

**BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP
COUNTY OF MIDDLESEX, NEW JERSEY**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**Prepared by
The School Business Administrator's Staff
Of the North Brunswick Township Board of Education**

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INTRODUCTORY SECTION

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

**Administrative Offices:
25 Linwood Place
North Brunswick, N.J. 08902
Tele. (732) 289-3000**

District Web Site: www.nbtschools.org

LETTER OF TRANSMITTAL

December 2, 2025

Honorable President and
Members of the Board of Education
North Brunswick Township School District
North Brunswick, New Jersey 08902

Dear Board Members:

It is with pleasure that we submit the Annual Comprehensive Financial Report (ACFR) of the North Brunswick Township School District for the fiscal year ended June 30, 2025. This ACFR includes the District's Basic Financial Statement prepared in accordance with Governmental Accounting Standards Board Statement 34. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the 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 as follows:

- The Introductory Section contains a table of contents, Letter of Transmittal, List of Principal Officials and an Organizational Chart of the School District;
- The Financial Section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes and an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the School District generally presented on a multi-year basis;

- The Single Audit Section – The District is required to undergo an annual audit in conformity with the provisions of the Title 2 US *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit including the independent auditor’s report on compliance for each major federal and state program and report on internal control over compliance along with findings and questioned costs if any, is included in the single audit section of this report.

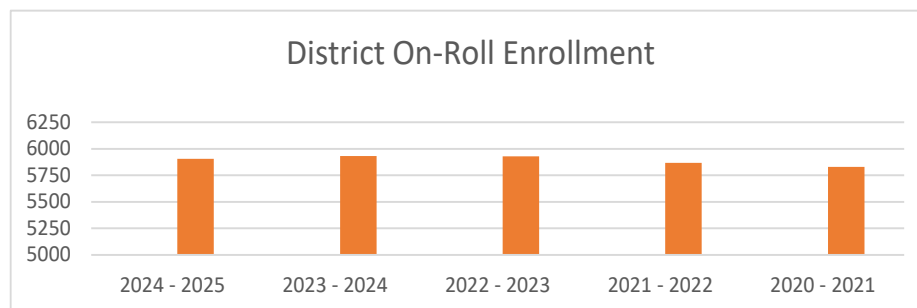
1. **REPORTING ENTITY AND ITS SERVICES**

The North Brunswick Township School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds of the District are included in this report. The North Brunswick Township Board of Education and all its schools constitute the District’s reporting entity.

The District provides a full range of academic programs and extracurricular activities, appropriate for all students in grades Pre - K through 12. An early childhood center, four elementary schools (Pre-K-4), an intermediate school (5-6), a middle school (7-8), and a high school (9-12) comprise the District’s educational facilities.

The District’s on-roll enrollment, PreK through 12 at October 15, 2025 was 5703 students. The following details the changes in enrollment over the last five years, includes preschool partners.

<u>Fiscal Year</u>	<u>ADE September - June</u>	<u>Percent Change</u>
2024 - 2025	5,907	(0.40%)
2023 - 2024	5,931	0.02%
2022 - 2023	5,930	1.04%
2021 - 2022	5,869	0.65%
2020 - 2021	5,831	(4.17%)



2. ECONOMIC CONDITION AND OUTLOOK

A tax levy cap of 2% is in place for all New Jersey school districts, which will limit the amount of revenue that can be raised through taxation.

3. MAJOR INITIATIVES

Facilities Improvement Plan

On March 11, 2025, the district successfully passed a referendum for \$63,794,000 to support the upgrade of HVAC systems, bathrooms, windows, and doors in the elementary schools, Linwood, and the NBTHS, as well as the exterior building masonry of Linwood and High School. The district has engaged a preconstruction consultant and architects, and all projects are projected to be completed by Spring 2028.

The District was awarded Schools Development Authority (SDA) Section 15 Grant funds (Regular Operating Grants) for HVAC control updated at district schools, including North Brunswick Township High School, Linwood Campus, John Adams, Judd, Livingston Park and Parsons. The total cost of the project is estimated to be \$8,700,000, with the local share of \$5,200,000 funded through capital reserves, and the SDA funding a total of \$3,500,000. Work is in progress and is expected to be completed by early 2026.

Personnel Management

The Office of Human Resources uses an established protocol to ensure that all candidates are properly credentialed and certified as per New Jersey law. To find the best possible candidates, district staff participated in job fairs and advertised through Education Week, New Jersey Schools Jobs, the Star-Ledger, various local higher education institutions, the district website, as well as the use of the software program: *Applitrack*. *Applitrack* was used successfully, again this year, to manage all job applications, screen candidates for credential review, and for the tracking of the interview and final hiring process.

