



EAST WINDSOR

REGIONAL SCHOOL DISTRICT

Hightstown, New Jersey
County of Mercer

Annual Comprehensive Financial Report *For the Fiscal Year Ended June 30, 2025*

East Windsor Regional School District

Hightstown, New Jersey

Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025

Prepared by

Business Office

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Introductory Section

April 15, 2026

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, 2025. 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		
Fiscal Year	Student Enrollment	Percent Change
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	5,096	+1.45%
2024-25	5,023	-1.43%

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 2024-2025 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 2024-25 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 Board continues to implement its Strategic Plan. The Plan focuses on 5 core areas; Student Centered Learning, Staffing, Community Engagement, Facilities/Finance and Culture & Climate.
- Continued investment in 1:1 student technology.
- The Board purchased 4 electric school buses, the first in the County.
- Completion of a partial HVAC / classroom renovation at Grace N. Rogers Elementary School.
- The Board completed several facility projects; playground blacktop replacement at Ethel McNight Elementary School, installation of new Pre-K playground at Grace N. Rogers Elementary School, replacement of HVAC at Hightstown High School, purchase of new office

space for the Buildings & Grounds and Central Registration departments, replacement and installation of new transformers at Hightstown High School and Transportation departments and replacement of turf field scoreboard at Hightstown High 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 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 the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end 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, 2025.

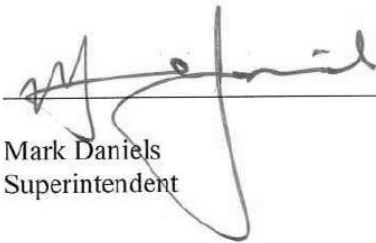
6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles as promulgated by the GASB. The accounting system of the District is organized based on funds and government-wide financial statements. These funds and government-wide financial statements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

7. 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

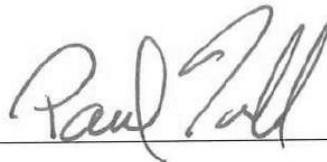
information are included in the financial section of this report. The auditors' reports, related specifically to the single audit are included in the single audit section of this report.

8. 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,



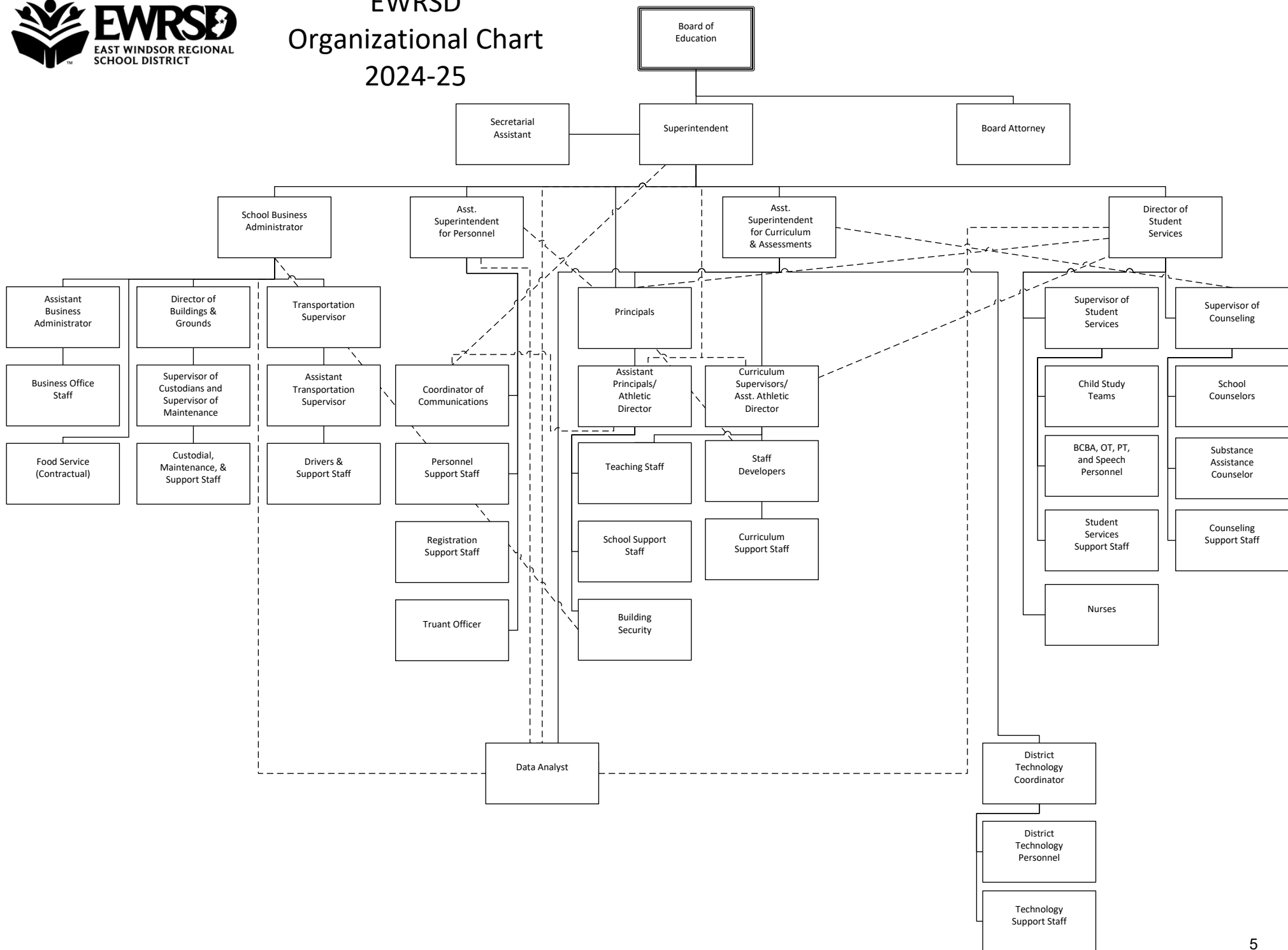
Mark Daniels
Superintendent



Paul Todd
Board Secretary/Business Administrator



EWRSD Organizational Chart 2024-25



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

Roster of Officials

June 30, 2025

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Christina “Tina” Lands, President	2027
Michael Weeks, Vice President	2026
Jeanne Bourjolly	2026
Agueda Concepcion	2025
Jennifer “Jenna” Drake	2027
Nicole LaRusso	2025
Robert Lavery	2026
Jagruti Patel	2025
Kavitha Madhuri Velagapudi	2027

Other Officials

Mark Daniels, Superintendent
Sandy Small, Assistant Superintendent/Curriculum & Assessment Supervisor
Samatha Felicetta, Assistant Superintendent/Human Resources
Paul Todd, Business Administrator / Board Secretary
Pamela Pittman, Assistant Business Administrator
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, 2025, 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, 2025, 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.

PKF O'CONNOR DAVIES, LLP
20 Commerce Drive, Suite 301, Cranford, NJ 07016 | Tel: 908.272.6200 | Fax: 908.272.2416 | www.pkfod.com

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

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Change in Accounting Policy

We draw attention to Note 20 in the notes to the financial statements which disclose the effects of the District's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 101, "*Compensated Absences*". Our opinion is not modified with respect to this matter.

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.
- 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.

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

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- 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 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.

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

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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, 2025. 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 April 15, 2026 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
April 15, 2026

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, 2025

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, 2025. 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 Standards 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 2025 are as follows:

- Total net position of the governmental activities and business-type activities is \$115,289,916 at June 30, 2025. 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 \$134,565,138 of total revenue or 95.4 percent of all revenues. Program specific revenues in the form of charges for services and operating and capital grants and contributions accounted for \$6,494,552 or 4.6 percent of total revenues of \$141,059,690 (Schedule A-2).
- The District had \$154,184,660 in governmental fund expenditures (Schedule B-2). Of that amount, the General Fund expenditures totaled \$146,969,322, including \$24,028,016 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 \$3,831,783. Business-type activities expenses were \$3,530,301 (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 \$504,983 in revenues and \$536,733 in expenses for supplies, fuel costs, and depreciation. The internal service fund – self-insurance fund had \$20,089,334 in operating revenues and \$21,903,095 in expenses for purchased professional services, insurance claims and other objects (Schedule B-5).

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 the 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 funds 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, 2025 and 2024:

	Net Position June 30,					
	2025			2024		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current and other assets	\$ 36,052,892	\$ 1,648,894	\$ 37,701,786	\$ 36,897,057	\$ 3,272,083	\$ 40,169,140
Restricted cash	5,729,295		5,729,295	5,751,223		5,751,223
Capital assets, net	114,537,851	1,799,401	116,337,252	112,001,782	1,685,482	113,687,264
Total assets	156,320,038	3,448,295	159,768,333	154,650,062	4,957,565	159,607,627
Deferred Outflow of Resources:						
Pension deferrals	3,250,954		3,250,954	3,345,533		3,345,533
Total deferred outflow	3,250,954	-	3,250,954	3,345,533	-	3,345,533
Liabilities:						
Current liabilities	5,575,305	196,256	5,771,561	5,943,112	148,554	6,091,666
Net pension liability	16,822,820		16,822,820	17,576,475		17,576,475
Unearned revenue	45,709	41,048	86,757	45,709	38,299	84,008
Long-term liabilities outstanding	23,073,360		23,073,360	20,516,711		20,516,711
Total liabilities	45,517,194	237,304	45,754,498	44,082,007	186,853	44,268,860
Deferred Inflows of Resources:						
Deferred gain on refunding of debt	89,082		89,082	117,213		117,213
Pension deferrals	1,885,791		1,885,791	2,453,728		2,453,728
Total deferred inflows	1,974,873	-	1,974,873	2,570,941	-	2,570,941
Net Position:						
Net investment in capital assets	107,958,488	1,799,401	109,757,889	101,420,179	1,685,482	103,105,661
Restricted	26,060,633		26,060,633	27,417,497		27,417,497
Unrestricted (deficit)	(21,940,196)	1,411,590	(20,528,606)	(17,495,029)	3,085,230	(14,409,799)
Total net position	\$ 112,078,925	\$ 3,210,991	\$ 115,289,916	\$ 111,342,647	\$ 4,770,712	\$ 116,113,359

GASB Statement No. 101 was implemented during the 2025 fiscal year, which required a retroactive adjustment of beginning net position in the amount of (\$6,647,817). This amount is not reflected in the June 30, 2024 net position shown above.

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 \$107,958,488. 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, 2025 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 decrease of \$753,655 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.

Long-term liabilities increased from the prior year mainly because of an increase in compensated absences payable due to the implementation of GASB Statement No. 101 offset by decreases in bonds and financed purchases payable.

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 \$26,060,633 at June 30, 2025. The restricted net position increase is a result of additional funds being deposited into the capital reserve and maintenance reserve with balances of \$9,152,567 and \$2,937,132, respectively, at June 30, 2025 and current year excess fund balance generated. Additionally, \$1,445,155 has been restricted for unemployment claims, \$373,752 was restricted for student activities, and \$43,647 was restricted for scholarships. Furthermore, \$4,553,291 was restricted for subsequent year's expenditures from prior year excess fund balance, and \$3,197,359 was reported as current year excess surplus to be utilized in the 2026-2027 budget. Lastly, \$4,357,730 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 decreased from the prior year. Overall, the activity within the business-type operations decreased approximately \$1.6 million, mainly due to a decrease in operating and capital grants and contributions. The decrease in net position in the food service enterprise fund is attributed to the decreased non-operating revenues over the prior year because of an ongoing administrative desk audit being performed by the New Jersey Department of Agriculture, which has put a hold on reimbursements of federal and state subsidies until the audit is complete. The decrease in net position in the Kid Care Enterprise Fund was directly related to the District's operating expenses exceeding operating revenues for the year ended June 30, 2025 due to less participation.

District activities. The key elements of the District's changes in net position for the years ended June 30, 2025 and 2024 are as follows:

	Changes in Net Position Year Ended June 30,					
	2025			2024		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program Revenues:						
Charges for services	\$ 880,073	\$ 1,372,354	\$ 2,252,427	\$ 683,737	\$ 1,484,443	\$ 2,168,180
Operating and capital grants and contributions	3,805,100	437,025	4,242,125	5,194,823	1,825,937	7,020,760
General revenues:						
Property taxes	73,974,989		73,974,989	72,910,437		72,910,437
Grants and contributions not restricted to specific programs	58,682,076		58,682,076	62,265,205		62,265,205
Other	1,822,504	85,569	1,908,073	2,178,821	114,313	2,293,134
Total Revenues	139,164,742	1,894,948	141,059,690	143,233,023	3,424,693	146,657,716
Expenses:						
Instructional services	79,472,393		79,472,393	77,464,966		77,464,966
Support services	51,664,512		51,664,512	50,782,526		50,782,526
Special schools	369,913		369,913	364,597		364,597
Interest and other charges on long-term debt	198,197		198,197	258,481		258,481
Food Service		2,762,684	2,762,684		2,446,302	2,446,302
Kid Care		767,617	767,617		710,182	710,182
Total Expenses	131,705,015	3,530,301	135,235,316	128,870,570	3,156,484	132,027,054
Change in net position before transfers	7,459,727	(1,635,353)	5,824,374	14,362,453	268,209	14,630,662
Transfers	(75,632)	75,632	-	(244,526)	244,526	-
Change in net position	7,384,095	(1,559,721)	5,824,374	14,117,927	512,735	14,630,662
Net position-beginning of year, as reported	111,342,647	4,770,712	116,113,359	97,224,720	4,257,977	101,482,697
Cumulative Effect of Change in Accounting Principle*	(6,647,817)		(6,647,817)			
Net position-end of year	\$ 112,078,925	\$ 3,210,991	\$ 115,289,916	\$ 111,342,647	\$ 4,770,712	\$ 116,113,359

*Restated for change in accounting principle

The decrease in governmental activities revenues is the result of fewer grant and other revenues offset by 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 decreased during the 2025 fiscal year mostly due to decrease in grant revenues as previously noted.

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, 2025, and the increases and decreases in relation to the prior year:

Revenues
Year Ended June 30, 2025

Revenue	Amount	Percent of Total	Increase (Decrease) from 2024	Percent of Increase (Decrease)
Local sources	\$ 77,122,333	50.0%	\$ 935,805	1.2%
State sources	73,826,080	47.9%	(68,876)	-0.1%
Federal sources	3,240,914	2.1%	(969,340)	-23.0%
Total	<u>\$ 154,189,327</u>	<u>100.0%</u>	<u>\$ (102,411)</u>	<u>-0.1%</u>

The increase in local sources is mainly due to the increase in the tax levy.

The decrease in federal sources is mainly due to reduced federal grants funding in the current fiscal year due to the expiration of COVID-19 funds.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2025 and the increases and decreases in relation to the prior year:

Expenditures
Year Ended June 30, 2025

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2024	Percent of Increase (Decrease)
Current expenditures:				
Instruction	\$ 50,319,405	32.9%	\$ 1,648,356	3.4%
Support services	90,048,603	58.7%	3,752,630	4.3%
Capital outlay	8,505,888	5.6%	(1,946,349)	-18.6%
Debt service	4,303,628	2.8%	(926,920)	-17.7%
Total	<u>\$153,177,524</u>	<u>100.0%</u>	<u>\$ 2,527,717</u>	<u>1.7%</u>

The increase in instruction and support services expenditures is mainly due to an increase in teacher's salaries, special education costs, health benefit costs and the cost of energy.

The decrease in Capital Outlay is due to the District spending less on capital projects in the current year as most projects have neared completion.

The decrease in Debt Service is due to the District continuing to pay down existing debt while not issuing new debt.

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 \$24,997,168 as a result of the District not anticipating revenues related to Extraordinary Aid, Non-public transportation aid, Menstrual Product Reimbursement, 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 \$2.3 million out of the Regular Programs – Instruction was made due to an increase in budgetary needs for other programs and health benefit costs.
- Unallocated Benefits – The transfer of approximately \$2.1 million into the Unallocated Benefits is due to the District requiring additional funds to pay for employee health benefits due to higher premiums and claims incurred.
- Capital Outlay – The transfer of approximately \$10.6 million into Capital Outlay is due to the rollover of prior year encumbrances plus the timing of current year District projects that will occur over the summer.

