	8	7	7
School Administrative Services	43	43	17	16	17	17	18	18	16	15
Other Administrative Services	12		12	12	10	9	8	10	9	10
Central Services	14	14	23	21	13	20	16	17	15	15
Administrative Information Technology	11	11	1	1	1	1	1	1	1	1
Plant Operations & Maintenance	65	65	56	55	59	53	51	53	53	53
Pupil Transportation	74	74	75	72	73	69	65	66	68	74
Other Support Services VA	2	2	31	31	36	31	34	34	34	34
Campus Monitor	7	7	6	7	7	7	6	6	6	6
Computer Technician	9		8	7	7	7	7	6	6	6
Courier	1		1	1	1	1	1	1	1	1
Duplicating Eq. Operator	1		1	1	1	1	1	1	1	1
Child Care	16	16	16	16	30	29	26	31	22	23
Custodial Supervisor	1		1	1	1	1	1	1	1	1
Director of Buildings & Grounds	1		1	1	1	1	1	1	1	1
Lunch Monitors	36	36	33	25	39	34	29	27	17	16
Total	916	876	865	838	876	828	804	796	761	747

Source: District Personnel Records

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

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY	MIDDLE SCHOOL	SENIOR HIGH SCHOOL				
2024	5,096	\$ 134,967,022	\$ 26,485	1.88%	509	10.4	10.6	11.5	5,071	4,765	4.00%	95.80%
2023	4,979	126,002,313	25,307	1.88%	501	10.3	10.7	11.5	4,964	4,698	0.04%	95.80%
2022	4,954	123,060,868	24,841	0.57%	462	10.3	10.7	11.5	4,962	4,691	-0.41%	94.10%
2021	5,019	110,596,153	22,035	9.10%	455	10.1	11.0	12.3	4,969	4,806	-3.42%	96.71%
2020	5,178	102,208,453	19,739	3.29%	483	9.8	11.7	11.3	5,139	4,979	0.41%	96.83%
2019	5,113	95,267,251	18,632	0.54%	435	11.4	11.5	11.8	5,101	4,960	1.60%	97.01%
2018	5,129	95,052,284	18,532	2.38%	429	10.1	10.8	10.8	5,094	4,882	0.04%	95.85%
2017	5,221	92,082,372	17,637	2.24%	418	14.8	12.2	12.4	5,160	4,947	1.67%	95.89%
2016	5,139	88,986,617	17,316	5.29%	411	14.8	12.2	12.4	5,075	5,022	-0.07%	97.00%
2015	5,019	85,139,792	16,963	1.00%	411	14.8	12.2	12.4	5,112	5,059	9.20%	97.00%

Sources: District records

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay.

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

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

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

DISTRICT BUILDINGS	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<u>Elementary Schools:</u>										
McKnight ES (1970):										
Square Feet	84,596	84,596	84,596	84,596	84,596	84,596	84,596	84,596	84,596	84,596
Capacity (Students)	660	660	660	660	660	660	660	660	660	660
Enrollment	587	587	562	539	555	521	521	521	521	508
Drew ES (1975):										
Square Feet	92,224	92,224	92,224	92,224	92,224	92,224	92,224	92,224	92,224	92,224
Capacity (Students)	728	728	728	728	728	728	728	728	728	728
Enrollment (a)	579	579	551	567	580	666	666	666	666	668
Walter C Black ES (1949):										
Square Feet	78,697	78,697	78,697	78,697	78,697	78,697	78,697	78,697	78,697	78,697
Capacity (Students)	615	615	615	615	615	615	615	615	615	615
Enrollment	479	479	472	491	521	539	539	539	539	541
Rogers ES (1924):										
Square Feet	103,470	103,470	103,470	103,470	103,470	103,470	103,470	103,470	103,470	103,470
Capacity (Students)	698	698	698	698	698	698	698	698	698	698
Enrollment	610	610	596	561	610	680	680	680	680	686
<u>Middle School:</u>										
Kreps Middle School (1968):										
Square Feet	205,021	205,021	205,021	205,021	205,021	205,021	205,021	205,021	205,021	205,021
Capacity (Students)	1,135	1,135	1,135	1,135	1,135	1,135	1,135	1,135	1,135	1,135
Enrollment	1,117	1,117	1,193	1,237	1,239	1,245	1,245	1,245	1,245	1,256
<u>High School:</u>										
Hightstown High School (1966):										
Square Feet	271,758	271,758	271,758	271,758	271,758	271,758	271,758	271,758	271,758	262,435
Capacity (Students)	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274
Enrollment	1,547	1,547	1,512	1,520	1,580	1,526	1,526	1,526	1,526	1,527
<u>Other Buildings:</u>										
Transportation (1979):										
Square Feet	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Central Administration (1846):										
Square Feet	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150
Maintenance (1986)										
Square Feet	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600