Human Resources manuals are used by administrators to provide better oversight of hiring and exiting of employees as well as the supervision/evaluation process, for new hires to aid in their orientation to District policies, procedures, and expectations, and for mentors to support new hires to the teaching profession in the District's mentoring and induction program.

In collaboration with the Curriculum and Instruction Office, the Human Resources Office provided professional development activities so that teachers and support staff could meet district and state requirements.

Personnel policies and specified job descriptions were reviewed and revised as necessary in collaboration with the Board's Personnel Committee. The Office of Human Resources is continually revising the faculty and administrator evaluation process annually to meet the changing state requirements as well as developing innovative methods for enhancing classroom instruction. The Marshall Model of Supervision and Evaluation process was approved by the District's Evaluation Advisory Committee (DEAC) as the teacher practice platform to meet the NJDOE observation and evaluation requirements under NJ Achieve and continues to serve as the district model for teacher and administrator practice; this model is reviewed and approved annually by the NJDOE.

Educational Program

The District's rigorous academic program prepares students for college and career choices, enabling them to compete with high school graduates nationwide for enrollment in two or four year colleges and trade schools. Technology and college/career readiness are embedded throughout the curriculum. The general education program includes language arts, mathematics, science, social studies, visual and performing arts, health and physical education, and world languages, which reflect the New Jersey Student Learning Standards (NJSLS).

The District's exemplary academic program goes beyond the New Jersey Student Learning Standards. The programs and course offerings contain inclusive practices weaved throughout the curriculum which allows divergent perspectives to be shared thus allowing for more student engagement. Visual arts programs have a diverse student population of participants. The District offers school STEAM enrichment programs as well as the use of adaptive technology to address the social-emotional and academic needs of all children. The district continues to "prepare students for their future" with the implementation of *Coding* and *Robotics* throughout the K-12 curriculum. All of our elementary schools are equipped with computer labs, 1:1 Chromebooks, and school libraries. The district continues to enhance services for students who are identified as gifted or twice exceptional. We have developed S.O.A.R. (Seeing Our Achievements Rise) in which students across various grade levels are administered a universal screener (ie. CogAT, Sages-3 Nonverbal Reasoning test). All middle and high school students may choose from a wide range of courses that address their individual abilities and not their grade level.

The District provides resources for continuous professional learning to staff related to the district's strategic plan, analysis of local assessment data as well as staff needs. We engage community organizations, businesses, and local government agencies as partners in the educational process. Furthermore, we encourage parent and family involvement in school or district activities and committees. Also we participate with other school districts and higher education institutions (ie. Rutgers University, Kean University) in research and programming for closing the achievement gaps between various subgroups and economically disadvantaged students and their peers.

Additionally, the District receives preschool expansion aid from the State of New Jersey. It is here that we have been able to expand early childhood offerings and provide opportunities for our youngest learners, helping to reduce the achievement gap at its earliest.

4. LONG TERM FINANCIAL PLANNING

District administrators continue to evaluate the long-term financial impact of increased charter school enrollment, increased state-mandated initiatives, state health benefit plan costs, upgrades/replacement of facility mechanicals and equipment, and the S2 SFRA state aid funding formula.

5. INTERNAL ACCOUNTING CONTROLS

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure 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 generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

6. BUDGETARY CONTROLS

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservation of fund balance on June 30, 2025.

7. ACCOUNTING SYSTEM AND REPORTS

The accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups and is in compliance with GASB Statement 34 standards. The funds and account groups are explained in Note 1, "Notes to the Financial Statements".

8. DEBT ADMINISTRATION

The District's outstanding debt issues as of June 30, 2025 included \$130,894,000 of general obligation bonds. Under provisions of New Jersey statutes, school districts may not incur indebtedness greater than 4% of the average equalized valuation of taxable property. On June 30, 2025 the District's outstanding debt issues are well below the legal debt margin. The District continues to be committed to providing the debt rating agencies and all other interested parties with annual audited financial statements and other pertinent credit information relevant to our outstanding securities.

9. **FINANCIAL STATUS**

The Business Administrator and the Business Operations Committee continue to guide the District with fiscal prudence while working within the limitations imposed by the state's 2% cap on the annual increase of the tax revenue collected from North Brunswick Township. The business office utilizes purchasing co-operatives, state contracts and bids to purchase the materials needed to operate the District at the lowest possible price.