Capital Assets and Debt Administration

Capital Assets: At June 30, 2025, the District's governmental activities and business-type activities had capital assets of \$116,337,252 (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, 2025 and 2024:

	June 30	
	2025	2024
Land	\$ 149,550	\$ 149,550
Construction in progress	9,053,365	19,424,765
Buildings and improvements	98,435,361	85,575,376
Site and site improvements	1,339,442	1,550,063
Machinery, equipment and vehicles	5,560,153	5,302,028
Business-type	1,799,401	1,685,482
Total capital assets, net	<u>\$ 116,337,252</u>	<u>\$ 113,687,264</u>

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 2025 fiscal year, the District's governmental activities had outstanding long-term liabilities of \$39,896,180, of which \$8,256,119 was classified as the current portion.

At June 30, 2025 and 2024, the District's long-term liabilities consisted of:

	June 30	
	2025	2024
Bonds payable	\$ 8,260,000	\$ 10,495,000
Net pension liability	16,822,820	17,576,475
Financed purchases	3,498,217	5,310,929
Compensated absences payable	7,550,544	1,579,134
IBNR liability	3,764,599	3,131,648
Total long-term liabilities	<u>\$ 39,896,180</u>	<u>\$ 38,093,186</u>

The increase in compensated absences payable was due to the implementation of GASB Statement No. 101.

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, 2025.

East Windsor Regional School District

Statement of Net Position

June 30, 2025

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 33,517,465	\$ 1,617,755	\$ 35,135,220
Accounts receivable	2,487,849	9,114	2,496,963
Internal Balances	6,684	(6,684)	-
Inventories	40,894	28,709	69,603
Restricted assets:			
Cash held by fiscal agent	5,729,295		5,729,295
Capital assets, non-depreciable	9,202,915		9,202,915
Capital assets, depreciable, net	105,334,936	1,799,401	107,134,337
Total assets	156,320,038	3,448,295	159,768,333
Deferred Outflow of Resources			
Pension deferrals	3,250,954		3,250,954
Total deferred outflow of resources	3,250,954		3,250,954
Liabilities			
Accounts payable and accrued expenses	5,249,218	196,256	5,445,474
Payroll deductions and withholdings payable	161,813		161,813
Unemployment claims payable	81,845		81,845
Accrued interest payable	82,379		82,379
Other liabilities	50		50
Unearned revenue	45,709	41,048	86,757
Net pension liability	16,822,820		16,822,820
Current portion of long-term obligations	8,256,118		8,256,118
Noncurrent portion of long-term obligations	14,817,242		14,817,242
Total liabilities	45,517,194	237,304	45,754,498
Deferred Inflows of Resources			
Deferred gain on refunding of debt	89,082		89,082
Pension deferrals	1,885,791		1,885,791
Total deferred inflows of resources	1,974,873		1,974,873
Net Position			
Net investment in capital assets	107,958,488	1,799,401	109,757,889
Restricted for:			
Capital projects	4,357,730		4,357,730
Capital reserve	9,152,567		9,152,567
Maintenance reserve	2,937,132		2,937,132
Unemployment claims reserve	1,445,155		1,445,155
Student activity reserve	373,752		373,752
Scholarship reserve	43,647		43,647
Excess surplus	7,750,650		7,750,650
Unrestricted (deficit)	(21,940,196)	1,411,590	(20,528,606)
Total net position	\$ 112,078,925	\$ 3,210,991	\$ 115,289,916

See accompanying notes to basic financial statements.

East Windsor Regional School District

Statement of Activities

Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities							
Instruction							
Regular Instruction	\$ 47,142,623	\$ 719,637	\$ 1,279,634		\$ (45,143,352)		\$ (45,143,352)
Special Education Instruction	21,293,903		1,510,904		(19,782,999)		(19,782,999)
Other Special Education Instruction	8,255,587				(8,255,587)		(8,255,587)
Other Instruction	2,780,280				(2,780,280)		(2,780,280)
Support Services							
Student and Instruction Related Services	19,124,950		987,886		(18,137,064)		(18,137,064)
School Administration	6,307,766				(6,307,766)		(6,307,766)
Other Administration Services	3,718,143				(3,718,143)		(3,718,143)
Plant Operation and Maintenance	14,757,504			\$ 26,676	(14,730,828)		(14,730,828)
Pupil Transportation	7,701,154	160,436			(7,540,718)		(7,540,718)
Charter Schools	54,995				(54,995)		(54,995)
Special Schools	369,913				(369,913)		(369,913)
Interest on long-term debt	198,197				(198,197)		(198,197)
Total governmental activities	<u>131,705,015</u>	<u>880,073</u>	<u>3,778,424</u>	<u>26,676</u>	<u>(127,019,842)</u>		<u>(127,019,842)</u>
Business-type activities							
Food service	2,762,684	736,043	437,025			\$ (1,589,616)	(1,589,616)
Kid Care	767,617	636,311				(131,306)	(131,306)
Total business-type activities	<u>3,530,301</u>	<u>1,372,354</u>	<u>437,025</u>			<u>(1,720,922)</u>	<u>(1,720,922)</u>
Total primary government	<u>\$ 135,235,316</u>	<u>\$ 2,252,427</u>	<u>\$ 4,215,449</u>	<u>\$ 26,676</u>	<u>(127,019,842)</u>	<u>(1,720,922)</u>	<u>(128,740,764)</u>
General revenues and transfers:							
Taxes:							
Property taxes, levied for general purposes					71,598,570		71,598,570
Property taxes, levied for debt service					2,376,419		2,376,419
Federal sources					43,827		43,827
State sources—unrestricted					58,638,249		58,638,249
Investment income					1,514,029	85,569	1,599,598
Miscellaneous					308,475		308,475
Transfers					(75,632)	75,632	-
Total general revenues and transfers					<u>134,403,937</u>	<u>161,201</u>	<u>134,565,138</u>
Change in net position					7,384,095	(1,559,721)	5,824,374
Net Position—beginning of year, as reported					111,342,647	4,770,712	116,113,359
Cumulative Effect of Change in Accounting Principle					(6,647,817)		(6,647,817)
Net position - beginning of year, as restated					104,694,830	4,770,712	109,465,542
Net Position—ending					<u>\$ 112,078,925</u>	<u>\$ 3,210,991</u>	<u>\$ 115,289,916</u>

See accompanying notes to basic financial statements.

Fund Financial Statements

Governmental Funds

East Windsor Regional School District
Governmental Funds

Balance Sheet

June 30, 2025

	Major Funds			Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	
Assets				
Cash and cash equivalents	\$ 27,591,738	\$ 1,622,740		\$ 29,214,478
Accounts receivable:				
State	1,532,679		\$ 213,636	1,746,315
Federal		612,378		612,378
Other	98,555	209		98,764
Interfund	2,907,320			2,907,320
Restricted assets:				
Cash held by fiscal agent			5,267,936	5,267,936
Total assets	\$ 32,130,292	\$ 2,235,327	\$ 5,481,572	\$ 39,847,191
Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued expenses	\$ 2,853,352	\$ 161,014		\$ 3,014,366
Payroll deductions and withholdings payable	161,813			161,813
Unemployment claims payable	81,845			81,845
Intergovernmental payables:				
State		5,050		5,050
Federal		7,345		7,345
Other liabilities	50			50
Interfunds payable		1,598,810	\$ 1,123,842	2,722,652
Unearned revenue		45,709		45,709
Total liabilities	3,097,060	1,817,928	1,123,842	6,038,830
Fund balances:				
Restricted for:				
Excess surplus - current year	3,197,359			3,197,359
Excess surplus - prior year - designated for subsequent year's expenditures	4,553,291			4,553,291
Unemployment claims	1,445,155			1,445,155
Student activities		373,752		373,752
Scholarships		43,647		43,647
Capital reserve	9,152,567			9,152,567
Maintenance reserve	2,937,132			2,937,132
Capital projects			4,357,730	4,357,730
Assigned to:				
Designated for subsequent year's expenditures	717,949			717,949
Other purposes	7,029,779			7,029,779
Total fund balances	29,033,232	417,399	4,357,730	33,808,361
Total liabilities and fund balances	\$ 32,130,292	\$ 2,235,327	\$ 5,481,572	

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 \$215,168,960 and the accumulated depreciation is \$100,631,109.	114,537,851
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.	315,093
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.	(82,379)
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.	(89,082)
Deferred pension costs in governmental activities are not financial resources and therefore are not reported in the funds.	1,365,163
Accrued pension contributions for the June 30, 2025 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.	(1,644,501)
Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the funds.	(16,822,820)
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.	(19,308,761)
Net position of governmental activities (A-1)	\$ 112,078,925

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, 2025

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
Revenues					
Local sources:					
Local tax levy	\$ 71,598,570			\$ 2,376,419	\$ 73,974,989
Transportation fees	160,436				160,436
Tuition	719,637				719,637
Rents and royalties	165,600				165,600
Interest on investments	827,020		\$ 172,883		999,903
Interest on maintenance reserve	164,078				164,078
Interest on capital reserve	350,048				350,048
Miscellaneous	142,874	\$ 617,651			760,525
Total local sources	74,128,263	617,651	172,883	2,376,419	77,295,216
State sources	73,782,352	43,728			73,826,080
Federal sources	43,827	3,197,087			3,240,914
Total revenues	147,954,442	3,858,466	172,883	2,376,419	154,362,210
Expenditures					
Instruction:					
Regular instruction	31,016,219	1,279,634			32,295,853
Special education instruction	9,158,557	1,510,904			10,669,461
Other special instruction	5,487,232				5,487,232
Other instruction	1,866,859				1,866,859
Support services:					
Tuition	6,589,532				6,589,532
Student and instruction related services	12,629,715	1,014,569			13,644,284
School administration services	4,153,388				4,153,388
Other administration services	2,792,659				2,792,659
Plant operations and maintenance	10,390,034				10,390,034
Pupil transportation	5,707,306				5,707,306
Employee benefits	22,434,848				22,434,848
On-behalf pension, medical and disability contributions	20,435,067				20,435,067
On-behalf TPAF social security contributions	3,592,949				3,592,949
Capital outlay	8,479,212	26,676	1,007,136		9,513,024
Special schools	253,541				253,541
Debt service:					
Principal	1,812,712			2,235,000	4,047,712
Interest	114,497			141,419	255,916
Contribution to charter schools	54,995				54,995
Total expenditures	146,969,322	3,831,783	1,007,136	2,376,419	154,184,660
Excess (Deficiency) of revenues over (under) expenditures	985,120	26,683	(834,253)	-	177,550
Other financing uses:					
Transfers out	(75,632)				(75,632)
Total other financing uses	(75,632)				(75,632)
Net change in fund balances	909,488	26,683	(834,253)	-	101,918
Fund balances, July 1	28,123,744	390,716	5,191,983	-	33,706,443
Fund balances, June 30	\$ 29,033,232	\$ 417,399	\$ 4,357,730	\$ -	\$ 33,808,361

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, 2025

Total net change in fund balances - governmental funds (from B-2) **\$ 101,918**

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	\$	(5,914,421)	
Capital asset additions		<u>8,450,490</u>	
			2,536,069

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. 29,588

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 deferred gain on defeasance	28,131
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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	(1,305,280)		
Depreciation, included above		<u>2,366</u>	
			(1,302,914)

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	2,235,000		
Payments on financed purchases		<u>1,812,711</u>	
			4,047,711

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). 676,407

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>1,267,185</u>
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Change in net position of governmental activities (A-2)	\$	<u>7,384,095</u>	
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See accompanying notes to basic financial statements.

Proprietary Funds

East Windsor Regional School District
Proprietary Funds

Statement of Net Position

June 30, 2025

	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	\$ 1,101,026	\$ 516,729	\$ 1,617,755		\$ 4,302,987	\$ 4,302,987
Accounts receivable:						
State	1,501		1,501			
Federal	7,613		7,613			
Other				\$ 30,392		30,392
Inventories	28,709		28,709	40,894		40,894
Restricted assets:						
Cash held by fiscal agent					461,359	461,359
Total current assets	1,138,849	516,729	1,655,578	71,286	4,764,346	4,835,632
Noncurrent assets:						
Building and building improvements	1,585,237		1,585,237			
Equipment	923,153		923,153	67,380		67,380
Accumulated depreciation	(708,989)		(708,989)	(47,770)		(47,770)
Total capital assets, net	1,799,401	-	1,799,401	19,610		19,610
Total assets	2,938,250	516,729	3,454,979	90,896	4,764,346	4,855,242
Liabilities						
Current liabilities:						
Accounts payable	196,256		196,256	4,917	573,039	577,956
Accrued liabilities					3,501,077	3,501,077
Interfund payable	6,684		6,684	177,984		177,984
Unearned revenue	29,673	11,375	41,048			
Total current liabilities	232,613	11,375	243,988	182,901	4,074,116	4,257,017
Noncurrent liabilities:						
Accrued liability for insurance claims					263,522	263,522
Total noncurrent liabilities					263,522	263,522
Total liabilities	232,613	11,375	243,988	182,901	4,337,638	4,520,539
Net Position						
Investment in capital assets	1,799,401		1,799,401	19,610		19,610
Unrestricted (deficit)	906,236	505,354	1,411,590	(111,615)	426,708	315,093
Total net position	\$ 2,705,637	\$ 505,354	\$ 3,210,991	\$ (92,005)	\$ 426,708	\$ 334,703

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, 2025

	Major Funds			Nonmajor Funds		
	Business-Type Activities -			Governmental Activities -		
	Enterprise Funds			Internal Service Funds		
	Food Service	Kid Care	Totals	Fueling Facility	Self Insurance	Totals
Operating revenues:						
Local sources:						
Daily sales reimburseable programs	\$ 407,252		\$ 407,252			
Daily sales non-reimburseable programs	328,791		328,791			
Tuition		\$ 636,311	636,311			
Charges for services - district contributions					\$ 17,504,100	\$ 17,504,100
Charges for services - employee contributions					2,585,234	2,585,234
Charges for services				\$ 504,983		504,983
Total operating revenues	736,043	636,311	1,372,354	504,983	20,089,334	20,594,317
Operating expenses						
Salaries	1,035,176	546,075	1,581,251			
Employee benefits	282,060	41,750	323,810			
Purchased professional services		18,545	18,545	13,137	215,115	228,252
Facility usage fee		128,656	128,656			
Management and admin services	209,332		209,332			
Supplies and materials	185,148	32,591	217,739	521,230		521,230
Depreciation	128,526		128,526	2,366		2,366
Cost of sales - non-reimburseable programs	51,155		51,155			
Cost of sales - reimburseable programs	780,048		780,048			
Insurance claims					20,448,684	20,448,684
Other objects					1,239,296	1,239,296
Bad debt expense	4,286		4,286			
Miscellaneous	86,953		86,953			
Total operating expenses	2,762,684	767,617	3,530,301	536,733	21,903,095	22,439,828
Operating (loss)	(2,026,641)	(131,306)	(2,157,947)	(31,750)	(1,813,761)	(1,845,511)
Non-operating revenues:						
Interest	85,569		85,569		178,951	178,951
Reinsurance reimbursements					361,280	361,280
State sources:						
State school lunch program	2,943		2,943			
State school reduced lunch program	2,110		2,110			
State school reduced breakfast program	239		239			
State school lunch program-NJEIE	2,161		2,161			
State school breakfast program-NJEIE	245		245			
State SEBT	1,501		1,501			
Federal sources:						
School breakfast program	12,936		12,936			
National school lunch program	127,447		127,447			
HHFKA	4,000		4,000			
Local food for schools	7,085		7,085			
Federal SEBT	1,501		1,501			
Food donation program	274,857		274,857			
Total nonoperating revenues	522,594		522,594		540,231	540,231
Net (loss) before transfer	(1,504,047)	(131,306)	(1,635,353)	(31,750)	(1,273,530)	(1,305,280)
Transfer In	75,632		75,632			
Change in net position	(1,428,415)	(131,306)	(1,559,721)	(31,750)	(1,273,530)	(1,305,280)
Total net position (deficit) - beginning	4,134,052	636,660	4,770,712	(60,255)	1,700,238	1,639,983
Total net position (deficit) - ending	\$ 2,705,637	\$ 505,354	\$ 3,210,991	\$ (92,005)	\$ 426,708	\$ 334,703

See accompanying notes to basic financial statements.