Number of Schools at June 30, 2024:

Elementary = 4

Middle School = 1

Senior High School = 1

Other = 3

Source: District Facilities Office

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

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

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

FISCAL YEAR	BLACK ELEMENTARY SCHOOL	DREW ELEMENTARY SCHOOL	MC KNIGHT ELEMENTARY SCHOOL	ROGERS ELEMENTARY SCHOOL	KREPS ELEMENTARY SCHOOL	HIGHTSTOWN HIGH SCHOOL	TOTAL
2024	\$ 303,350	\$ 365,627	\$ 334,489	\$ 396,765	\$ 801,564	\$ 1,050,671	\$ 3,252,466
2023	287,491	351,378	319,435	383,322	798,587	1,054,135	3,194,348
2022	305,048	372,836	338,942	406,730	847,355	1,118,507	3,389,418
2021	262,722	307,881	282,415	345,424	684,442	907,237	2,790,121
2020	222,591	260,851	239,276	292,660	579,893	768,655	2,363,926
2019	214,415	251,325	230,487	281,910	558,592	740,423	2,277,152
2018	185,263	217,108	199,151	243,582	482,647	639,755	1,967,506
2017	174,446	204,806	187,825	239,584	455,200	603,372	1,865,233
2016	222,783	261,555	239,869	305,970	581,330	770,561	2,382,068
2015	219,651	187,368	204,248	167,112	609,527	722,102	2,110,008
Total	\$ 2,397,760	\$ 2,780,735	\$ 2,576,137	\$ 3,063,059	\$ 6,399,137	\$ 8,375,418	\$ 25,592,246

Source: District records and M-1

EAST WINDSOR REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2024
Unaudited

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

Source: District records

Single Audit Section

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

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the East Windsor Regional School District, in the County of Mercer, New Jersey (the "District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 26, 2025.

Internal Control Over Financial Reporting

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

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

PKF O'Connor Davies, LLP

Cranford, New Jersey
February 26, 2025

Scott A. Clelland

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

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

Independent Auditors' Report

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 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 ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("Government Auditing Standards"), the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards, the Uniform Guidance, and New Jersey OMB Circular 15-08 are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

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

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Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. 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 GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey OMB Circular 15-08, we:

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

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

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

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Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

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Purpose of this Report

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

PKF O'Connor Davies, LLP

Cranford, New Jersey
February 26, 2025

Scott A Clelland

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

East Windsor Regional School District
Schedule of Expenditures of Federal Awards
Year ended June 30, 2024