10. **OTHER INFORMATION**

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants who are licensed, public school accountants. Gerard Stankiewicz, CPA, PSA of Samuel Klein and Company, Certified Public Accountants 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 Title 2 US *Code of Federal Regulations* Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), and New Jersey OMB's Circular 15-08. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. **ACKNOWLEDGEMENTS**

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

Respectfully submitted,

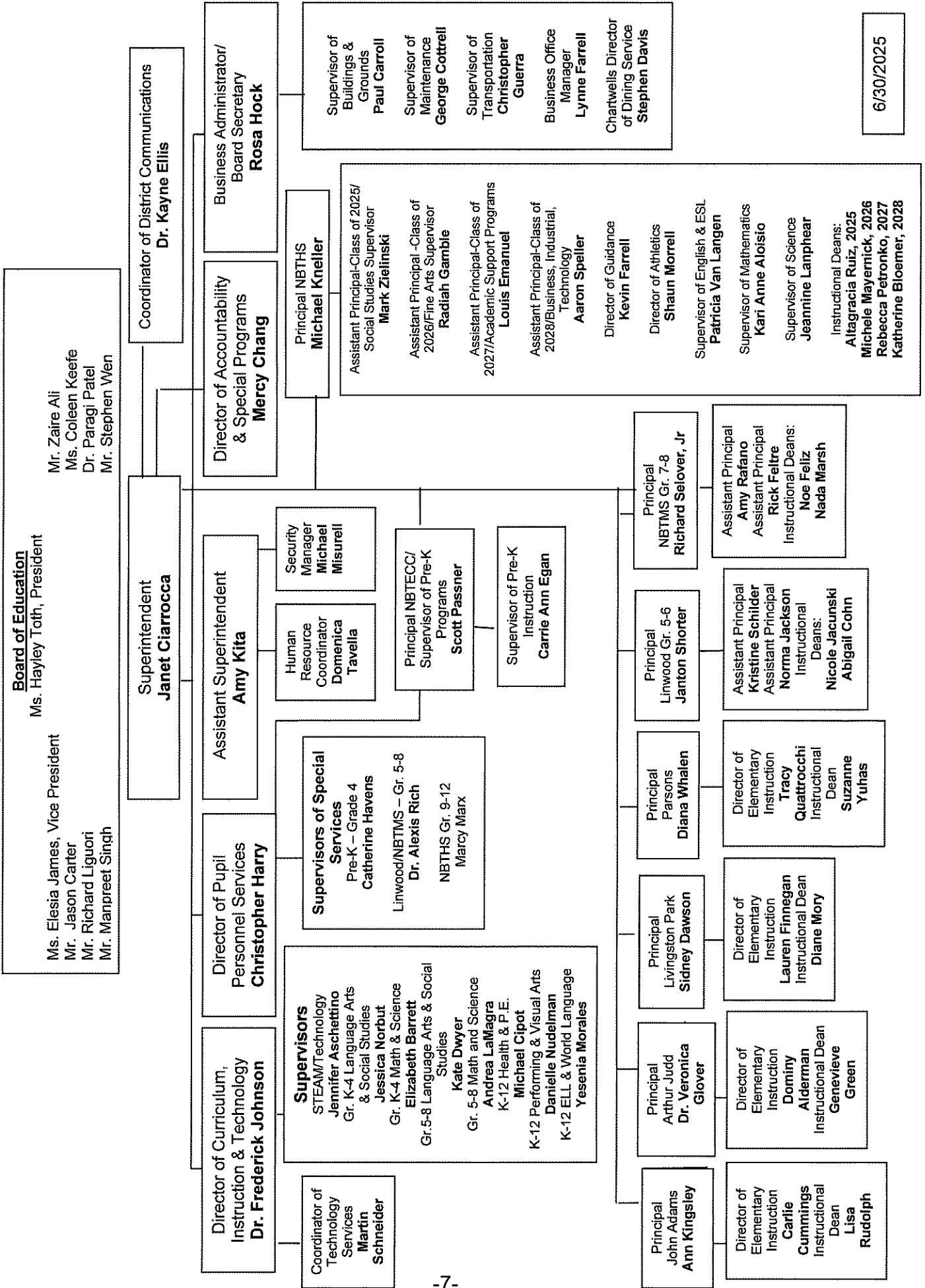


Dr. Brian Zychowski
Interim Superintendent of Schools



Rosa Hock
Business Administrator/Board Secretary

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT **Organizational Chart 2024-2025**



6/30/2025

**NORTH BRUNSWICK TOWNSHIP BOARD OF EDUCATION
NORTH BRUNSWICK, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2025**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Hayley Toth, President	2026
Elisia James, Vice President	2026
Zaire Ali	2025
Jason Carter	2025
Coleen Keefe	2025
Richard Liguori	2026
Paraji Patel	2027
Manny Singh	2027
Steven Wen	2027

Other Officials

Janet Ciarrocca, Superintendent of Schools (Retired effective June 30, 2025)
Rosa Hock, School Business Administrator/Board Secretary
Amy Kita, Assistant Superintendent
Linda Hoefele, Treasurer of School Funds