East Windsor Regional School District
Proprietary Funds

Statement of Cash Flows

Year Ended June 30, 2025

	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	\$ 733,267	\$ 641,836	\$ 1,375,103	\$ 514,666		\$ 514,666
Receipts from services provided					\$ 20,089,334	20,089,334
Payments for insurance claims					(19,867,408)	(19,867,408)
Payments to employees	(1,035,176)	(546,075)	(1,581,251)			
Payments for benefits	(282,060)	(41,750)	(323,810)			
Payments to suppliers	(1,246,484)	(179,792)	(1,426,276)	(523,388)	(1,133,677)	(1,657,065)
Net cash (used in) operating activities	(1,830,453)	(125,781)	(1,956,234)	(8,722)	(911,751)	(920,473)
Cash flows from noncapital financing activities:						
Cash received from state and federal sources	821,669		821,669			
Cash received from other funds	6,684					
Stop loss insurance proceeds					361,280	361,280
Transfer from other funds	75,632			8,722		8,722
Net cash provided by noncapital financing activities	903,985		821,669	8,722	361,280	370,002
Cash flows from capital and related financing activity						
Purchase of capital assets	(242,445)		(242,445)			
Net cash (used in) capital and related financing activity	(242,445)		(242,445)			
Cash flows from investing activity:						
Interest received	85,569		85,569		178,951	178,951
Net cash provided by investing activity	85,569		85,569		178,951	178,951
Net (decrease) in cash and cash equivalents	(1,083,344)	(125,781)	(1,209,125)	-	(371,520)	(371,520)
Cash and cash equivalents, beginning of year	2,184,370	642,510	2,826,880	-	4,674,507	4,674,507
Cash and cash equivalents, end of year	<u>\$ 1,101,026</u>	<u>\$ 516,729</u>	<u>\$ 1,617,755</u>	<u>\$ -</u>	<u>\$ 4,302,987</u>	<u>\$ 4,302,987</u>
Reconciliation of operating (loss) to net cash (used in) operating activities:						
Operating (loss)	\$ (2,026,641)	\$ (131,306)	\$ (2,157,947)	\$ (31,750)	\$ (1,813,761)	\$ (1,845,511)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities						
Depreciation	128,526		128,526	2,366		2,366
Bad debt expense	4,286		4,286			
Change in assets and liabilities:						
Decrease in other accounts receivable				9,683		9,683
Decrease in inventory	18,450		18,450	6,062		6,062
Increase in accounts payable	47,702		47,702	4,917	320,734	325,651
Increase in accrued liability for insurance claims					632,951	632,951
(Increase) in restricted cash					(51,675)	(51,675)
(Decrease) Increase in unearned revenue	(2,776)	5,525	2,749			
Net cash (used in) operating activities	<u>\$ (1,830,453)</u>	<u>\$ (125,781)</u>	<u>\$ (1,956,234)</u>	<u>\$ (8,722)</u>	<u>\$ (911,751)</u>	<u>\$ (920,473)</u>

Noncash noncapital financing activities:

The District received \$272,721 of food commodities from the U.S. Department of Agriculture for the year ended June 30, 2025.

See accompanying notes to basic financial statements.

East Windsor Regional School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

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, 2025

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, 2025

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, 2025

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, 2025

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, 2025

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, 2025, the unused Food Donation Program commodities of \$1,711 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:

	<u>Years</u>
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, 2025

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 compensated absences represents the vacation and sick time ("leave"/"leave days") and salary related payments which have been earned for services previously rendered by employees in accordance with the District's various collective bargaining agreements, accumulates, is allowed to be carried over to subsequent year(s) and is deemed more likely than not (by management) to be used for time off or otherwise paid/settled in the future. The liability is calculated based on each employee's rate of pay and the number of unused leave days accumulated as of year-end, management's assumption that likelihood of future use (either by use during employment or settlement/payment upon separation from service) is probable, and the salary-related payments that are directly and incrementally associated with payments for the leave. The District utilizes historical data of past usage patterns to estimate the expected usage and payment of compensated absences. The liability for compensated absences is reflected in the government-wide financial statements as current and long-term liabilities. In the fund financial statements, only the compensated absences liability that has matured through employee resignation or retirement and is expected to be payable from expendable available financial resources is reported. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 101, "*Compensated Absences*."

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, 2025, a liability existed for compensated absences in the government-wide financial statements in the amount of \$7,550,544 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 one item that qualifies for reporting in this category, which is 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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category, including deferred amounts related to pensions and deferred gain on refunding of debt.

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.

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 Refunding 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, 2025, the District has reported an unamortized gain on the refunding of debt of \$89,082 as a deferred inflow of resources. Amortization expense for the year ended June 30, 2025 was \$28,131.

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 for future child care services.

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.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

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:

- 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 \$29,033,232 of fund balances in the General Fund, \$7,029,779 is assigned to other purposes, \$4,553,291 has been classified as restricted excess surplus – prior year – designated for subsequent year's expenditures, \$3,197,359 has been classified as restricted excess surplus – current year, \$12,089,699 has been classified as restricted for maintenance reserve and capital

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

reserve in the amounts of \$2,937,132 and \$9,152,567, respectively, \$1,445,155 has been classified as restricted for unemployment claims and \$717,949 is assigned to designated for subsequent year's expenditures.

Of the \$417,399 of fund balances in the Special Revenue Fund, \$373,752 is classified as restricted for student activities and \$43,647 is classified as restricted for scholarships.

All of the fund balance in the Capital Projects Fund of \$4,357,730 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, deferred inflows and outflows of resources, 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 \$16,491,726 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, 2025 in the amount of \$7,750,650. Of this amount, \$4,553,291 has been appropriated in the 2025/26 budget and the remaining \$3,197,359, which was generated during the 2025 fiscal year, will be appropriated in the 2026/27 budget.

S. GASB Pronouncements

Adopted and Recently Issued Accounting Pronouncements

Adopted – The District adopted GASB Statement No. 100, *Accounting Changes and Error Corrections-an amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

decisions or assessing accountability. The District implemented this Statement during the 2024-2025 fiscal year. See Note 20.

Adopted – The District adopted GASB Statement No. 101, “*Compensated Absences*”. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The District implemented this Statement during the 2024-2025 fiscal year. See Note 20.

Adopted – The GASB issued Statement No. 102 “*Certain Risk Disclosures*” in December 2023. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government’s highest level of decision-making authority.

Concentrations and constraints may limit a government’s ability to acquire resources or control spending. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management has reviewed the Statement and determined it did not have an impact on the financial statements.

Recent – The GASB issued Statement No. 103 “*Financial Reporting Model Improvements*” in April 2024. This Statement improves 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 fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management has not yet determined the impact of this Statement on the financial statements.

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

T. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2025 and April 15, 2026, 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.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

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.

The details of this \$19,308,761 difference are as follows:

Bonds payable	\$ 8,260,000
Financed purchases payable	3,498,217
Compensated absences payable	<u>7,550,544</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net position - governmental activities	<u>\$ 19,308,761</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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

3. Deposits and Investments (continued)

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.

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, 2025 the carrying amount of the District's deposits was \$35,135,220 and the bank balance was \$39,241,899 (not including mutual funds). Of the bank balance, \$250,000 of the District's cash deposits on June 30, 2025 was secured by federal depository insurance. The New Jersey Governmental Unit Deposit Protection Act (GUDPA) covered the bank balance of \$36,573,419. \$2,418,480 held in the District's agency accounts are not covered by GUDPA. The District also has \$5,729,296 of funds held with fiscal agent at June 30, 2025 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, 2025

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, 2025.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

4. Capital Assets

The following is a summarization of the governmental activities changes in capital assets for the fiscal year ended June 30, 2025:

	Beginning Balance	Increases	Transfers/ Dispositions	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 149,550			\$ 149,550
Construction in progress	19,424,765	\$ 6,759,490	\$ (17,130,890)	9,053,365
Total capital assets, not being depreciated	19,574,315	6,759,490	(17,130,890)	9,202,915
Capital assets, being depreciated				
Site and site improvements	5,978,152	67,254		6,045,406
Buildings and building improvements	163,943,361	361,484	17,130,890	181,435,735
Machinery, equipment, and vehicles	17,155,262	1,262,262		18,417,524
Machinery, equipment - Internal Service	67,380			67,380
Total capital assets being depreciated	187,144,155	1,691,000	17,130,890	205,966,045
Less accumulated depreciation for:				
Site and site improvements	4,428,089	277,895		4,705,984
Buildings and building improvements	78,367,985	4,632,389		83,000,374
Machinery, equipment, and vehicles	11,875,210	1,001,771		12,876,981
Machinery, equipment - Internal Service	45,404	2,366		47,770
Total accumulated depreciation	94,716,688	5,914,421	-	100,631,109
Total capital assets being depreciated, net	92,427,467	(4,223,421)	17,130,890	105,334,936
Governmental activities capital assets, net	\$ 112,001,782	\$ 2,536,069	\$ -	\$ 114,537,851

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

4. Capital Assets (continued)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$	2,195,353
Special Education Instruction		725,271
Other Special Instruction		373,002
Other Instruction		126,902
Student and Instruction Related Services		927,488
School Administration Services		282,332
Other Administration Services		189,835
Plant Operations and Maintenance		706,276
Pupil Transportation		387,962
	\$	<u>5,914,421</u>

The following is a summarization of the business-type activities changes in capital assets for the fiscal year ended June 30, 2025:

	Beginning Balance	Increases	Transfers/ Dispositions	Ending Balance
Business-type activities				
Capital assets, not being depreciated:				
Construction in progress	\$ 1,488,341	\$ 96,896	\$ (1,585,237)	
Total capital assets, not being depreciated	1,488,341	96,896	(1,585,237)	
Capital assets, being depreciated:				
Buildings and building improvements			1,585,237	\$ 1,585,237
Equipment	777,604	145,549		923,153
Total capital assets being depreciated	777,604	145,549	1,585,237	2,508,390
Less accumulated depreciation for:				
Equipment	(580,463)	(128,706)	180	(708,989)
Capital assets, being depreciated, net	197,141	16,843	1,585,417	1,799,401
Total business-type activities				
capital assets, net	\$ 1,685,482	\$ 113,739	\$ 180	\$ 1,799,401

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

5. Long-Term Liabilities

During the fiscal year ended June 30, 2025, the following changes occurred in long-term liabilities:

	Balance Reported as of July 1, 2024	Cumulative Effect of Change in Accounting Principle*	Balance as Restated July 1, 2024	Additions	Reductions	Balance June 30, 2025	Due within One Year
Governmental activities:							
Compensated absences payable**	\$ 1,579,134	\$ 6,647,817	\$ 8,226,951		\$ 676,407	\$ 7,550,544	\$ 750,054
Bonds payable	10,495,000		10,495,000		2,235,000	8,260,000	2,155,000
Financed purchases payable	5,310,929		5,310,929		1,812,712	3,498,217	1,849,987
Subtotal	17,385,063	6,647,817	24,032,880		4,724,119	19,308,761	4,755,041
Net pension liability	17,576,475		17,576,475		753,655	16,822,820	
IBNR liability	3,131,648		3,131,648	\$ 21,233,404	20,600,453	3,764,599	3,501,077
Total governmental activities							
long-term liabilities	\$ 38,093,186	\$ 6,647,817	\$ 44,741,003	\$ 21,233,404	\$ 26,078,227	\$ 39,896,180	\$ 8,256,118

*See Note 20.

** The change in compensated absences payable is presented as a net change.

The District expects to liquidate the balance in compensated absences, net pension liability 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 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 payment on which the full faith and credit of the District is pledged. 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, 2025 are comprised of the following issues:

\$15,320,000, 2021 refunding bonds, due in annual installments ranging from \$1,970,000 to \$2,155,000 through March 1, 2029 at interest rates ranging from 1.10% to 1.80%. These bonds were issued to provide resources to refund a portion of the District's outstanding debt. As of June 30, 2025, none of the defeased debt remains outstanding.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

5. Long-Term Liabilities (continued)

Principal and interest due on all bonds outstanding at June 30, 2025 are as follows:

	Principal	Interest	Total
Fiscal year ending June 30:			
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
	<u>\$ 8,260,000</u>	<u>\$ 316,867</u>	<u>\$ 8,576,867</u>

Financed Purchases

Governmental Funds

During the 2023 fiscal year, the District entered into a financed purchase with JP Morgan Chase Bank, 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%.

The following is a schedule of the future payments at June 30, 2025:

	Principal	Interest	Total
Fiscal year ending June 30:			
2026	\$ 1,849,987	\$ 77,222	\$ 1,927,209
2027	1,648,230	39,063	1,687,293
	<u>\$ 3,498,217</u>	<u>\$ 116,285</u>	<u>\$ 3,614,502</u>

Bonds Authorized But Not Issued

As of June 30, 2025, the District does not have any authorized but not issued bonds.

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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

6. Pension Plans (continued)

Annuity Fund Retirement System is considered a cost-sharing multiple-employer defined benefit 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 defined benefit 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 $1/55^{\text{th}}$ 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 $1/60^{\text{th}}$ 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 fund. Pursuant to the provisions of P.L. 2022, C.78, the member contribution rate was 7.5% in State fiscal year 2023.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

6. Pension Plans (continued)

Members are classified into one of five tiers dependent upon the date of their enrollment. Service retirement benefits of $1/55^{\text{th}}$ 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 $1/60^{\text{th}}$ 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' pensionable 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, 2025, the State of New Jersey contributed \$20,435,067 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 \$3,592,949 during the year ended June 30, 2025 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, 2025, 2024, and 2023 were \$1,684,672, \$1,621,848, and \$1,413,792, 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 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.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

6. Pension Plans (continued)

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, 2025, the District reported a liability of \$16,822,820 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation July 1, 2023, which was rolled forward to June 30, 2024. 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, 2024, the District's proportion was 0.1238060304 percent, which was an increase of 0.0024581874 from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized full accrual pension expense of \$6,058 in the government-wide financial statements. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 20,899	\$ 191,405
Difference between expected and actual experience	336,992	44,787
Net difference between projected and actual earnings on pension plan investments		780,028
Changes in proportion and differences between District contributions and proportionate share of contributions	1,248,562	869,571
District contributions subsequent to the measurement date	1,644,501	
	<u>\$ 3,250,954</u>	<u>\$ 1,885,791</u>

\$1,644,501 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, 2025

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:		
2026	\$	(739,713)
2027		530,409
2028		11,064
2029		(91,616)
2030		10,518
	\$	<u>(279,338)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. 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%

The actuarial assumptions used in the July 1, 2023 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, 2025

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, 2024) 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, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate
US Equity	28.00%	8.63%
Non-U.S. developed markets equity	12.75%	8.85%
International small cap equity	1.25%	8.85%
Emerging markets equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%
	<u>100.00%</u>	

Discount rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. 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.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

6. Pension Plans (continued)

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, 2024, 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	\$ 22,353,392	\$16,822,820	\$ 12,116,334

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, 2024 are as follows:

Deferred outflows of resources	\$ 1,079,580,780
Deferred inflows of resources	\$ 1,611,322,898
Net pension liability	\$13,702,423,985
District's Proportion	0.1238060304%

Collective pension expense for the Local Group for the measurement period ended June 30, 2024 is \$372,160,069.

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, 2024, 2023, 2022, 2021, 2020 and 2019 is 5.08, 5.08, 5.04, 5.13, 5.16 and 5.21 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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

6. Pension Plans (continued)

Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The June 30, 2024 State special funding situation net pension liability amount of \$114.3 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, 2024, 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 \$53.7 million, for the fiscal year ending June 30, 2024, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2024. 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 \$54,237.

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, 2024 was \$187,758,467. The District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. 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, 2024, the State's proportionate share of the TPAF net pension liability associated with the District was 0.3798848001 percent, which was an increase of 0.0070422733 from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized on-behalf pension expense and revenue in the government wide financial statements for contributions incurred by the State.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

6. Pension Plans (continued)

Actuarial assumptions

The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. 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 - 5.65%
	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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) 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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

6. Pension Plans (continued)

estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	28.00%	8.63%
Non-U.S. developed markets equity	12.75%	8.85%
International small cap equity	1.25%	8.85%
Emerging markets equity	5.50%	10.66%
Private equity	13.00%	12.40%
Real estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High yield	4.50%	6.74%
Private credit	8.00%	8.90%
Investment grade credit	7.00%	5.37%
Cash equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. 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.

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, 2024 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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

6. Pension Plans (continued)

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	\$ 223,177,518	\$187,758,467	\$157,928,930

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, 2024 are as follows:

Deferred outflows of resources	\$ 1,176,934,477
Deferred inflows of resources	\$ 10,530,833,639
Net pension liability	\$ 49,425,106,602

District's Proportion	0.3798848001%
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Collective pension benefit-Local Group for the plan for the measurement period ended June 30, 2024 is \$148,167,647.

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, 2024, 2023, 2022, 2021, and 2019 is 7.84, 7.93, 7.83, 7.93, and 8.04 years, respectively.

7. Post-Retirement Benefits

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan:

The State Health Benefits Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The State

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

7. Post-Retirement Benefits (continued)

Health Benefits Local Education Retired Employees Plan provides medical, prescription drug and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

In accordance with the provision of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the State is required to quantify and disclose its obligations 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 was \$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>.