Federal Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	From	To	Balance at June 30, 2023	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Balance at June 30, 2024			
											Adjustments	Accounts Receivable	Unearned Revenue	Due to Grantor
General Fund														
U.S. Department of Health and Human Services														
Passed-through State Department of Health and Human Services														
Medical Assistance Program (SEM) - Medicaid Cluster	93.778	2205NJ5MAP	N/A	\$ 111,164	7/1/23	6/30/24				\$ 111,164	\$ (111,164)			
Total U.S. Department of Health and Human Services - Passed-through State Department of Health and Human Services										111,164	(111,164)			
Total General Fund										111,164	(111,164)			
Special Revenue Fund:														
U.S. Department of Education														
Passed-through State Department of Education														
Special Revenue Fund:														
Title I, Part A	84.010A	S010A210030	N/A	673,184	7/1/23	9/30/24				371,605	(488,428)	\$ 39,361	\$ (77,462)	
Title I, Part A	84.010A	S010A210030	N/A	941,950	7/1/22	9/30/23	\$ (273,241)			421,476	(488,428)	(39,361)	(77,462)	\$ 108,874
Subtotal Title I, Part A							(273,241)			793,081	(488,428)			108,874
Title II, Part A Improving Teacher Quality	84.367A	S367A220029	N/A	220,964	7/1/23	9/30/24				37,998	(50,001)		(12,003)	
Title II, Part A Improving Teacher Quality	84.367A	S367A220029	N/A	229,731	7/1/22	9/30/23	\$ (8,209)			8,209	(50,001)			(12,003)
Subtotal Title II, Part A Improving Teacher Quality							(8,209)			46,207	(50,001)			
Language Instruction for English Learners and Immigrant Students:	84.365A	S365A220030	N/A	94,913	7/1/23	9/30/24				90,551	(94,713)	8	(4,154)	
Title III	84.365A	S365A220030	N/A	211,701	7/1/22	9/30/23	\$ (29,431)			29,431	(94,713)	8	(4,154)	
Subtotal Title III							(29,431)			119,982	(94,713)			
Title III, Immigrant	84.365A	S365A220030	N/A	83,445	7/1/23	9/30/24				5,990	(5,990)			
Title III, Immigrant	84.365A	S365A220030	N/A	62,976	7/1/22	9/30/23	\$ (7,730)			7,730	(5,990)			
Subtotal Title III, Immigrant							(7,730)			13,720	(5,990)			
Subtotal Language Instruction for English Learners and Immigrant Students:							(37,161)			133,702	(100,703)	8	(4,154)	
Title IV	84.424A	S424A220031	N/A	94,187	7/1/23	9/30/24				7,389	(32,848)		(25,459)	
Subtotal Title IV										7,389	(32,848)			(25,459)
Special Education Grant Cluster:														
I.D.E.A. Part B, Basic Regular	84.027A	H027A210100	N/A	1,477,681	7/1/23	9/30/24				1,264,996	(1,477,681)		(212,685)	
I.D.E.A. Part B, Basic Regular	84.027A	H027A210100	N/A	1,357,706	7/1/22	9/30/23	\$ (434,573)			479,017	(44,444)		(212,685)	
Subtotal I.D.E.A., Part B, Basic Regular							(434,573)			1,744,013	(1,522,252)			
I.D.E.A., Part B, Preschool	84.173	H173A220114	N/A	61,085	7/1/23	9/30/24				46,668	(61,085)		(15,017)	
Subtotal of Special Education Grant Cluster:										434,573	(1,583,210)			(227,702)
COVID-19 Education Stabilization Fund (ESF) :														
COVID-19 ESSER II	84.425D	S425D200027	N/A	1,818,272	3/13/20	9/30/23	\$ (444,016)			501,289				57,273
COVID-19 ESSER II and Acceleration (ESSER II)	84.425D	S425D210027	N/A	116,687	3/13/20	9/30/23	\$ (444,016)			64,664				64,664
COVID-19 Mental Health (ESSER II)	84.425U	S425U210027	N/A	45,000	3/13/20	9/30/23	\$ (444,016)			3,526				3,526
COVID-19 ARP ESSER III	84.425U	S425U210027	N/A	4,086,450	3/13/20	9/30/24	\$ (2,116,688)			2,307,717	(877,370)		(686,341)	
COVID-19 ARP Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	N/A	40,000	3/13/20	9/30/24	\$ (2,116,688)			(20,593)				(20,593)
COVID-19 ARP Accelerated Learning Coach and Educator Support	84.425U	S425U210027	N/A	493,349	3/13/20	9/30/24				330,127	(406,141)	(21,600)	(97,614)	