Employees covered by benefit terms

The following employees were covered by the benefit terms:

Local Education Group	June 30, 2024
Active Plan Members	219,185
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	153,556
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	-
Total Plan Members	<u>372,741</u>

Actuarial assumptions and other inputs

The total non-employer OPEB liability of \$59,650,630,530 as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023, which was rolled forward to June 30, 2024 and included in the June 30, 2024 audited financial statements of the State Health Benefit Local Education

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

7. Post-Retirement Benefits (continued)

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

	TPAF	PERS
Salary increases:		
Through 2026	2.75 - 5.65%	2.75 - 6.55%
	based on years of service	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.

The actuarial assumptions used in the June 30, 2023 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, 2024 was 3.93%. 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 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 19.36% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO the trend is increasing to 22.80% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

7. Post-Retirement Benefits (continued)

Changes in Total Non-employee OPEB Liability

Below represents the changes in the District's total OPEB liability for the year ended June 30, 2024:

	<u>Total OPEB Liability</u>
Beginning Total OPEB Liability, June 30, 2023	\$ 185,493,909
Charges for the year:	
Service cost	7,457,975
Interest	7,067,270
Difference between actual and expected	3,826,933
Changes in assumptions or other inputs	16,062,086
Member contributions	184,812
Benefit payments	<u>(5,397,389)</u>
Net changes	<u>29,201,687</u>
Ending Total OPEB Liability, June 30, 2024	<u>\$ 214,695,596</u>

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, 2024 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 (2.93%) or 1-percentage-point higher (4.93%) than the current discount rate:

	At 1% decrease (2.93%)	At current discount rate (3.93%)	At 1% increase (4.93%)
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 251,454,524	\$ 214,695,596	\$ 185,133,788

The following presents the total non-employer OPEB liability associated with the District as of June 30, 2024 calculated using a healthcare cost trend rate as disclosed above as well as what the total 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:

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

7. Post-Retirement Benefits (continued)

	At 1% decrease	At Healthcare Cost Trend Rates	At 1% increase
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 178,842,995	\$ 214,695,596	\$ 261,395,975

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

For the year ended June 30, 2025, the District recognized on-behalf OPEB expense and revenue in the government-wide financial statements of \$7,186,557 for OPEB expenses incurred by the State.

Collective balances of the Local Education Group at June 30, 2024 are as follows:

Deferred outflows of resources	\$ 18,640,445,786
Deferred inflows of resources	\$ 25,058,850,175
Collective OPEB Expense	\$ 1,999,742,665
District's Proportion	0.36%

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, 2025 are as follows:

	Interfund Receivable	Interfund Payable
General Fund	\$ 2,907,320	
Special Revenue Fund		\$ 1,598,810
Capital Projects Fund		1,123,842
Enterprise Fund - Food Service		6,684
Internal Service Fund - Fueling Facility		177,984
	<u>\$ 2,907,320</u>	<u>\$ 2,907,320</u>

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

8. Interfund Receivables and Payables (continued)

The interfund receivable in the General Fund of \$2,907,320 is comprised of an interfund payable from the special revenue fund in the amount of \$1,598,810, capital projects fund in the amount of \$1,123,842, enterprise fund – food service in the amount of \$6,684 and internal service fund – fueling facility in the amount of \$177,984, 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 East Windsor Regional School District did not receive certain federal and state reimbursements from the New Jersey Department of Agriculture for the period October 2024 through June 2025 due to an ongoing State desk audit. As a result, the related funds were not made available to the District during the fiscal year and are currently no longer available.

The District has been informed that the funding could potentially be reinstated if the United States Department of Agriculture approves an additional allotment of funds for the District in the future. At this time, the outcome of this matter cannot be determined, and no receivable or revenue has been recorded in the accompanying financial statements related to these reimbursements.

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, 2025 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.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

10. Contingent Liabilities (continued)

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.

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
Boiler and Machinery
School Board Legal Liability

General and Automobile Liability
Workers' Compensation
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, 2025, the accrued liability for unpaid medical, prescription and dental claims of \$3,764,599 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
2024-2025	\$ 3,131,648	\$ 21,233,404	\$ 20,600,453	\$ 3,764,599
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

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

11. Risk Management (continued)

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.

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.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

13. Maintenance Reserve Account (continued)

The activity of the maintenance reserve for July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning balance July 1, 2024	\$ 2,773,054
Deposits:	
Interest earned	<u>164,078</u>
Ending balance, June 30, 2025	<u>\$ 2,937,132</u>

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, 2025. The District has not budgeted any of the June 30, 2025 maintenance reserve balance in its 2025-26 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, 2024 to June 30, 2025 fiscal year is as follows:

Beginning balance July 1, 2024	\$ 10,428,406
Withdrawals:	
Capital Outlay – Budgeted Withdrawal	(1,625,887)
Deposits:	
Interest earned on capital reserve funds	<u>350,048</u>
Ending balance, June 30, 2025	<u>\$ 9,152,567</u>

The June 30, 2025 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 \$1,628,760 of the June 30, 2025 capital reserve balance in its 2025-26 fiscal year budget.

East Windsor Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

15. Commitments

The District has contracts with several vendors for goods and services that have not been received as of June 30, 2025. These encumbrances, in the amount of \$8,225,542 and \$346,032, are recorded as part of the assigned to other purposes on the general fund balance sheet and restricted for capital projects on the capital project fund balance sheet, respectively.

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 \$107,958,488 indicated as part of the Governmental Activities net position is calculated as follows:

Capital assets, net of depreciation	\$ 114,537,851
Bonds payable (used to build or acquire capital assets)	(8,260,000)
Financed purchases payable	(3,498,217)
Deferred gain on defeasance of debt	(89,082)
Unexpended lease proceeds	5,267,936
Total net investment in capital assets	<u>\$ 107,958,488</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 agreement 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 Regional School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2025

17. Tax Abatements (continued)

East Windsor Township recognized revenue of \$1,455,280 in 2025 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 \$2,639,768, based upon the assessed valuations of the long-term tax exemptions properties. A portion of the \$1,184,488 abatement would have been allocated to the District. Hightstown Borough does not currently have any such long-term tax exemptions in place.

18. Deficit Fund Balance

The District had a deficit net position of \$92,005 in the Fueling Facility Internal Service Fund as of June 30, 2025 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.

19. Transfers

The following presents a reconciliation of transfers during the 2025 fiscal year:

	Transfer In	Transfer Out
General Fund		\$ 75,632
Enterprise Fund - Food Service	\$ 75,632	
	<u>\$ 75,632</u>	<u>\$ 75,632</u>

The District transferred \$75,632 from the general fund to the enterprise fund – food service. The transfer was made to help cover operating expenses in the current year.

20. Change in Accounting Principle and Restatement of Net Position

Effective for the year ended June 30, 2025, the District implemented the provision of GASB Statement No. 101, *Compensated Absences*. This statement establishes new recognition and measurement criteria for compensated absences, requiring governments to recognize a liability for certain types of compensated absences when leave is earned, rather than when it is paid.

In accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections*, the provisions of GASB Statement No. 101 were adopted effective July 1, 2024. As a result, the compensated absences liability was restated as of June 30, 2024, and the cumulative effect of the change of \$6,647,817 was recognized in the 2024 governmental activities change in net position.

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,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability (asset) - Local Group	0.1238060304%	0.1213478430%	0.1125603702%	0.1227215514%	0.1238203338%	0.1215957017%	0.1189222327%	0.1144046609%	0.1187251190%	0.1176478520%
District's proportionate share of the net pension liability (asset)	\$ 16,822,820	\$ 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
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
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	176.07%	185.22%	209.15%	170.69%	227.53%	251.95%	282.42%	330.95%	445.10%	325.78%
Plan fiduciary net position as a percentage of the total pension liability - Local Group	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%

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,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 1,684,672	\$ 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
Contributions in relation to the contractually required contribution	(1,684,672)	(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)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 11,201,366	\$ 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
Contributions as a percentage of covered-employee payroll	15.04%	16.97%	14.90%	17.77%	15.90%	13.33%	12.19%	12.72%	13.00%	12.93%

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,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
State's proportion of the net pension liability (asset) associated with the District - Local Group	0.3798848001%	0.3728425268%	0.3785330294%	0.3684032643%	0.3698467189%	0.3605261060%	0.3553317756%	0.3697162402%	0.3616411567%	0.3588673050%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 187,758,467	\$ 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
Total proportionate share of the net pension liability (asset) associated with the District	<u>\$ 187,758,467</u>	<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>
Plan fiduciary net position as a percentage of the total pension liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

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,								
	2025	2024	2023	2022	2021	2020	2019	2018	2017
State's proportion of the net OPEB liability (asset) associated with the District	0.36%	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	\$ 214,695,596	\$ 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>\$ 214,695,596</u>	<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%	0.00%
Total OPEB Liability	2025	2024	2023	2022	2021	2020	2019	2018	2017**
Service cost	\$ 7,457,975	\$ 7,510,507	\$ 9,905,527	\$ 11,156,831	\$ 6,173,234	\$ 5,428,315	\$ 5,976,104	\$ 7,223,585	
Interest cost	7,067,270	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	19,889,019	(3,800,205)	(42,157,720)	(38,441,322)	81,152,956	(21,939,627)	(35,022,328)	(24,873,787)	
Member contributions	184,812	167,414	151,729	140,749	125,695	136,056	151,577	162,340	
Gross benefit payments	(5,397,389)	(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	29,201,687	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	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 OPEB liability - ending	<u>\$ 214,695,596</u>	<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	\$ 56,864,140	\$ 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	377.56%	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.

See accompanying notes to required supplementary information.

East Windsor Regional School District

**Notes to Required Supplementary Information
Year Ended June 30, 2025**

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 3.65% as of June 30, 2023 to 3.93% as of June 30, 2024.

Required Supplementary Information – Part III

Budgetary Comparison Schedules

East Windsor Regional School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 71,598,570		\$ 71,598,570	\$ 71,598,570	
Tuition from other LEAs within the State	400,506		400,506	719,637	\$ 319,131
Transportation fees from other LEAs within the State	60,000		60,000	160,436	100,436
Rents and Royalties	228,656		228,656	165,600	(63,056)
Interest Earned on Investments	1,393,312		1,393,312	827,020	(566,292)
Interest Earned on Capital Reserve				350,048	350,048
Interest Earned on Maintenance Reserve				164,078	164,078
Miscellaneous	150,000		150,000	142,874	(7,126)
Total - Local Sources	73,831,044		73,831,044	74,128,263	297,219
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	4,919,011		4,919,011	4,919,011	
Security Aid	1,255,961		1,255,961	1,255,961	
Additional Non-Public Transportation Aid				63,979	63,979
Extraordinary Aid	210,000		210,000	1,104,567	894,567
Menstrual Product Reimbursement				10,606	10,606
TPAF Pension (On-Behalf - Non-Budgeted)				15,806,812	15,806,812
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				4,618,763	4,618,763
TPAF Non-contributory Insurance (On-Behalf - Non-Budgeted)				9,492	9,492
TPAF Social Security (Reimbursed - Non-Budgeted)				3,592,949	3,592,949
Total - State Sources	48,854,884		48,854,884	73,852,052	24,997,168
Federal Sources:					
Medical Assistance Program	191,688		191,688	43,827	(147,861)
Total - Federal Sources	191,688		191,688	43,827	(147,861)
Total Revenues	122,877,616		122,877,616	148,024,142	25,146,526
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	1,347,525	\$ 515	1,348,040	1,348,040	
Grades 1-5 - Salaries of Teachers	9,284,170	(192,387)	9,091,783	9,089,666	2,117
Grades 6-8 - Salaries of Teachers	7,382,245	(854,018)	6,528,227	6,528,226	1
Grades 9-12 - Salaries of Teachers	9,712,906	(700,404)	9,012,502	9,012,500	2
Regular Programs - Home Instruction					
Salaries of Teachers	50,000	(26,555)	23,445	23,445	
Purchased Professional-Educational Services	98,000	49,110	147,110	110,340	36,770
Regular Programs - Undistributed Instruction					
Purchased Professional-Educational Services	1,615,306	1,619,619	3,234,925	3,206,305	28,620
Purchased Technical Services	970,500	(437,067)	533,433	496,858	36,575
Other Purchased Services	5,400	(4,980)	420	420	
General Supplies	2,539,806	(1,114,559)	1,425,247	1,133,513	291,734
Textbooks	997,850	(670,516)	327,334	300,320	27,014
Other Objects	15,500	(7,453)	8,047	6,502	1,545
TOTAL REGULAR PROGRAMS - INSTRUCTION	34,019,208	(2,338,695)	31,680,513	31,256,135	424,378
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities					
Salaries of Teachers	794,750	(265,449)	529,301	529,301	
Other Salaries for Instruction	269,162	(72,507)	196,655	196,654	1
General Supplies	5,000	3,100	8,100	8,090	10
Total Learning and/or Language Disabilities	1,068,912	(334,856)	734,056	734,045	11
Multiple Disabilities					
Salaries of Teachers	402,924	(88,277)	314,647	314,646	1
Other Salaries for Instruction	312,081	(126,595)	185,486	185,486	
General Supplies	5,000		5,000	4,995	5
Other Objects	2,500	(500)	2,000	380	1,620
Total Multiple Disabilities	722,505	(215,372)	507,133	505,507	1,626
Resource Room/Resource Center					
Salaries of Teachers	5,414,331	153,605	5,567,936	5,567,935	1
Other Salaries for Instruction	292,820	89,116	381,936	381,935	1
Purchased Professional-Educational Services	200,000	(200,000)			
General Supplies	5,000		5,000	5,000	
Total Resource Room/Resource Center	5,912,151	42,721	5,954,872	5,954,870	2

East Windsor Regional School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Autism					
Salaries of Teachers	\$ 488,370	\$ (28,164)	\$ 460,206	\$ 460,206	
Other Salaries for Instruction	628,219	125,091	753,310	753,309	\$ 1
General Supplies	12,000	(57)	11,943	11,942	1
Total Autism	1,128,589	96,870	1,225,459	1,225,457	2
Preschool Disabilities - Part-Time					
Salaries of Teachers	505,020	(34,140)	470,880	470,880	
Other Salaries for Instruction	192,485	73,551	266,036	266,036	
General Supplies	7,500	(5,737)	1,763	1,762	1
Total Preschool Disabilities - Part-Time	705,005	33,674	738,679	738,678	1
TOTAL SPECIAL EDUCATION - INSTRUCTION	9,537,162	(376,963)	9,160,199	9,158,557	1,642
Basic Skills/Remedial - Instruction					
Salaries of Teachers	1,227,060	(125,822)	1,101,238	1,101,238	
Total Basic Skills/Remedial - Instruction	1,227,060	(125,822)	1,101,238	1,101,238	
Bilingual Education - Instruction					
Salaries of Teachers	4,636,975	(520,892)	4,116,083	4,116,082	1
Other Salaries for Instruction	31,364	(29,864)	1,500	1,500	
Purchased Professional-Educational Services	7,500	(7,500)			
General Supplies	31,500	97,638	129,138	121,329	7,809
Textbooks	243,045	(95,961)	147,084	147,083	1
Total Bilingual Education - Instruction	4,950,384	(556,579)	4,393,805	4,385,994	7,811
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	394,000	23,013	417,013	417,013	
Purchased Services	42,500	(1,027)	41,473	37,594	3,879
Supplies and Materials	32,200	(12,200)	20,000	18,241	1,759
Other Objects	33,910	(15,507)	18,403	17,504	899
Total School-Spon. Cocurricular Actvts. - Inst.	502,610	(5,721)	496,889	490,352	6,537
School-Spon. Athletics					
Salaries	765,711	177,421	943,132	943,130	2
Purchased Services	97,900	83,459	181,359	173,586	7,773
Supplies and Materials	248,400	12,606	261,006	250,482	10,524
Other Objects	39,000	(24,658)	14,342	9,309	5,033
Total School-Spon. Athletics	1,151,011	248,828	1,399,839	1,376,507	23,332
Other Supplementary/At-Risk Program- Instruction					
Salaries of Teachers	75,000	(75,000)			
General Supplies	25,000	(25,000)			
Total Other Supplementary/At-Risk Program- Instruction	100,000	(100,000)			
TOTAL INSTRUCTION	51,487,435	(3,254,952)	48,232,483	47,768,783	463,700
Undistributed Expenditures - Instruction					
Tuition to County Voc. School Dist. - Regular	700,000	73,149	773,149	716,988	56,161
Tuition to CSSD and Regional Day Schools	3,444,448	143,173	3,587,621	3,525,592	62,029
Tuition to Private Schools for the Disabled - Within State	2,147,775	(343,803)	1,803,972	1,802,165	1,807
Tuition - State Facilities	220,000	162,551	382,551	382,551	
Tuition - Other	257,339	(95,020)	162,319	162,236	83
Total Undistributed Expenditures - Instruction	6,769,562	(59,950)	6,709,612	6,589,532	120,080
Undistributed Expend. - Attend. and Social Work					
Salaries	123,786		123,786	122,777	1,009
Purchased Professional and Technical Services	13,500	2,335	15,835	15,835	
Supplies and Materials	5,500	(2,500)	3,000	2,079	921
Total Undistributed Expend. - Attend. and Social Work	142,786	(165)	142,621	140,691	1,930
Undist. Expend. - Health Services					
Salaries	812,508	(30,075)	782,433	782,195	238
Purchased Professional and Technical Services	743,210	(89,548)	653,662	613,773	39,889
Supplies and Materials	28,500	(801)	27,699	22,331	5,368
Menstrual Products		12,000	12,000	10,606	1,394
Total Undistributed Expenditures - Health Services	1,584,218	(108,424)	1,475,794	1,428,905	46,889
Undist. Expend. - Other Supp. Serv. Students - Related Serv.					
Salaries	853,328	(125,813)	727,515	727,515	
Purchased Professional - Educational Services	17,600	4,260	21,860	21,780	80
Supplies and Materials	5,500	(1,760)	3,740	3,704	36
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	876,428	(123,313)	753,115	752,999	116

East Windsor Regional School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Other Supp. Serv. Students - Extra Serv.					
Salaries	\$ 548,828	\$ 390,926	\$ 939,754	\$ 939,753	\$ 1
Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.	548,828	390,926	939,754	939,753	1
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	2,252,575	(105,690)	2,146,885	2,144,778	2,107
Salaries of Secretarial and Clerical Assistants	95,479	10,841	106,320	106,319	1
Purchased Professional - Educational Services	4,000	6,200	10,200	10,200	
Other Purchased Prof. and Tech. Services	27,500	(1,566)	25,934	25,934	
Other Purchased Services	2,600	(1,300)	1,300	1,189	111
Supplies and Materials	63,400	(18,439)	44,961	38,474	6,487
Other Objects	1,500		1,500	1,357	143
Total Undist. Expend. - Guidance	2,447,054	(109,954)	2,337,100	2,328,251	8,849
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	2,912,978	(310,924)	2,602,054	2,598,598	3,456
Salaries of Secretarial and Clerical Assistants	166,147		166,147	164,680	1,467
Purchased Prof. - Educational Services	666,800	81,951	748,751	693,719	55,032
Other Purchased Prof. and Tech. Services	50,000	(2,800)	47,200	47,188	12
Other Purchased Services	14,000	(1,000)	13,000	9,687	3,313
Supplies and Materials	57,500	36,325	93,825	88,165	5,660
Other Objects	9,000		9,000	8,531	469
Total Undist. Expend. - Child Study Teams	3,876,425	(196,448)	3,679,977	3,610,568	69,409
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisors of Instruction	859,134	(144,000)	715,134	638,478	76,656
Salaries of Secretarial and Clerical Assistants	119,128		119,128	115,440	3,688
Other Salaries	73,000	(18,780)	54,220	54,220	
Purchased Prof. - Educational Services	111,000	25,272	136,272	47,619	88,653
Other Purchased Services	2,500		2,500	217	2,283
Supplies and Materials	13,200	(8,500)	4,700	2,318	2,382
Other Objects	16,234		16,234	13,864	2,370
Total Undist. Expend. - Improvement of Inst. Serv.	1,194,196	(146,008)	1,048,188	872,156	176,032
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	1,423,168	(133,438)	1,289,730	1,289,534	196
Purchased Professional and Technical Services	944,400	(144,189)	800,211	773,154	27,057
Supplies and Materials	39,400	(4,493)	34,907	32,763	2,144
Total Undist. Expend. - Edu. Media Serv./Sch. Library	2,406,968	(282,120)	2,124,848	2,095,451	29,397
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Supervisors of Instruction	235,178	1,583	236,761	235,844	917
Purchased Professional - Educational Services	107,500	53,374	160,874	159,100	1,774
Other Purchased Services	161,200	(74,577)	86,623	65,997	20,626
Total Undist. Expend. - Instructional Staff Training Serv.	503,878	(19,620)	484,258	460,941	23,317
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	330,972	11,413	342,385	342,210	175
Legal Services	110,000	(20,910)	89,090	53,126	35,964
Audit Fees	78,000	14,350	92,350	92,350	
Architectural/Engineering Services	57,000	(15,581)	41,419	15,869	25,550
Other Purchased Professional Services	40,000	(6,685)	33,315	15,074	18,241
Communications/Telephone	400,000	(85,000)	315,000	299,964	15,036
Board of Education Other Purchased Services	10,500	10,132	20,632	7,343	13,289
Miscellaneous Purchased Services	387,000	(26,466)	360,534	360,233	301
General Supplies	8,750	564	9,314	8,207	1,107
Miscellaneous Expenditures	17,500	(6,848)	10,652	10,632	20
Board of Education Dues and Fees	27,200	540	27,740	27,739	1
Total Undist. Expend. - Supp. Serv. - General Admin.	1,466,922	(124,491)	1,342,431	1,232,747	109,684
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	2,747,346	75,445	2,822,791	2,822,610	181
Salaries - Other Professional Staff	136,250		136,250	136,250	
Salaries of Secretarial and Clerical Assistants	1,096,039	23,780	1,119,819	1,119,818	1
Purchased Prof. and Tech. Services	75,500	(71,920)	3,580	2,858	722
Other Purchased Services	9,000	(6,640)	2,360	2,156	204
Supplies and Materials	22,200	(2,530)	19,670	15,611	4,059
Other Objects	61,545	(6,123)	55,422	54,085	1,337
Total Undist. Expend. - Support Serv. - School Admin.	4,147,880	12,012	4,159,892	4,153,388	6,504

East Windsor Regional School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Central Services					
Salaries	\$ 1,216,919	\$ (92,421)	\$ 1,124,498	\$ 1,093,671	\$ 30,827
Purchased Professional Services	30,000	(1,465)	28,535	25,085	3,450
Purchased Technical Services	225,000	(60,113)	164,887	158,754	6,133
Misc Purchased Services	18,500	(8,086)	10,414	8,628	1,786
Supplies and Materials	65,000	8,036	73,036	62,119	10,917
Interest on Lease Purchase Agreements	115,000		115,000	114,497	503
Miscellaneous Expenditures	41,000	1,683	42,683	36,049	6,634
Total Undist. Expend. - Central Services	1,711,419	(152,366)	1,559,053	1,498,803	60,250
Undist. Expend. - Technology Admin.					
Salaries	197,256	(30,360)	166,896	166,896	
Purchased Technical Services	10,000		10,000	6,815	3,185
Other Purchased Services	3,000	550	3,550	1,895	1,655
Total Undist. Expend. - Technology Admin.	210,256	(29,810)	180,446	175,606	4,840
Undist. Expend. - Required Maint. for Sch. Facil.					
Salaries	2,004,493	(229,595)	1,774,898	1,774,896	2
Cleaning, Repair and Maintenance Services	973,000	539,149	1,512,149	1,184,329	327,820
General Supplies	642,000	31,232	673,232	569,002	104,230
Other Objects	31,200	(9,202)	21,998	21,998	
Total Undist. Expend. - Required Maint. for Sch. Facil.	3,650,693	331,584	3,982,277	3,550,225	432,052
Undist. Expend. - Custodial Services					
Salaries	2,769,946	97,097	2,867,043	2,867,042	1
Purchased Professional - Technical Services	20,000	(20,000)			
Cleaning, Repair and Maintenance Services	79,000	(26,315)	52,685	48,109	4,576
Other Purchased Property Services	95,000	48,390	143,390	121,573	21,817
Insurance	350,000	(3,417)	346,583	343,844	2,739
Travel	298	778	1,076	600	476
General Supplies	356,000	13,507	369,507	360,439	9,068
Natural Gas	600,000	(191,056)	408,944	382,347	26,597
Electricity	1,400,000	66,068	1,466,068	1,432,248	33,820
Gasoline	30,000	6,612	36,612	34,911	1,701
Total Undist. Expend. - Custodial Services	5,700,244	(8,336)	5,691,908	5,591,113	100,795
Undist. Expend. - Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	220,500		220,500	180,163	40,337
General Supplies	144,000	(23,576)	120,424	95,230	25,194
Total Undist. Expend. - Care and Upkeep of Grounds	364,500	(23,576)	340,924	275,393	65,531
Undist. Expend. - Security					
Salaries	903,499	52,315	955,814	955,812	2
Purchased Professional and Technical Services	24,000	(22,965)	1,035		1,035
General Supplies	4,000	18,725	22,725	17,491	5,234
Total Undist. Expend. - Security	931,499	48,075	979,574	973,303	6,271
Undist. Expend. - Student Transportation Serv.					
Salaries for Non-Instructional Aids	348,473	24,231	372,704	372,703	1
Salaries for Pupil Trans. (Between Home and School) - Regular	2,492,024	226,137	2,718,161	2,707,715	10,446
Salaries for Pupil Trans. (Between Home and School) - Sp. Ed.	346,605	(175,000)	171,605	168,013	3,592
Salaries for Pupil Trans. (Other than Between Home and School)	598,064	(327,325)	270,739	250,356	20,383
Other Purchased Professional and Technical Services	32,325	51,981	84,306	72,275	12,031
Cleaning, Repair and Maintenance Services	38,000	28,205	66,205	65,018	1,187
Contracted Services Aid In Lieu of Payment for Non-public School Students	209,700	(5,000)	204,700	202,099	2,601
Contracted Services (Sp. Ed.) - Joint Agreements	1,377,257	14,782	1,392,039	1,374,452	17,587
Contracted Services (Regular Students) - ESCs	85,840	(188)	85,652	81,156	4,496
Travel	5,000	(4,215)	785	785	
Miscellaneous Purchased Services - Transportation	87,000	(87,000)			
General Supplies	187,500	93,430	280,930	265,661	15,269
Transportation Supplies	240,300	(56,600)	183,700	135,011	48,689
Other Objects	10,900	1,943	12,843	12,064	779
Total Undist. Expend. - Student Transportation Serv.	6,058,988	(214,619)	5,844,369	5,707,308	137,061

East Windsor Regional School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Unallocated Benefits					
Group Insurance	\$ 5,000		\$ 5,000	\$ 4,883	\$ 117
Social Security Contributions	1,200,000	\$ 281,861	1,481,861	1,481,861	
TPAF Contributions ERIP	20,000	(561)	19,439	4,722	14,717
Other Retirement Contributions - PERS	1,640,000	45,233	1,685,233	1,685,233	
Other Retirement Contributions - ERIP	10,000	(7,841)	2,159	2,158	1
Other Retirement Contributions - Regular	90,000	32,907	122,907	119,506	3,401
Worker's Compensation	433,000	(18,672)	414,328	412,292	2,036
Health Benefits	16,589,100	1,875,319	18,464,419	18,464,179	240
Tuition Reimbursement	260,000	(203,701)	56,299	9,798	46,501
Other Employee Benefits	165,000	89,935	254,935	250,216	4,719
Total Unallocated Benefits	20,412,100	2,094,480	22,506,580	22,434,848	71,732
On-behalf Contributions					
TPAF Pension Contributions (On-behalf - Non-Budgeted)				15,806,812	(15,806,812)
TPAF Post Retirement Medical (On-behalf - Non-Budgeted)				4,618,763	(4,618,763)
TPAF Non-contributory Insurance (On-behalf - Non-Budgeted)				9,492	(9,492)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				3,592,949	(3,592,949)
Total On-behalf Contributions				24,028,016	(24,028,016)
TOTAL UNDISTRIBUTED EXPENDITURES	65,004,844	1,277,877	66,282,721	88,839,997	(22,557,276)
TOTAL GENERAL CURRENT EXPENSE	116,492,279	(1,977,075)	114,515,204	136,608,780	(22,093,576)
CAPITAL OUTLAY					
Equipment					
Regular Programs-Instruction					
Grades 1-5	2,490	371,351	373,841	360,061	13,780
Grades 6-8		368,742	368,742	117,050	251,692
Grades 9-12		476,350	476,350	203,379	272,971
Special Education-Instruction					
School- Spons. and Other Instructional Programs	11,350	73,000	84,350	65,121	19,229
Undistributed Expenditures					
Undistributed Exp. -Support Serv.-Students-Reg.		43,637	43,637	43,636	1
Support Services - Child Study Teams	15,000	8,748	23,748	23,748	
Support Services - Instructional Staff		5,000	5,000		5,000
Central Services		36,085	36,085	34,035	2,050
Admin Info Tech	292,000	(126,640)	165,360	165,360	
Req. Maint. of School Facilities	100,000	412,978	512,978	392,497	120,481
Custodial Services	40,000	(19,245)	20,755	20,752	3
Undistributed Exp.-Care and Upkeep of Grounds		36,005	36,005	22,517	13,488
Undistributed Exp.-Security		879,436	879,436	29,027	850,409
Undistributed Exp.-Non-Instructional Services					
Non-Instructional Equipment	46,500	120,345	166,845	166,841	4
School buses-regular	450,000	337,180	787,180	428,420	358,760
Total Equipment	957,340	3,022,972	3,980,312	2,072,444	1,907,868
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	800,000	1,367,339	2,167,339	482,689	1,684,650
Construction Services	7,234,806	6,270,605	13,505,411	5,720,432	7,784,979
Lease purchase agreements-principal	1,572,796		1,572,796	1,572,796	
Other Objects - Debt Service Assessment - SDA	203,645		203,645	203,645	
Total Facilities Acquisition and Construction Services	9,811,247	7,637,944	17,449,191	7,979,562	9,469,629
TOTAL CAPITAL OUTLAY	10,768,587	10,660,916	21,429,503	10,052,006	11,377,497
SPECIAL SCHOOLS					
Summer School - Instruction					
Salaries of Teachers		209,654	209,654	209,654	
Other Salaries of Instruction		44,000	44,000	43,887	113
Total Summer School Instruction		253,654	253,654	253,541	113
Eve. Sch.-Foreign-Born-Local-Inst.					
Salaries of Teachers	142,490	(142,490)			
Total Eve. Sch.-Foreign-Born-Local-Inst.	142,490	(142,490)			
TOTAL SPECIAL SCHOOLS	142,490	111,164	253,654	253,541	113
Contribution to Charter Schools	65,000	(5,005)	59,995	54,995	5,000
TOTAL EXPENDITURES	127,468,356	8,790,000	136,258,356	146,969,322	(10,710,966)
(Deficiency) Excess of Revenues (Under) Over Expenditures	(4,590,740)	(8,790,000)	(13,380,740)	1,054,820	14,435,560

East Windsor Regional School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Other Financing Uses:					
Transfer Out				\$ (75,632)	\$ (75,632)
Total Other Financing uses				<u>(75,632)</u>	<u>(75,632)</u>
Change in Fund Balance	\$ (4,590,740)	\$ (8,790,000)	\$ (13,380,740)	979,188	14,359,928
Fund Balance, July 1	<u>32,667,179</u>		<u>32,667,179</u>	<u>32,667,179</u>	
Fund Balance, June 30	<u>\$ 28,076,439</u>	<u>\$ (8,790,000)</u>	<u>\$ 19,286,439</u>	<u>\$ 33,646,367</u>	<u>\$ 14,359,928</u>
Recapitulation of (Deficiency) Excess of Revenues (Under) Over Expenditures:					
Budgeted Fund Balance	\$ (2,964,853)	\$ (1,640,287)	\$ (4,605,140)	\$ 9,754,788	\$ 14,359,928
Adjustment for Prior Year Encumbrances, net cancellations		(7,149,713)	(7,149,713)	(7,149,713)	
Withdrawal Capital Reserve	(1,625,887)		(1,625,887)	(1,625,887)	
Total	<u>\$ (4,590,740)</u>	<u>\$ (8,790,000)</u>	<u>\$ (13,380,740)</u>	<u>\$ 979,188</u>	<u>\$ 14,359,928</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Excess Surplus Designated for Subsequent Year's Expenditures				\$ 4,553,291	
Excess Surplus-current year				3,197,359	
Capital Reserve				9,152,567	
Maintenance Reserve				2,937,132	
Unemployment Compensation Claims				1,445,155	
Assigned to:					
Designated for Subsequent Year's Expenditures				717,949	
Year End Encumbrances				8,225,542	
Unassigned Fund Balance				<u>3,417,372</u>	
				33,646,367	
Reconciliation of Budgetary Fund Balance to GAAP Fund Balance:					
Final State Aid Payments Not Realized on GAAP Basis				(4,613,135)	
Fund balance per Governmental Funds (GAAP)				<u>\$ 29,033,232</u>	