COVID-19 ARP NJTSS Mental Health	84.425U	S425U210027	N/A	45,000	3/13/20	9/30/24				32,375	(38,875)		(6,500)	
COVID-19 ARP ESSER Homeless Children and Youth	84.425W	S425W210031	N/A	24,087	9/1/21	8/31/23				24,087	(24,087)			
Subtotal Elementary and Secondary School Emergency Relief (ESSER):										2,560,704	3,263,785	(1,367,066)	(21,600)	(811,048)
Total U.S. Department of Education Passed Through the State Department of Education														125,463
Total Special Revenue Fund														
(3,313,888)														
6,034,245														
(3,622,256)														
(21,592)														
(1,157,828)														
234,337														
U.S. Department of the Treasury Passed-Through State														
Department of Education														
COVID-19 ARP SLFRF Learning Accel (High-Impact Tutoring)	21.027	E2400328	24-A801-H02	258,801	10/11/23	8/31/24				107,419	(153,401)		(45,982)	
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ACRSERS)	21.027	SLFRFD0E1SES	N/A	141,441	3/3/21	12/31/24				70,721	(141,441)		(70,720)	
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ACRSERS)	21.027	SLFRFD0E1SES	N/A	156,755	3/3/21	12/31/24	\$ (86,557)			86,557	(141,441)		(70,720)	
Total U.S. Department of the Treasury Passed Through the State Department of Education							\$ (86,557)			157,278	(141,441)		(298,842)	(116,702)
Total Special Revenue Fund										264,697				
(3,400,445)														
6,298,942														
(3,917,098)														
(21,592)														
(1,274,530)														
234,337														
U.S. Department of Agriculture														
Passed-through State Department of Agriculture														
Enterprise Fund:														
Child Nutrition Program Cluster:														
Noncash Assistance (Commodities)														
Food Donation (NC)	10.555	241NJ304N1099	N/A	271,577	7/1/23	6/30/24				271,577	(267,730)		\$ 3,847	
Food Donation (NC)	10.555	231NJ304N1099	N/A	261,546	7/1/22	6/30/23	\$ 9,406			271,577	(9,406)			
Subtotal Food Donation (NC)							\$ 9,406				(277,136)			3,847
Cash Assistance:														
School Breakfast Program	10.553	241NJ304N1099	N/A	180,754	7/1/23	6/30/24				140,205	(180,754)		(40,549)	
School Breakfast Program	10.553	231NJ304N1099	N/A	142,766	7/1/22	6/30/23	\$ (11,997)			140,205	(180,754)		(11,997)	
Subtotal School Breakfast Program							(11,997)							(52,546)
National School Lunch Program	10.555	241NJ304N1099	N/A	1,112,465	7/1/23	6/30/24				885,060	(1,112,465)		(227,405)	
National School Lunch Program	10.555	231NJ304N1099	N/A	1,114,390	7/1/22	6/30/23	\$ (87,408)			885,060	(1,112,465)		(87,408)	
Subtotal National School Lunch Program							(87,408)							(314,813)
Healthy Hunger-Free Kids Act	10.555	241NJ304N1099	N/A	35,959	7/1/23	6/30/24				28,671	(35,959)		(7,288)	
Healthy Hunger-Free Kids Act	10.555	231NJ304N1099	N/A	34,310	7/1/22	6/30/23	\$ (2,687)			28,671	(35,959)		(2,687)	
Subtotal Healthy Hunger-Free Kids Act							(2,687)							(9,975)
COVID-19 Supply Chain Assistance	10.555	241NJ344N8903	N/A	121,187	7/1/23	6/30/24				121,187	(121,187)			
Total Child Nutrition Program Cluster										1,446,700	(1,727,501)			
(92,886)														
1,474,957														
(1,754,058)														
(377,334)														
3,847														
COVID-19 Pandemic EBT	10.649	221NJ344N8903	N/A	3,256	7/1/22	6/30/23	\$ (3,256)			3,256				
Local Food for Schools	10.185	AM22CPLF5000C015	N/A	25,975	12/1/22	2/28/25				25,001	(25,001)			
Summer-EBT	10.646	202421N180341	N/A	1,556	7/1/23	6/30/24	\$ (1,556)			1,474,957	(1,754,058)		(1,556)	
Total Enterprise Fund							\$ (95,942)							
\$ (3,496,387)														
\$ 7,885,063														
\$ (5,782,320)														
\$ (21,592)														
\$ 3,847														
\$ 234,337														
\$ -														
NC-represents noncash expenditures														