**East Windsor Regional School District
Special Revenue Fund
Required Supplementary Information
Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2025**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues					
Federal sources	\$ 2,122,360	\$ 1,130,356	\$ 3,252,716	\$ 2,603,641	\$ (649,075)
State sources	34,528	1,254,250	1,288,778	1,283,728	(5,050)
Local sources	40,000	(40,000)		617,651	617,651
Total revenues	<u>2,196,888</u>	<u>2,344,606</u>	<u>4,541,494</u>	<u>4,505,020</u>	<u>(36,474)</u>
Expenditures					
Current expenditures:					
Instruction:					
Salaries of teachers	421,149	16,826	437,975	370,773	67,202
Purchased professional services	75,051	32,106	107,157	100,541	6,616
Other purchased services	708,114	804,605	1,512,719	1,510,904	1,815
General supplies	486,735	110,462	597,197	299,713	297,484
Textbooks	5,421		5,421	3,195	2,226
Other objects	3,250		3,250	763	2,487
Total instruction	<u>1,699,720</u>	<u>963,999</u>	<u>2,663,719</u>	<u>2,285,889</u>	<u>377,830</u>
Support services:					
Salaries	22,000	2	22,002	22,002	
Personal services—employee benefits	99,702	48,685	148,387	95,677	52,710
Purchased professional services	142,804	87,440	230,244	185,484	44,760
Other purchased professional services	77,000		77,000	14,078	62,922
Supplies and materials	147,662	4,480	152,142	40,489	111,653
Scholarships awarded				32,700	(32,700)
Student activities				558,268	(558,268)
Other objects	8,000		8,000	3,750	4,250
Total support services	<u>497,168</u>	<u>140,607</u>	<u>637,775</u>	<u>952,448</u>	<u>(314,673)</u>
Capital outlay:					
School Buses-Regular		1,240,000	1,240,000	1,240,000	
Total capital outlay		<u>1,240,000</u>	<u>1,240,000</u>	<u>1,240,000</u>	
Total expenditures	<u>2,196,888</u>	<u>2,344,606</u>	<u>4,541,494</u>	<u>4,478,337</u>	<u>63,157</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	26,683	<u>\$ 26,683</u>
Fund Balance July 1, 2024				<u>390,716</u>	
Fund Balance, June 30, 2025				<u>\$ 417,399</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 43,647	
Student activities				373,752	
Total Fund Balance				<u>\$ 417,399</u>	

East Windsor Regional School District
Note to Required Supplementary Information

Budget to GAAP Reconciliation

Year ended June 30, 2025

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-1, C-2)	\$ 148,024,142	\$ 4,505,020
 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		648,837
Current year		(1,295,391)
 State aid payments recognized for budgetary purposes, not recognized for GAAP statements.		
Prior year	4,543,435	
Current year	(4,613,135)	
 Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds (B-2)	<u>\$ 147,954,442</u>	<u>\$ 3,858,466</u>
 Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule (C-1, C-2)	\$ 146,969,322	\$ 4,478,337
 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		648,837
Current year		(1,295,391)
 Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 146,969,322</u>	<u>\$ 3,831,783</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, 2025

	E.S.E.A.					I.D.E.A.		COVID-19 Education Stabilization Fund							COVID-19 ARP High Impact Tutoring											
						American Rescue Plan																				
	Title I Part A	Title II A	Title III	Title III Immigrant	Title IV	Part B Basic	Preschool	ARP NJTSS Mental Health	ARP Accelerated Learning Coach and Educator Support	ARP ESSER III	ARP Evidence Based Comprehensive Beyond	ARP Evidence-Based Summer Learning and Enrichment														
Revenues:																										
Local sources																										
State sources																										
Federal sources	\$	556,723	\$	85,887	\$	158,148	\$	596	\$	34,219	\$	1,452,011	\$	58,893	\$	6,125	\$	61,950	\$	5,650	\$	19,407	\$	40,000	\$	124,032
Total revenues	\$	556,723	\$	85,887	\$	158,148	\$	596	\$	34,219	\$	1,452,011	\$	58,893	\$	6,125	\$	61,950	\$	5,650	\$	19,407	\$	40,000	\$	124,032
Expenditures:																										
Instruction:																										
Salaries of teachers	\$	309,766		\$	9,618	\$	596	\$	1,890					\$	4,444		\$	18,000			\$	6,598		\$	26,459	
Purchased professional services									1,150						25,808										66,985	
Other purchased services								\$	1,452,011	\$	58,893															
Instructional supplies		111,924			99,643									\$	2,651			1,407					1,518		30,588	
Textbooks																										
Other objects		763																								
Total instruction		422,453			109,261		596		28,269		1,452,011		58,893				30,252		2,651		19,407		8,116		124,032	
Undistributed:																										
Support services:																										
Salaries		22,002																								
Personal services—employee benefits		92,678															2,999									
Purchased professional services			\$	71,247		24,800			5,950		\$	6,125		31,698								31,884				
Other purchased professional services				2,078		12,000																				
Supplies and materials		19,590		8,812		12,087																				
Student activities																										
Scholarships awarded																										
Other objects				3,750																						
Total support services		134,270		85,887		48,887			5,950				6,125		31,698		2,999					31,884				
Capital outlay:																										
School Buses - Regular																										
Total capital outlay																										
Total expenditures	\$	556,723	\$	85,887	\$	158,148	\$	596	\$	34,219	\$	1,452,011	\$	58,893	\$	6,125	\$	61,950	\$	5,650	\$	19,407	\$	40,000	\$	124,032
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
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, 2025

	Nonpublic Aid				NJDEP Electric	Student	Scholarships	Totals
	Textbooks	Nursing	Security	Technology	Bus Grant	Activities		
Revenues:								
Local sources						\$ 588,112	\$ 29,539	\$ 617,651
State sources	\$ 3,195	\$ 13,780	\$ 21,585	\$ 5,168	\$ 1,240,000			1,283,728
Federal sources								2,603,641
Total revenues	\$ 3,195	\$ 13,780	\$ 21,585	\$ 5,168	\$ 1,240,000	\$ 588,112	\$ 29,539	\$ 4,505,020
Expenditures:								
Instruction:								
Salaries of teachers								\$ 370,773
Purchased professional services								100,541
Other purchased services								1,510,904
Instructional supplies			\$ 21,585	\$ 5,168				299,713
Textbooks	\$ 3,195							3,195
Other objects								763
Total instruction	3,195		21,585	5,168				2,285,889
Undistributed:								
Support services:								
Salaries								22,002
Personal services—employee benefits								95,677
Purchased professional services		\$ 13,780						185,484
Other purchased professional services								14,078
Supplies and materials								40,489
Student activities						\$ 558,268		558,268
Scholarships awarded							\$ 32,700	32,700
Other objects								3,750
Total support services		13,780				558,268	32,700	952,448
Capital outlay:								
School Buses - Regular					\$ 1,240,000			1,240,000
Total capital outlay					1,240,000			1,240,000
Total expenditures	\$ 3,195	\$ 13,780	\$ 21,585	\$ 5,168	\$ 1,240,000	\$ 558,268	\$ 32,700	\$ 4,478,337
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	29,844	(3,161)	26,683
Fund Balance, July 1	-	-	-	-	-	343,908	46,808	390,716
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 373,752	\$ 43,647	\$ 417,399

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, 2025

	<u>Current Year</u>
Revenues and other financing sources	
Interest on investments	\$ 172,883
Total Revenues	<u>172,883</u>
Expenditures	
Purchased Professional Services	699,000
Construction Services	308,136
Total Expenditures	<u>1,007,136</u>
Deficiency of Revenues Under Expenditures	(834,253)
Fund Balance, July 1	5,208,897
Fund Balance, June 30	<u><u>\$ 4,374,644</u></u>
<u>Reconciliation of budgetary basis to GAAP basis:</u>	
Fund Balance, Budgetary Basis at June 30, 2025	\$ 4,374,644
Less: Revenue not recognized on a GAAP basis	<u>(16,914)</u>
Fund Balance - June 30, 2025 GAAP Basis	<u><u>\$ 4,357,730</u></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, 2025

	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	223,309	\$ 172,883	396,192	396,192
Total Revenues	<u>12,410,083</u>	<u>172,883</u>	<u>12,582,966</u>	<u>12,582,966</u>
Expenditures and Other Financing				
Purchased Professional Services	201,000	699,000	900,000	900,000
Construction Services	7,000,231	308,136	7,308,367	11,682,966
Other Expense				
Transfers Out				
Total Expenditures	<u>7,201,231</u>	<u>1,007,136</u>	<u>8,208,367</u>	<u>12,582,966</u>
Excess (Deficiency) of Revenues (Under) Expenditures	<u>\$ 5,208,852</u>	<u>\$ (834,253)</u>	<u>\$ 4,374,599</u>	<u>\$ -</u>
Other Revenue - 2016	45		45	
Budgetary Fund Balance	<u>\$ 5,208,897</u>		<u>\$ 4,374,644</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, 2025

	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>-</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>-</u>	<u>520,550</u>	<u>567,551</u>
Excess (Deficiency) of Revenues (Under) Expenditures	<u>\$ 47,001</u>	<u>\$ -</u>	<u>\$ 47,001</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, 2025

	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>-</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>-</u>	<u>3,364,160</u>	<u>3,619,223</u>
Excess (Deficiency) of Revenues (Under) Expenditures	<u>\$ 255,063</u>	<u>\$ -</u>	<u>\$ 255,063</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	\$ 3,619,223			
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, 2025

	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	223,309	\$ 172,883	396,192	396,192
Total Revenues	<u>8,223,309</u>	<u>172,883</u>	<u>8,396,192</u>	<u>8,396,192</u>
Expenditures and Other Financing				
Purchased Professional Services	201,000	699,000	900,000	900,000
Construction Services	3,115,521	308,136	3,423,657	7,496,192
Other Expense				
Transfer Out to Debt Service Fund				
Total Expenditures	<u>3,316,521</u>	<u>1,007,136</u>	<u>4,323,657</u>	<u>8,396,192</u>
Excess (Deficiency) of Revenues (Under) Expenditures	<u><u>\$ 4,906,788</u></u>	<u><u>\$ (834,253)</u></u>	<u><u>\$ 4,072,535</u></u>	<u><u>\$ -</u></u>
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	\$ 396,192			
Revised Authorized Cost	\$ 8,396,192			
Percentage Increase over Original Authorized Cost	5%			
Percentage completion	51%			
Original target completion date	September 2025			
Revised target completion date	June 2027			

East Windsor Regional School District
Capital Projects Fund

(Budgetary Basis)

Summary Schedule of Project Expenditures

Year ended June 30, 2025

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	8,396,192	3,316,521	\$ 1,007,136	4,072,535
		<u>\$ 12,582,966</u>	<u>\$7,201,231</u>	<u>\$ 1,007,136</u>	4,374,599
Other					<u>45</u>
					<u>\$ 4,374,644</u>

Long-Term Debt

East Windsor Regional School District
Long-Term Debt

Schedule of Serial Bonds Payable

Year ended June 30, 2025

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2024	Retired	Balance June 30, 2025
			Date	Amount				
2021 Refunding Bonds	2/24/2021	\$ 15,320,000	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%	\$ 10,495,000	\$ 2,235,000	\$ 8,260,000
						<u>\$ 10,495,000</u>	<u>\$ 2,235,000</u>	<u>\$ 8,260,000</u>

East Windsor Regional School District
Long-Term Debt

Schedule of Financed Purchases Payable

Year ended June 30, 2025

	Interest Rate	Amount of Original Issue	Balance July 1, 2024	Retired	Balance June 30, 2025
JPMorgan Chase Bank	2.37%	\$ 8,000,000	\$ 4,831,096	\$ 1,572,796	\$ 3,258,300
Apple Financial Services - Education Finance	0.00%	719,749	479,833	239,916	239,917
			<u>\$ 5,310,929</u>	<u>\$ 1,812,712</u>	<u>\$ 3,498,217</u>

East Windsor Regional School District
Debt Service Fund

Budgetary Comparison Schedule

Year ended June 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:					
Local sources:					
Local tax levy	\$ 2,376,420		\$ 2,376,420	\$ 2,376,419	\$ (1)
Total revenues	<u>2,376,420</u>		<u>2,376,420</u>	<u>2,376,419</u>	<u>(1)</u>
Expenditures:					
Principal on bonds	2,235,000		2,235,000	2,235,000	
Interest on bonds	<u>141,420</u>		<u>141,420</u>	<u>141,419</u>	<u>1</u>
Total expenditures	<u>2,376,420</u>		<u>2,376,420</u>	<u>2,376,419</u>	<u>1</u>
Net change in fund balances	-		-	-	-
Fund balance, July 1	-		-	-	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**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,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	\$ 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	\$ 107,958,488
Restricted	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	26,060,633
Unrestricted (deficit)	(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)	(21,940,196)
Total governmental activities net position	<u>\$ 59,835,928</u>	<u>\$ 59,858,929</u>	<u>\$ 76,439,232</u>	<u>\$ 61,773,499</u>	<u>\$ 67,959,993</u>	<u>\$ 74,987,776</u>	<u>\$ 83,288,178</u>	<u>\$ 97,224,720</u>	<u>\$ 111,342,647</u>	<u>\$ 112,078,925</u>
Business-type activities										
Investment in capital assets	\$ 237,717	\$ 255,267	\$ 216,040	\$ 181,316	\$ 146,261	\$ 125,340	\$ 113,880	\$ 584,771	\$ 1,685,482	\$ 1,799,401
Unrestricted	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	1,411,590
Total business-type activities net position	<u>\$ 1,755,684</u>	<u>\$ 2,050,260</u>	<u>\$ 2,209,774</u>	<u>\$ 2,563,912</u>	<u>\$ 2,648,452</u>	<u>\$ 2,448,465</u>	<u>\$ 3,800,372</u>	<u>\$ 4,257,977</u>	<u>\$ 4,770,712</u>	<u>\$ 3,210,991</u>
Government-wide										
Net investment in capital assets	\$ 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	\$ 109,757,889
Restricted	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	26,060,633
Unrestricted (deficit)	(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)	(20,528,606)
Total government-wide net position	<u>\$ 61,591,612</u>	<u>\$ 61,909,189</u>	<u>\$ 78,649,006</u>	<u>\$ 64,337,411</u>	<u>\$ 70,608,445</u>	<u>\$ 77,436,241</u>	<u>\$ 87,088,550</u>	<u>\$ 101,482,697</u>	<u>\$ 116,113,359</u>	<u>\$ 115,289,916</u>

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. The increase in the governmental activities unrestricted deficit in 2025 is the result of the implementation of GASB Statement No. 101. The 2024 fiscal year column was not restated as a result of the implementation.

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

(Accrual Basis of Accounting)
Unaudited

	Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities										
Instruction										
Regular	\$ 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	\$ 47,142,623
Special Education	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	29,549,490
Other Instruction	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	2,780,280
Adult/Continuing Education Programs	27,184	2,197	3,473							
Support services:										
Tuition										
Student and Instruction Related Services	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	19,124,950
School Administrative Services	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	6,307,766
General and Business Administrative Services	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	3,718,143
Plant Operations and Maintenance	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	14,757,504
Pupil Transportation	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	7,701,154
Transfers to Charter Schools	9,751	46,778	59,443	50,430	48,568	56,722	64,223	51,435	27,628	54,995
Special Schools	48,765	115,976	108,738	100,065	104,872	144,746	195,678	133,065	364,597	369,913
Interest on Long-Term Debt	1,124,003	1,005,821	926,240	845,734	787,111	641,801	208,379	294,174	258,481	198,197
Total governmental activities	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	131,705,015
Business-type activities:										
Food service	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	2,762,684
Kid Care	737,167	526,130	565,897	555,112	548,797	537,525	508,512	510,405	710,182	767,617
Total business-type activities expense	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	3,530,301
Total district expenses	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	135,235,316
Program Revenues										
Governmental activities:										
Charges for services	525,533	618,167	553,987	613,972	799,128	734,046	727,701	727,955	683,737	880,073
Operating grants and contributions	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	3,778,424
Capital grants and contributions	751,239	903,611						1,337,632	1,052,540	26,676
Total governmental activities program revenues	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	4,685,173
Business-type activities:										
Charges for services										
Food service	751,380	781,171	821,284	881,280	626,563	32,247	91,064	771,906	819,268	736,043
Kid Care	841,422	638,994	603,502	645,438	451,769	93,663	517,744	577,516	665,175	636,311
Operating grants and contributions	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	437,025
Total business type activities program revenues	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	1,809,379
Total district program revenues	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	6,494,552
Net (Expense)/Revenue										
Governmental activities	(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)	(127,019,842)
Business-type activities	251,477	294,576	159,514	354,138	84,540	(208,784)	1,346,492	398,890	153,896	(1,720,922)
Total government-wide net expense	\$ (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)	\$ (128,740,764)

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

(Accrual Basis of Accounting)
Unaudited

	Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes	\$ 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	\$ 71,598,570
Property taxes levied for debt service	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	2,376,419
Unrestricted grants and contributions	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	58,682,076
Investment earnings	33,883	52,598	108,526	253,906	361,548	164,539	40,961	326,611	1,452,138	1,514,029
Miscellaneous income	165,911	946,332	265,265	181,078	176,798	320,756	351,364	259,799	726,683	308,475
Transfers									(244,526)	(75,632)
Total governmental activities	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	134,403,937
Business-type activities:										
Investment income	2,545					8,797	5,415	58,715	114,313	85,569
Transfers									244,526	75,632
Total business-type activities	2,545	-	-	-	-	8,797	5,415	58,715	358,839	161,201
Total government-wide	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	134,565,138
Change in Net Position										
Governmental activities	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	7,384,095
Business-type activities	254,022	294,576	159,514	354,138	84,540	(199,987)	1,351,907	457,605	512,735	(1,559,721)
Total district	\$ 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	\$ 5,824,374

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,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted	\$ 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	\$ 21,285,504
Assigned to	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	7,747,728
Unassigned	318,702	254,557	243,346			1,810,236	1,635,443			
Total general fund	<u>\$ 12,883,207</u>	<u>\$ 13,571,152</u>	<u>\$ 14,492,374</u>	<u>\$ 14,090,968</u>	<u>\$ 16,968,804</u>	<u>\$ 21,631,428</u>	<u>\$ 23,285,069</u>	<u>\$ 24,689,939</u>	<u>\$ 28,123,744</u>	<u>\$ 29,033,232</u>
All Other Governmental Funds										
Restricted for:										
Special revenue fund *						\$ 367,385	\$ 412,403	\$ 427,115	\$ 390,716	\$ 417,399
Capital projects fund	\$ 1,833,641	\$ 536,629	\$ 285,195	\$ 285,195	\$ 285,195	285,195	285,195	8,104,530	5,191,983	4,357,730
Debt service fund	25,968	25,967								
Total all other governmental funds	<u>\$ 1,859,609</u>	<u>\$ 562,596</u>	<u>\$ 285,195</u>	<u>\$ 285,195</u>	<u>\$ 285,195</u>	<u>\$ 652,580</u>	<u>\$ 697,598</u>	<u>\$ 8,531,645</u>	<u>\$ 5,582,699</u>	<u>\$ 4,775,129</u>

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,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax Levy	\$ 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	\$ 73,974,989
Transportation Fees	83,599	146,570	111,460	98,967	51,412	37,176	71,442	132,387	90,383	160,436
Tuition Charges	441,934	471,597	442,527	515,005	747,716	696,870	656,259	580,856	593,354	719,637
Interest on Investments	33,883	52,598	108,526	253,906	361,548	164,539	40,961	326,611	1,452,138	1,514,029
Rents & Royalties	23,011	38,469	66,758	51,722	13,460	151,350	10,598	41,398	153,511	165,600
Miscellaneous	1,375,584	961,561	226,041	164,677	204,611	425,224	890,063	983,051	1,191,023	760,525
State Sources	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	73,826,080
Federal Sources	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	3,240,914
Total revenue	<u>97,305,223</u>	<u>99,988,477</u>	<u>102,324,318</u>	<u>108,626,851</u>	<u>113,543,992</u>	<u>121,453,666</u>	<u>133,111,066</u>	<u>143,958,693</u>	<u>154,496,056</u>	<u>154,362,210</u>
Expenditures										
Instruction										
Regular Instruction	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	32,295,853
Special Education Instruction	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	10,669,461
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	5,487,232
Other Instruction	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	1,866,859
Community Svc Program/Operations	15,899	2,057	3,250							
Support Services:										
Tuition	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	6,589,532
Student and Instruction Related Services	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	13,644,284
School Administration Services	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	4,153,388
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	2,792,659
Plant Operations and maintenance	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	10,390,034
Pupil transportation	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	5,707,306
Employee Benefits	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	46,462,864
Transfer to Charter School	9,751	46,778	59,443	50,430	48,568	56,722	64,223	51,435	27,628	54,995
Capital Outlay	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	9,513,024
Special Schools	48,765	60,978	56,091	58,356	65,633	80,650	148,450		243,670	253,541
Debt Service:										
Principal	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	4,047,712
Interest and other charges	1,208,585	1,171,125	1,092,825	1,013,025	931,450	963,985	300,345	248,989	320,080	255,916
Total expenditures	<u>97,327,834</u>	<u>100,597,545</u>	<u>101,680,497</u>	<u>109,028,257</u>	<u>110,666,156</u>	<u>120,333,988</u>	<u>131,412,407</u>	<u>143,439,525</u>	<u>153,766,672</u>	<u>154,184,660</u>
Excess (Deficiency) of revenues over (under) expenditures	(22,611)	(609,068)	643,821	(401,406)	2,877,836	1,119,678	1,698,659	519,168	729,384	177,550
Other Financing sources (uses)										
Lease proceeds								8,000,000		
Assets acquired by financed purchases						1,965,000		719,749		
Payment to bond refunding escrow agent						(15,186,815)				
Refunding bonds issued						15,320,000				
Transfers In	2,547,303		251,057							
Transfers Out	(2,547,303)		(251,057)						(244,525)	(75,632)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,098,185</u>	<u>-</u>	<u>8,719,749</u>	<u>(244,525)</u>	<u>(75,632)</u>
Net change in fund balances	<u>\$ (22,611)</u>	<u>\$ (609,068)</u>	<u>\$ 643,821</u>	<u>\$ (401,406)</u>	<u>\$ 2,877,836</u>	<u>\$ 3,217,863</u>	<u>\$ 1,698,659</u>	<u>\$ 9,238,917</u>	<u>\$ 484,859</u>	<u>\$ 101,918</u>
Debt service as a percentage of noncapital expenditures	3.55%	3.40%	3.25%	3.03%	2.95%	2.81%	2.27%	3.95%	3.73%	2.97%

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

<u>FISCAL YEAR ENDED JUNE 30,</u>	<u>PRIOR YEAR REFUNDS</u>	<u>RENTAL OF FACILITIES</u>	<u>TUITION</u>	<u>TRANSPORTATION FEES</u>	<u>INTEREST EARNINGS</u>	<u>MISCELLANEOUS</u>	<u>Annual Totals</u>
2025		\$ 165,600	\$ 719,637	\$ 160,436	\$ 1,341,146	\$ 142,874	\$ 2,529,693
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

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													
2025	\$ 33,634,100	\$ 2,021,406,400	\$ 10,304,600	\$ 1,253,400	\$ 382,179,900	\$ 295,775,800	\$ 172,391,500	\$ 3,298,100	\$ 2,920,243,800	\$ 252,398,300	\$ 2,920,243,800	\$ 2.24	\$ 4,523,837,112
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
Hightstown													
2025	\$ 2,091,600	\$ 320,845,100			\$ 52,164,400	\$ 4,021,800	\$ 13,373,200	\$ 2,744,200	\$ 395,240,300	\$ 157,705,300	\$ 395,240,300	\$ 2.38	\$ 666,892,993
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
East Windsor & Hightstown													
2025	\$ 35,725,700	\$ 2,342,251,500	\$ 10,304,600	\$ 1,253,400	\$ 434,344,300	\$ 299,797,600	\$ 185,764,700	\$ 6,042,300	\$ 3,315,484,100	\$ 410,103,600	3,315,484,100	\$ 4.62	\$ 5,190,730,105
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

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					
2025	\$ 2.24	\$ 2.24	\$ 0.47	\$ 0.92	\$ 3.63
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
Hightstown					
2025	\$ 2.38	\$ 2.38	\$ 1.72	\$ 1.00	\$ 5.10
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

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	
2025	\$ 73,974,900	\$ 73,974,900	100.00%	
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%	

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
2025	\$ 8,260,000	\$ 3,498,218	\$ 11,758,218	\$ 84,392	2.77%	30,436	\$ 2,338
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

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
2025	\$ 8,260,000		\$ 8,260,000	0.249%	\$ 271
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

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, 2024
Unaudited

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

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Debt limit	\$ 195,076,314	\$ 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
Total Net Debt Applicable to Limit	<u>8,260,000</u>	<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>
Legal Debt Margin	<u>\$ 186,816,314</u>	<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>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	4.23%	5.81%	7.90%	11.20%	13.58%	14.92%	17.06%	18.90%	20.75%	22.50%

Legal Debt Margin Calculation for Fiscal Year 2025

	Equalized valuation basis		
	East Windsor	Hightstown	Total
2025	\$ 4,523,837,112	\$ 666,892,993	\$ 5,190,730,105
2024	4,151,460,570	574,933,147	4,726,393,717
2023	<u>4,136,956,012</u>	<u>576,643,697</u>	<u>4,713,599,709</u>
	<u>\$12,812,253,694</u>	<u>\$ 1,818,469,837</u>	<u>\$14,630,723,531</u>
Average Equalized Valuation of Taxable Property	<u>\$ 4,270,751,231</u>	<u>\$ 606,156,612</u>	<u>\$ 4,876,907,844</u>
Debt limit (4 % of Average Equalization Value)			\$ 195,076,314
Net Bonded School Debt			<u>8,260,000</u>
Legal Debt Margin			<u>\$ 186,816,314</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

<u>YEAR</u>	<u>POPULATION (a)</u>	<u>PER CAPITA PERSONAL INCOME (b)</u>	<u>UNEMPLOYMENT RATE (c)</u>
2025	30,436	\$ 84,392	3.50%
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%

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	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Instruction:										
Regular	381	331	327	378	371	328	353	356	346	335
Special Education	87	178	174	84	84	140	82	73	72	71
Other Special Education Aides	69	58	51	32	32	28	28	30	29	28
Other Instruction/ Nurse	9	11	11	8	8	9	9	9	9	8
Guidance	25	24	24	22	20	20	20	19	17	15
Support Services:										
Student & Instruction Related Services	34	19	19	53	50	47	47	44	42	46
General Administration	6	2	2	6	6	8	8	8	8	7
School Administrative Services	17	43	43	17	16	17	17	18	18	16
Other Administrative Services	17	12		12	12	10	9	8	10	9
Central Services	22	14	14	23	21	13	20	16	17	15
Administrative Information Technology	1	11	11	1	1	1	1	1	1	1
Plant Operations & Maintenance	62	65	65	56	55	59	53	51	53	53
Pupil Transportation	86	74	74	75	72	73	69	65	66	68
Other Support Services VA	32	2	2	31	31	36	31	34	34	34
Campus Monitor	10	7	7	6	7	7	7	6	6	6
Computer Technician	8	9		8	7	7	7	7	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	34	16	16	16	16	30	29	26	31	22
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	37	36	36	33	25	39	34	29	27	17
Total	941	916	876	865	838	876	828	804	796	761

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				
2025	5,024	\$ 142,295,217	\$ 28,323	6.94%	502	9.9	10.4	12.4	4,981	4,695	-1.78%	94.25%
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%

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	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<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	526	589	587	562	539	555	521	521	521	521
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)	596	593	579	551	567	580	666	666	666	666
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	503	509	479	472	491	521	539	539	539	539
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	598	630	610	596	561	610	680	680	680	680
<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	1,151	1,167	1,117	1,193	1,237	1,239	1,245	1,245	1,245	1,245
<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	271,758
Capacity (Students)	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274
Enrollment	1,608	1,582	1,547	1,512	1,520	1,580	1,526	1,526	1,526	1,526
<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
Maintenance (2025)										
Square Feet	2,500									

Number of Schools at June 30, 2025:

 Elementary = 4

 Middle School = 1

 Senior High School = 1

 Other = 4

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
2025	\$ 319,520	\$ 390,525	\$ 355,023	\$ 426,027	\$ 887,557	\$ 1,171,573	\$ 3,550,225
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
Total	\$ 2,717,280	\$ 3,171,260	\$ 2,931,160	\$ 3,489,086	\$ 7,286,694	\$ 9,546,991	\$ 29,142,471

Source: District records and M-1

EAST WINDSOR REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2025
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
	Each Accident	
CAP Policy	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, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated April 15, 2026.

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.

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.

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

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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
April 15, 2026

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, 2025. 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, 2025.

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

PKF O'CONNOR DAVIES, LLP

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

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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.

Report on Internal Control Over Compliance

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

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

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over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