East Windsor Regional School District
Schedule of Expenditures of State Financial Assistance
Year ended June 30, 2024

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Balance at June 30, 2023				Balance at June 30, 2024				MEMO		
			Grant Period From	Grant Period To	Unearned Revenue (Accts Receivable)	Due to Grantor	Cash Received	Total Budgetary Expenditures	Repayment of Prior Years' Balances	Intergovernmental (Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable
New Jersey Department of Education													
General Fund:													
Equalization Aid	24-495-034-5120-078	\$ 40,373,998	7/1/23	6/30/24			\$ 36,597,505	\$ (40,373,998)				\$ (3,776,493)	\$ 40,373,998
Equalization Aid	23-495-034-5120-078	33,667,900	7/1/22	6/30/23	\$ (3,124,411)		3,124,411					(453,415)	4,847,402
Special Education Categorical Aid	24-495-034-5120-089	4,847,402	7/1/23	6/30/24			4,393,987	(4,847,402)					
Special Education Categorical Aid	23-495-034-5120-089	4,472,603	7/1/22	6/30/23	(415,061)		415,061						
Extraordinary Aid	24-100-034-5120-473	1,043,057	7/1/23	6/30/24			(1,043,057)						1,043,057
Extraordinary Aid	23-100-034-5120-473	873,984	7/1/22	6/30/23	(873,984)		873,984						
Security Aid	24-495-034-5120-084	1,255,961	7/1/23	6/30/24			1,138,481	(1,255,961)					(117,480)
Security Aid	23-495-034-5120-084	1,255,961	7/1/22	6/30/23	(116,554)		116,554						1,255,961
Transportation Aid	24-495-034-5120-014	2,095,914	7/1/23	6/30/24			1,899,867	(2,095,914)					(196,047)
Transportation Aid	23-495-034-5120-014	2,095,914	7/1/22	6/30/23	(194,503)		194,503						2,095,914
On-Behalf Teachers' Pension and Annuity Fund	24-495-034-5094-002	16,372,776	7/1/23	6/30/24			16,372,776	(16,372,776)					16,372,776
On-Behalf Teachers' Pension and Annuity Fund - Post Retirement Medical	24-495-034-5094-001	4,456,070	7/1/23	6/30/24			4,456,070	(4,456,070)					4,456,070
On-Behalf Teachers' Pension and Annuity Fund - Non-contributory Insurance	24-495-034-5094-004	9,188	7/1/23	6/30/24			9,188	(9,188)					9,188
Reimbursed TPAF Social Security Contributions	24-495-034-5094-003	3,571,187	7/1/23	6/30/24			3,402,649	(3,571,187)					3,571,187
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	3,252,039	7/1/22	6/30/23	(478,753)		478,753						(168,538)
Other State Aid-Add'l NP Transportation	24-495-034-5120-014	68,705	7/1/23	6/30/24			(68,705)						68,705
Other State Aid-Add'l NP Transportation	23-495-034-5120-014	48,360	7/1/22	6/30/23	(48,360)		48,360						
Total General Fund					(5,251,626)		73,522,149	(74,094,258)					(4,543,435) 74,094,258
Special Revenue Fund:													
New Jersey Department of Education:													
N.J. Nonpublic Aid:													
Textbook Aid	24-100-034-5120-064	5,261	7/1/23	6/30/24			5,261	(4,870)					4,870
Textbook Aid	23-100-034-5120-064	7,260	7/1/22	6/30/23	\$ 1,170		\$ (1,170)						
Nursing Services Aid	24-100-034-5120-070	10,920	7/1/23	6/30/24			10,920	(10,920)					10,920
Technology Initiative	24-100-034-5120-373	4,459	7/1/23	6/30/24			4,459	(4,406)					4,406
Technology Initiative	23-100-034-5120-373	4,620	7/1/22	6/30/23	223			(223)					53
Security Aid	24-100-034-5120-509	18,655	7/1/23	6/30/24			18,655	(14,331)					14,331
Security Aid	23-100-034-5120-509	23,165	7/1/22	6/30/23	13,975			(13,975)					4,324
Nonpublic Handicapped Aid (Chapter 193)													
Examination and Classification	23-100-034-5120-066	1,326	7/1/23	6/30/24			1,326						1,326
SDA Emergent Needs and Capital Maintenance	100-034-5120-519	123,129	7/1/23	6/30/24			123,129	(123,129)					123,129
SDA Emergent Needs and Capital Maintenance	100-034-5120-519	247,428	7/1/22	6/30/24			247,428	(247,428)					247,428
Total Special Revenue Fund					15,368		411,178	(405,084)					6,094 405,084

East Windsor Regional School District
Schedule of Expenditures of State Financial Assistance
Year ended June 30, 2024

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Balance at June 30, 2023				Total Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2024			MEMO	
			Grant Period From	Grant Period To	Unearned Revenue (Accts Receivable)	Due to Grantor			Intergovernmental (Accounts Receivable)	Unearned Revenue/Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
Capital Projects Fund:													
Schools Development Authority:													
SDA Grant High School - Telecommunication	1245-050-14-1001-G04	\$ 129,125	2014	Completion	\$ (103,299)				\$ (103,299)			\$ 116,213	
SDA Grant High School - Roof and Door Replacement	1245-050-14-1007-G04	210,993	2014	Completion	(39,850)				(39,850)			208,645	
SDA Grant Kreps Middle School - Roof and Door Replacement	1245-070-14-1010-G04	1,144,372	2014	Completion	(56,292)				(56,292)			1,143,445	
SDA Grant Drew Elementary School - Roof and Door Replacement	1245-075-14-1011-G04	30,140	2014	Completion	(14,195)				(14,195)			29,416	
Total Capital Projects Fund					(213,636)				(213,636)			1,497,719	
Debt Service Fund:													
Debt Service Aid	24-495-034-5120-075	88,520	7/1/23	6/30/24		\$ 88,520	\$ (88,520)					88,520	
Total Debt Service Fund						88,520	(88,520)					88,520	
Enterprise Fund:													
New Jersey Department of Agriculture:													
National School Lunch Program (State Share)	24-100-010-3350-023	52,133	7/1/23	6/30/24		41,557	(52,133)		(10,576)			52,133	
National School Lunch Program (State Share)	23-100-010-3350-023	50,219	7/1/22	6/30/23	(3,985)				(3,985)				
National School Breakfast (State Share)	N/A	4,002	7/1/23	6/30/24		3,170	(4,002)		(832)			4,002	
National School Breakfast (State Share)	N/A	3,784	7/1/22	6/30/23	(301)				(301)				
State Lunch NJEIE	N/A	12,289	7/1/23	6/30/24		8,982	(12,289)		(3,307)			12,289	
State Breakfast NJEIE	N/A	1,899	7/1/23	6/30/24		1,166	(1,899)		(733)			1,899	
Summer-EBT	N/A	1,556	7/1/23	6/30/24			(1,556)		(1,556)			1,556	
Total Enterprise Fund					(4,286)		54,875	(71,879)	(21,290)			71,879	
Total State Financial Assistance Expenditures					\$ (5,469,548)	\$ 15,368	\$ 74,076,722	\$ (74,659,741)	\$ -	\$ (15,368)	\$ (1,515,226)	\$ 6,094	\$ (4,543,435) \$ 76,157,460
State Financial Assistance Not Subject to Single Audit Determination:													
On-Behalf Teachers' Pension and Annuity Fund	24-495-034-5094-002	16,372,776	7/1/23	6/30/24		16,372,776	(16,372,776)					(16,372,776)	
On-Behalf Teachers' Pension and Annuity Fund - Post Retirement Medical	24-495-034-5094-001	4,456,070	7/1/23	6/30/24		4,456,070	(4,456,070)					(4,456,070)	
On-Behalf Teachers' Pension and Annuity Fund - Non-contributory Insurance	24-495-034-5094-004	9,188	7/1/23	6/30/24		9,188	(9,188)					(9,188)	
Total State Financial Assistance Subject to Single Audit Determination					\$ (5,469,548)	\$ 15,368	\$ 53,238,688	\$ (53,821,707)	\$ -	\$ (15,368)	\$ (1,515,226)	\$ 6,094	\$ (4,543,435) \$ 55,319,426

East Windsor Regional School District

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

Year ended June 30, 2024

1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance include the federal award and state financial assistance activity under programs of the federal and state government for the year ended June 30, 2024. The District is defined in Note 1 to the District's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