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

PKF O'Connor Davies, LLP

Cranford, New Jersey
April 15, 2026

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, 2025

												Balance at June 30, 2025				
Federal Grantor/Pass-Through Grantor/Cluster/ Program Title	Federal AL Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2024	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Adjustments	Accounts Receivable	Unearned Revenue	Due to Grantor	Amount Provided to Subrecipients	
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	2505N5JMAP	N/A	\$ 43,827	7/1/24	6/30/25			\$ 43,827	\$ (43,827)						
Total U.S. Department of Health and Human Services - Passed-through State Department of Health and Human Services									43,827	(43,827)						
Special Revenue Fund:																
U.S. Department of Education																
Passed-through State Department of Education																
Special Revenue Fund:																
Title I, Part A	84.010A	S010A240030	N/A	737,601	7/1/24	9/30/25			298,043	(551,749)		\$ (253,706)				
Title I, Part A	84.010A	S010A230030	N/A	673,184	7/1/23	9/30/24	\$ (77,462)		82,437	(4,974)	\$ (1)					
Title I, Part A	84.010A	S010A220030	N/A	941,950	7/1/22	9/30/23	108,874				(108,874)					
Subtotal Title I, Part A							31,412		380,480	(556,723)	(108,875)		(253,706)			
Title II, Part A Improving Teacher Quality	84.367A	S367A240029	N/A	211,322	7/1/24	9/30/25			71,019	(85,887)	1	(14,867)				
Title II, Part A Improving Teacher Quality	84.367A	S367A230029	N/A	220,964	7/1/23	9/30/24	(12,003)		12,003							
Subtotal Title II, Part A Improving Teacher Quality							(12,003)		83,022	(85,887)	1	(14,867)				
Language Instruction for English Learners and Immigrant Students:																
Title III	84.365A	S365A240030	N/A	356,666	7/1/24	9/30/25			33,112	(158,148)		(125,036)				
Title III	84.365A	S365A230030	N/A	94,913	7/1/23	9/30/24	(4,154)		4,362					\$ 208		
Subtotal Title III							(4,154)		37,474	(158,148)		(125,036)		208		
Title III, Immigrant	84.365A	S365A240030	N/A	73,514	7/1/24	9/30/25			596	(596)						
Subtotal Title III, Immigrant									596	(596)						
Subtotal Language Instruction for English Learners and Immigrant Students:							(4,154)		38,070	(158,744)		(125,036)		208		
Title IV	84.424A	S424A240031	N/A	89,894	7/1/24	9/30/25			3,480	(34,219)		(30,739)				
Title IV	84.424A	S424A230031	N/A	94,187	7/1/23	9/30/24	(25,459)		28,938					3,479		
Subtotal Title IV							(25,459)		32,418	(34,219)		(30,739)		3,479		
Special Education Grant Cluster:																
I.D.E.A. Part B, Basic Regular	84.027A	H027A240100	N/A	1,453,826	7/1/24	9/30/25			1,247,647	(1,452,011)		(204,364)				
I.D.E.A. Part B, Basic Regular	84.027A	H027A230100	N/A	1,477,681	7/1/23	9/30/24	(212,685)		212,685							
Subtotal I.D.E.A., Part B, Basic Regular							(212,685)		1,460,332	(1,452,011)		(204,364)				
I.D.E.A., Part B, Preschool	84.173	H173A240114	N/A	58,893	7/1/24	9/30/25			42,128	(58,893)		(16,765)				
I.D.E.A., Part B, Preschool	84.173	H173A230114	N/A	61,985	7/1/23	9/30/24	(15,017)		15,017							
Subtotal of Special Education Grant Cluster:							(227,702)		1,517,477	(1,510,904)		(221,129)				
COVID-19 Education Stabilization Fund (ESF) :																
COVID-19 ESSER II	84.425D	S425D200027	N/A	1,818,272	3/1/20	9/30/23			57,273		(57,273)					
COVID-19 CR Learning Acceleration (ESSER II)	84.425D	S425D210027	N/A	116,687	3/1/20	9/30/23			64,664		(64,664)					
COVID-19 CR Mental Health (ESSER II)	84.425D	S425D210027	N/A	45,000	3/1/20	9/30/23			3,526		(3,526)					
COVID-19 ARP ESSER III	84.425U	S425U210027	N/A	4,086,450	3/1/20	9/30/24			(686,341)				8,376			
COVID-19 ARP Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	N/A	40,000	3/1/20	9/30/24			683,615	(5,650)						
COVID-19 ARP Accelerated Learning Coach and Educator Support	84.425U	S425U210027	N/A	493,349	3/1/20	9/30/24			40,000	(19,407)						
COVID-19 ARP NITSS Mental Health	84.425U	S425U210027	N/A	45,000	3/1/20	9/30/24			(97,614)	(61,950)				3,658		
COVID-19 ARP ESSER Evidence Based Summer Learning	84.425U	S425U210027	N/A	40,000	3/1/20	9/30/24			12,625	(6,125)						
Subtotal Elementary and Secondary School Emergency Relief (ESSER):							(685,585)		40,000	(40,000)						
									939,462	(133,132)	(117,087)			3,658		
Total U.S. Department of Education Passed Through the State Department of Education							(823,491)		2,990,929	(2,479,609)	(225,961)	(645,477)		7,345		
U.S. Department of the Treasury Passed-Through State Department of Education																
COVID-19 ARP SLFRF Learning Acel (High-Impact Tutoring)	21.027	E2400328	24-AB01-H02	258,801	10/11/23	8/31/24	(45,982)				45,982					
COVID-19 ARP SLFRF Learning Acel (High-Impact Tutoring)	21.027	E2500328	25-AB01-H02	172,411	7/1/24	6/30/25			147,722	(124,032)	(45,982)	(22,292)				
Subtotal COVID-19 ARP SLFRF Learning Acel (High-Impact Tutoring)							(45,982)		147,722	(124,032)		(22,292)				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ACSERS)	21.027	SLFRFDOE1SES	N/A	141,441	3/3/21	12/31/24	(70,720)		70,720							
Total U.S. Department of the Treasury Passed Through the State Department of Education							(116,702)		218,442	(124,032)		(22,292)				
Total Special Revenue Fund							(1,040,193)		3,209,371	(2,603,641)	(225,961)	(667,769)		7,345		
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	251N1J304N1099	N/A	272,721	7/1/24	6/30/25			272,721	(271,010)			\$ 1,711			
Food Donation (NC)	10.555	241N1J304N1099	N/A	271,577	7/1/23	6/30/24	3,847			(3,847)						
Subtotal Food Donation (NC)							3,847		272,721	(274,857)			1,711			
Cash Assistance:																
School Breakfast Program	10.553	251N1J304N1099	N/A	12,936	7/1/24	6/30/25			12,936	(12,936)						
School Breakfast Program	10.553	241N1J304N1099	N/A	180,754	7/1/23	6/30/24	(40,549)		40,549							
School Breakfast Program	10.553	231N1J304N1099	N/A	142,766	7/1/22	6/30/23	(11,997)		11,997							
Subtotal School Breakfast Program							(52,546)		65,482	(12,936)						
National School Lunch Program	10.555	251N1J304N1099	N/A	127,447	7/1/24	6/30/25			127,447	(127,447)						
National School Lunch Program	10.555	241N1J304N1099	N/A	1,112,465	7/1/23	6/30/24	(227,405)		227,405							
National School Lunch Program	10.555	231N1J304N1099	N/A	1,114,390	7/1/22	6/30/23	(87,408)		87,408							
Subtotal National School Lunch Program							(314,813)		442,260	(127,447)						
Healthy Hunger-Free Kids Act	10.555	251N1J304N1099	N/A	4,000	7/1/24	6/30/25			4,000	(4,000)						
Healthy Hunger-Free Kids Act	10.555	241N1J304N1099	N/A	35,959	7/1/23	6/30/24	(7,288)		7,288							
Healthy Hunger-Free Kids Act	10.555	231N1J304N1099	N/A	34,310	7/1/22	6/30/23	(2,687)		2,687							
Subtotal Healthy Hunger-Free Kids Act							(9,975)		13,975	(4,000)						
Total Child Nutrition Program Cluster							(373,487)		794,438	(419,240)			1,711			
Local Food for Schools	10.185	AM22CPLFS000C015	N/A	34,990	12/1/22	2/28/25			973	(7,085)	\$ (6,112)					
Summer-EBT	10.646	202424N180341	N/A	1,556	7/1/23	6/30/24	(1,556)		1,556							
Summer-EBT	10.646	202424N180341	N/A	1,501	7/1/24	6/30/25				(1,501)		(1,501)				
Total Enterprise Fund							(375,043)		796,967	(427,826)		(7,613)	1,711			
Total Federal Awards Expenditures							\$ (1,415,236)	\$ -	\$ 4,050,165	\$ (3,075,294)	\$ (225,961)	\$ (675,382)	\$ 1,711	\$ 7,345	\$ -	

NC-represents noncash expenditures

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

**East Windsor Regional School District
Schedule of Expenditures of State Financial Assistance
Year ended June 30, 2025**

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From To		Balance at June 30, 2024					Balance at June 30, 2025			MEMO			
					Unearned Revenue (Accts Receivable)	Due to Grantor	Cash Received	Total Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Intergovernmental (Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures	
New Jersey Department of Education																
General Fund:																
Equalization Aid	25-495-034-5120-078	\$ 40,373,998	7/1/24	6/30/25			\$ 36,545,215	\$ (40,373,998)						\$ (3,828,783)	\$ 40,373,998	
Equalization Aid	24-495-034-5120-078	40,373,998	7/1/23	6/30/24	\$ (3,776,493)		3,776,493									
Special Education Categorical Aid	25-495-034-5120-089	4,919,011	7/1/24	6/30/25			4,452,527	(4,919,011)						(466,484)	4,919,011	
Special Education Categorical Aid	24-495-034-5120-089	4,847,402	7/1/23	6/30/24	(453,415)		453,415									
Extraordinary Aid	25-100-034-5120-473	1,104,567	7/1/24	6/30/25				(1,104,567)			\$ (1,104,567)				1,104,567	
Extraordinary Aid	24-100-034-5120-473	1,043,057	7/1/23	6/30/24	(1,043,057)		1,043,057									
Security Aid	25-495-034-5120-084	1,255,961	7/1/24	6/30/25			1,136,855	(1,255,961)						(119,106)	1,255,961	
Security Aid	24-495-034-5120-084	1,255,961	7/1/23	6/30/24	(117,480)		117,480									
Transportation Aid	25-495-034-5120-014	2,095,914	7/1/24	6/30/25			1,897,152	(2,095,914)						(198,762)	2,095,914	
Transportation Aid	24-495-034-5120-014	2,095,914	7/1/23	6/30/24	(196,047)		196,047									
Menstrual Product Reimbursement	25-495-034-5120-168	10,606	7/1/24	6/30/25				(10,606)			(10,606)				10,606	
On-Behalf Teachers' Pension and Annuity Fund	25-495-034-5094-002	15,806,812	7/1/24	6/30/25			15,806,812	(15,806,812)							15,806,812	
On-Behalf Teachers' Pension and Annuity Fund - Post Retirement Medical	25-495-034-5094-001	4,618,763	7/1/24	6/30/25			4,618,763	(4,618,763)							4,618,763	
Oh-Behalf Teachers' Pension and Annuity Fund - Non-contributory Insurance	25-495-034-5094-004	9,492	7/1/24	6/30/25			9,492	(9,492)							9,492	
Reimbursed TPAF Social Security Contributions	25-495-034-5094-003	3,592,949	7/1/24	6/30/25			3,239,422	(3,592,949)			(353,527)				3,592,949	
Reimbursed TPAF Social Security Contributions	24-495-034-5094-003	3,571,187	7/1/23	6/30/24	(168,538)		168,538									
Other State Aid-Add'l NP Transportation	25-495-034-5120-014	63,979	7/1/24	6/30/25				(63,979)			(63,979)				63,979	
Other State Aid-Add'l NP Transportation	24-495-034-5120-014	68,705	7/1/23	6/30/24	(68,705)		68,705									
Total General Fund					(5,823,735)		73,529,973	(73,852,052)			(1,532,679)			(4,613,135)	73,852,052	
Special Revenue Fund:																
New Jersey Department of Education:																
N.J. Nonpublic Aid:																
Textbook Aid	25-100-034-5120-064	5,421	7/1/24	6/30/25			5,421	(3,195)					\$ 2,226		3,195	
Textbook Aid	24-100-034-5120-064	5,261	7/1/23	6/30/24		\$ 391				\$ (391)						
Nursing Services Aid	25-100-034-5120-070	13,780	7/1/24	6/30/25			13,780	(13,780)							13,780	
Technology Initiative	25-100-034-5120-373	5,194	7/1/23	6/30/24			5,194	(5,168)					26		5,168	
Technology Initiative	24-100-034-5120-373	4,459	7/1/23	6/30/24		53				(53)						
Security Aid	25-100-034-5120-509	21,730	7/1/24	6/30/25			21,730	(21,585)	\$ 1				146		21,585	
Security Aid	24-100-034-5120-509	18,655	7/1/23	6/30/24		4,324				(4,324)						
Nonpublic Handicapped Aid (Chapter 193)																
Examination and Classification	25-100-034-5120-066	2,652	7/1/24	6/30/25			2,652						2,652			
Examination and Classification	24-100-034-5120-066	1,326	7/1/23	6/30/24		1,326				(1,326)						
New Jersey Department of Environmental Protection																
NJDEP Electric School Bus Grant	24-71H-042-4801-008	1,240,000	3/17/23	3/17/26				(1,240,000)			(1,240,000)				1,240,000	
Total Special Revenue Fund					6,094	48,777	(1,283,728)	1	(6,094)		(1,240,000)	5,050		1,283,728		

**East Windsor Regional School District
Schedule of Expenditures of State Financial Assistance
Year ended June 30, 2025**

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2024					Repayment of Prior Years' Balances	Balance at June 30, 2025			MEMO	
			From	To	Unearned Revenue (Accts Receivable)	Due to Grantor	Cash Received	Total Budgetary Expenditures	Adjustments		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
Enterprise Fund:															
New Jersey Department of Agriculture:															
National School Lunch Program (State Share)	25-100-010-3350-023	2,943	7/1/24	6/30/25			\$ 2,943	\$ (2,943)							2,943
National School Lunch Program (State Share)	24-100-010-3350-023	29,451	7/1/23	6/30/24	(5,974)		5,974								
National School Lunch Program (State Share)	23-100-010-3350-023	50,219	7/1/22	6/30/23	(3,985)				\$ 3,985						
School Breakfast (State Share)	N/A	3,784	7/1/22	6/30/23	(301)				301						
School Breakfast - Reduced (State Share)	N/A	239	7/1/24	6/30/25			239	(239)							239
School Breakfast - Reduced (State Share)	N/A	4,002	7/1/23	6/30/24	(832)		832								
National School Lunch Program - Reduced (State Share)	N/A	2,110	7/1/24	6/30/25			2,110	(2,110)							2,110
National School Lunch Program - Reduced (State Share)	N/A	22,682	7/1/23	6/30/24	(4,602)		4,602								
State Lunch NJEIE	N/A	2,161	7/1/24	6/30/25			2,161	(2,161)							2,161
State Lunch NJEIE	N/A	12,289	7/1/23	6/30/24	(3,307)		3,307								
State Breakfast NJEIE	N/A	245	7/1/24	6/30/25			245	(245)							245
State Breakfast NJEIE	N/A	1,899	7/1/23	6/30/24	(733)		733								
Summer-EBT	N/A	1,556	7/1/23	6/30/24	(1,556)		1,556								
Summer-EBT Administration	N/A	1,501	7/1/24	6/30/25				(1,501)			(1,501)				1,501
Total Enterprise Fund					(21,290)		24,702	(9,199)	4,286		(1,501)				9,199
Total State Financial Assistance Expenditures					\$ (6,058,661)	\$ 6,094	\$ 73,603,452	\$ (75,144,979)	\$ 4,287	\$ (6,094)	\$ (2,987,816)	\$ -	\$ 5,050	\$ (4,613,135)	\$ 76,642,698
State Financial Assistance Not Subject to Single Audit Determination:															
On-Behalf Teachers' Pension and Annuity Fund	25-495-034-5094-002	15,806,812	7/1/24	6/30/25			15,806,812	(15,806,812)							(15,806,812)
On-Behalf Teachers' Pension and Annuity Fund - Post Retirement Medical	25-495-034-5094-001	4,618,763	7/1/24	6/30/25			4,618,763	(4,618,763)							(4,618,763)
Oh-Behalf Teachers' Pension and Annuity Fund - Non-contributory Insurance	25-495-034-5094-004	9,492	7/1/24	6/30/25			9,492	(9,492)							(9,492)
Total State Financial Assistance Subject to Single Audit Determination					\$ (6,058,661)	\$ 6,094	\$ 53,168,385	\$ (54,709,912)	\$ 4,287	\$ (6,094)	\$ (2,987,816)	\$ -	\$ 5,050	\$ (4,613,135)	\$ 56,207,631

East Windsor Regional School District

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

Year ended June 30, 2025

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, 2025. 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, 2025

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.

As a result, the federal and state accounts receivable balance in the special revenue fund on the budgetary basis differs from the GAAP basis as follows:

Accounts Receivable	Budgetary Basis	Less Encumbrances	GAAP Basis
Federal	\$ 667,769	\$ 55,391	\$ 612,378
State	\$1,240,000	\$1,240,000	\$ -

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$69,700 for the general fund and \$646,554 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.

Federal and State award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	Federal	State	Total
General Fund	\$ 43,827	\$ 73,782,352	\$ 73,826,179
Special Revenue Fund	3,197,087	43,728	3,240,815
Food Service Enterprise Fund	427,826	9,199	437,025
Total award revenues	<u>\$ 3,668,740</u>	<u>\$ 73,835,279</u>	<u>\$ 77,504,019</u>

East Windsor Regional School District

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

Year ended June 30, 2025

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 and K-4 are the result of the cancellation of prior year accounts receivable, repayments of prior year balances due to grantor or reallocations of grant expenditures from prior years.

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, 2025.

The post-retirement pension, disability insurance and medical benefits received on-behalf of the District for the year ended June 30, 2025 amounted to \$20,435,067. 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, 2025

Part I – Summary of Auditor’s 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?	<u> </u>	Yes	<u> X </u>	No
Significant deficiency(ies) identified?	<u> </u>	Yes	<u> X </u>	None Reported
Noncompliance material to financial statements noted?	<u> </u>	Yes	<u> X </u>	No

Federal Awards Section

Internal control over major federal programs:

Material weakness(es) identified?	<u> </u>	Yes	<u> X </u>	No
Significant deficiency(ies) identified?	<u> </u>	Yes	<u> X </u>	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)?	<u> </u>	Yes	<u> X </u>	No
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East Windsor Regional School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2025

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

Identification of major federal programs:

AL Number(s)	FAIN Number	Name of Federal Program or Cluster
84.027	H027A240100	Special Education Grant Cluster: I.D.E.A. Part B, Basic Regular
84.173	H173A240114	I.D.E.A. Part B, Preschool

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

\$750,000

Auditee qualified as low-risk auditee?

 Yes X No

State Financial Assistance Section

Internal control over major state programs:

Material weakness(es) identified?

 Yes X No

Significant 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 (continued)

Year ended June 30, 2025

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

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
495-034-5120-014	Transportation Aid

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

\$1,641,297

Auditee qualified as low-risk auditee?

 X Yes No

East Windsor Regional School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2025

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, 2025

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

No federal award or state financial assistance program internal control over compliance or internal control findings or questioned costs were noted that are required to be reported in accordance with 2 CFR 200 Section 516(a) and New Jersey State OMB Circular 15-08.

East Windsor Regional School District

Summary Schedule of Prior Year Audit Findings

Year ended June 30, 2025

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

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

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.

Current Status: Education Stabilization Fund was not tested in the current year as the 2025 fiscal year expenditures were not material.

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

East Windsor Regional School District

Summary Schedule of Prior Year Audit Findings (continued)

Year ended June 30, 2025

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.

Current Status: Education Stabilization Fund was not tested in the current year as the 2025 fiscal year expenditures were not material.