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

2. Summary of Significant Accounting Policies

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

3. Relationship to Basic Financial Statements

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

East Windsor Regional School District

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

Year ended June 30, 2024

3. Relationship to Basic Financial Statements (continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$692,906 for the general fund and \$183,163 for the special revenue fund. See note to Required Supplementary Information (C-3) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. The adjustment to reconcile from budgetary basis accounts receivable to GAAP basis accounts receivable is \$648,837 for the special revenue fund. This is a result of recognizing encumbrances as expenditures on the budgetary basis but not the GAAP basis. Financial award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	Federal	State	Total
General Fund	\$ 111,164	\$ 73,401,352	\$ 73,512,516
Special Revenue Fund	4,099,090	405,084	4,504,174
Debt Service Fund		88,520	88,520
Food Service Enterprise Fund	1,754,058	71,879	1,825,937
Total award revenues	\$ 5,964,312	\$ 73,966,835	\$ 79,931,147

4. Relationship to Federal and State Financial Reports

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

5. Adjustments

The adjustments presented on schedule K-3 are the result of the cancellations of prior year encumbrances or reallocations of grant expenditures from prior years.

East Windsor Regional School District

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

Year ended June 30, 2024

6. Other

Revenues and expenditures reported under the Food Donation Program represent current year value received and current year distributions, respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2024.

The post-retirement pension, disability insurance and medical benefits received on-behalf of the District for the year ended June 30, 2024 amounted to \$20,838,034. Since on-behalf post-retirement pension, disability insurance and medical benefits are paid by the State directly, these expenditures are not subject to a single audit in accordance with New Jersey OMB Circular 15-08, however, they are required to be reported on the Schedule of Expenditures of State Financial Assistance, as directed by the funding agency.

7. Indirect Costs

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

East Windsor Regional School District

Schedule of Findings and Questioned Costs

Year ended June 30, 2024

Part I – Summary of Auditors’ Results

Financial Statements Section

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

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes No _____

Significant deficiency(ies) identified? _____ Yes None Reported _____

Noncompliance material to financial statements noted? _____ Yes No _____

Federal Awards Section

Internal control over major federal programs:

Material weakness(es) identified? _____ Yes No _____

Significant deficiency(ies) identified? Yes _____ None Reported _____

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

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

East Windsor Regional School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2024

Part I – Summary of Auditor’s Results (continued)

Identification of major federal programs:

AL Number(s)	FAIN Number	Name of Federal Program or Cluster
10.555	241NJ304N1099	Child Nutrition Program Cluster: National School Lunch Program
10.555	241NJ304N1099	Food Donation
10.555	241NJ304N1099	Healthy-Hunger Free Kids Act
10.553	241NJ304N1099	School Breakfast Program
10.555	241NJ344N8903	COVID-19 Supply Chain Assistance
		Education Stabilization Fund:
84.425U	S425U210027	COVID-19 ARP ESSER III
84.425U	S425U210027	COVID-19 ARP Evidence Based Comprehensive Beyond the School Day
84.425U	S425U210027	COVID-19 ARP Accelerated Learning Coach and Educator Support
84.425U	S425U210027	COVID-19 ARP NJTSS Mental Health
84.425W	S425W210031	COVID-19 ARP ESSER Homeless Children and Youth

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

 Yes No**State Financial Assistance Section**

Internal control over major state programs:

Material weakness(es) identified? Yes X NoSignificant deficiency(ies) identified? Yes X None reported

Type of auditors' report issued on compliance for major state programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 15-08?

 Yes X No

East Windsor Regional School District

Schedule of Findings and Questioned Costs

Year ended June 30, 2024

Part I – Summary of Auditors’ Results

Identification of major state programs:

GMIS/Program Number	Name of State Program or Cluster
General State Aid Cluster:	
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid
Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$1,614,651</u>
Auditee qualified as low-risk auditee?	<u>X</u> Yes <u> </u> No

East Windsor Regional School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2024

Part II – Schedule of Financial Statement Findings

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

East Windsor Regional School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2024

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

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of the major federal and state programs, as required by 2 CFR 200 Section 516(a) and New Jersey Treasury Circular OMB 15-08, respectively.

Federal Award Programs

Finding 2024-001 (ACFR Finding 2024-001)

Compliance Finding - Reporting

Education Stabilization Fund

ALN: 84.425U

FAIN: S425U210027

Grantor Agency: U.S. Department of Education

Pass-Through Agency: State Department of Education

Criteria: The Uniform Guidance requires financial reports to be accurate, complete, and supported by underlying accounting records. Additionally, the granting agency also requires that expenditures reported align with accounting records to ensure proper reporting of federal funds.

Statement of Condition: The Education Stabilization Fund (ESF) final reports submitted to the oversight agency did not reconcile to the underlying accounting data maintained by the District. Specifically, discrepancies were identified between reported expenditures and the general ledger, including a \$125,463 overstatement of expenditures. This amount was recorded by the District as a due to grantor in the Special Revenue Fund.

Context: During our testing of Federal Award Programs, we audited the ESF final reports to determine compliance with the reporting requirement. Our testing included reviewing and reconciling the individual grant final reports to the underlying accounting data. Auditors reviewed nine individual grant final reports noting that three of the reports did not reconcile to the underlying accounting data.

East Windsor Regional School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2024

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

Cause and Effect: The discrepancy occurred because District staff did not perform a thorough reconciliation of expenditures prior to submission. Additionally, staff turnover contributed to the issue. Failure to reconcile the underlying accounting data increases the risk of inaccurate financial reports, which could result in noncompliance with grant requirements. This could lead to questioned costs, a loss of credibility with oversight agencies, or potential future funding restrictions.

Questioned Costs: None.

Recommendation: We recommend that the District develop and require a formal reconciliation process to ensure all financial reports align with underlying accounting records before submission, provide additional training to finance staff on reconciliation procedures and grant reporting requirements, enhance supervisory review process to identify and correct discrepancies prior to report submission, and periodically review grant reporting policies to ensure alignment with applicable regulations.

Views of Responsible Officials: District management concurs with the finding and has developed a corrective action plan in response to the recommendations above and has begun to take action to address the finding.

Finding 2024-002 (ACFR Finding 2024-002) – Significant Deficiency

Internal Control over Compliance Finding – Allowable Costs

Education Stabilization Fund

ALN: 84.425U

FAIN: S425U210027

Grantor Agency: U.S. Department of Education

Pass-Through Agency: State Department of Education

Criteria: According to 2 CFR 200.403(a) and (g), for costs to be allowable under a federal awards, they must be necessary, reasonable, and adequately documented. Additionally, 2 CFR 200.430(a) requires that payroll costs charged to federal grants be based on records that accurately reflect the work performed and be properly authorized.

East Windsor Regional School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2024

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

Statement of Condition: The District charged payroll expenditures to the Educational Stabilization Fund (ESF) grant for employees who were not approved to be paid from the grant. Additionally, certain employees were paid at rates that were not authorized by the Board. Furthermore, journal entries related to payroll expenses were not supported by adequate documentation. As a result, we identified \$51,682 in questioned costs.

Context: During our testing of ESF, we tested the payroll expenditures charged to the grant. Our testing included reviewing and reconciling the individual employees to board approvals to be charged to the grant, reviewing the approved pay rates for the grant for hourly or stipend employees, and reconciling the underlying data on payroll-related journal entries and time sheets.

Cause and effect: The District did not have adequate internal controls to ensure that only authorized employees and approved pay rates were used for payroll costs charged to the ESF grant. Additionally, there was a lack of review and oversight over payroll-related journal entries to ensure they were properly supported. Without proper controls over payroll charges and documentation, the District risks noncompliance with federal grant requirements, which could result in disallowed costs and potential repayment of federal funds. In this case, \$51,682 in payroll expenditures are considered questioned costs, subject to further review by the granting agency.

Questioned Costs: \$51,682

Recommendation: We recommend that the District strengthen internal controls over payroll processing related to grants to ensure that only authorized employees and approved pay rates are charged to the ESF grant, implement a review process to verify that all payroll-related journal entries are adequately supported before posting, conduct a review of payroll charges to federal grants to identify and correct any additional instances of unapproved costs, provide training to finance and grant management staff on federal grant requirements for payroll expenditures, and coordinate with grantor agency to determine appropriate corrective action regarding the identified questioned costs.

East Windsor Regional School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2024

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

Views of Responsible Officials: District management concurs with the finding and has developed a corrective action plan in response to the recommendations above and has begun to take action to address the finding.

State Financial Assistance Programs

No compliance or internal control findings noted that are required to be reported in accordance with New Jersey Treasury Circular OMB 15-08.