**NORTH BRUNSWICK TOWNSHIP BOARD OF EDUCATION
NORTH BRUNSWICK, NEW JERSEY**

JUNE 30, 2025

CONSULTANTS AND ADVISORS

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Attorney

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Official Depository

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members of the Board
North Brunswick Township Board of Education
County of Middlesex
North Brunswick, New Jersey

Report on the Financial Statement

Opinions

We have audited the accompanying financial statements of the governmental activities and the business type activities fund information of the Board of Education of the North Brunswick Township School District, County of Middlesex, State of New Jersey, as of and for the year ended June 30, 2025 and the related Notes to Financial Statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and business type activities fund information of the Board of Education of the North Brunswick Township School 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), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), and *audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for Audit of the Financial Statements section of our report. We are required to be independent of the Board of Education of the North Brunswick Township School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Management's Responsibility 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; this includes 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis and Budgetary Comparison Information and schedule of the District's proportionate share of the net pension liability – PERS, schedule of District contributions, schedule of the State's proportionate share of the net pension liability associated with the District – TPAF, the District's proportionate share of the net OPEB Liability – PERS and TPAF and budgetary comparison information as identified in the table of contents be presented to supplement the basic financial statements.

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the North Brunswick Township School District basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and the other information such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying Combining and Individual Fund Financial Statements, the Schedule of Expenditures of Federal Awards and State Financial Assistance are 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying Combining and Individual Fund Financial Statements, Long-term Debt Schedules, the Schedule of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information identified above has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2025, on our consideration of the Board of Education of the North Brunswick Township School District internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 North Brunswick Township School District's internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the North Brunswick Township School District internal control over financial reporting compliance.



Gerard Stankiewicz
Certified Public Accountant
Licensed Public School Accountant #912



SAMUEL KLEIN AND COMPANY, LLP

Freehold, New Jersey
December 2, 2025

REQUIRED SUPPLEMENTARY INFORMATION – PART I

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

Administrative Offices:
25 Linwood Place
North Brunswick, N.J. 08902
Tele. (732) 289-3000

District Web Site: www.nbtschools.org

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED

Management's Discussion and Analysis

The discussion and analysis of North Brunswick Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is 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 issued in June 1999. Certain comparative information between the current year (2024-2025) and the prior year (2023-2024) is required to be presented in MD&A. The District has elected to prepare comparative data which includes prior year's financial statements.

Overview of 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 and other information in addition to the basic financial statements themselves.

Financial Highlights

Key financial highlights for 2024-2025 are as follows:

Government-Wide Financial Statements

- General revenues accounted for \$193,255,309 in revenue or 94.96% of all revenues. Program specific revenues in the form of charges for services, operating grants, and contributions, and accounted for \$10,257,639 or 5.04% to total revenues of \$203,512,948.
- Total net position of governmental activities increased by \$13,630,527.
- The School District had \$191,454,770 in expenses, of which only \$10,257,639 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes of \$97,187,170 along with Federal and State aid, of \$92,944,210 were adequate to provide for these programs.

Fund Financial Statements

- The Governmental – General Fund had \$177,891,349 in revenues and \$176,013,910 in expenditures. The General Fund's fund balance increased \$1,734,478 compared to 2024.

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

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 North Brunswick Township School District as a financial whole; an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole school district, presenting both an aggregate view of the School District's finances and a longer term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of the North Brunswick School District, the General Fund is by far the most significant.

Reporting the School District as a Whole

Comparative Statement of Net Position and Comparative Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School district as a whole looks at all financial transactions and asks the question, "How did we do financially during 2025?" The Comparative Statement of Net Position and the Comparative Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

Business Type Activities — This service is provided on a charge for goods or services basis to recover all the expenses of the goods and services provided. The Food Service enterprise fund is reported as a business activity. Other Business Type Activities are school facilities, integrated Pre-K, Summer Enrichment and After School.

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

Reporting the School District's Most Significant Funds

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 three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance 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 balance 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, special revenue fund and debt service fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 33-36 of this report.

Proprietary Funds

The District maintains one proprietary fund type. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses an enterprise fund to account for the operations of its food service program, child care initiative, preschool enrichment and outside organization use of facilities. The basic proprietary fund financial statements can be found on pages 37-39 of this report.

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the financial statements can be found on pages 40-94 of this report.

Other Information

Combining fund statements can be found on pages 33-39 and schedules on pages 95-131 of this report.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Net position may serve over time as a useful indicator of government's financial position.

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 Statement of Net Position provides the financial perspective of the District as a whole. Table 1 provides a comparative summary of the School District's net position for 2025 and 2024.

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 inflows and outflows and liabilities of the District, with the difference between the four 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 flow. 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 can be found on pages 31-32 of this report.

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

The Statement of Net Position provides the financial perspective of the District as a whole.

Table 1 provides a comparative summary of the School District's net position for 2025 and 2024.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$100,632,503 at the close of fiscal 2025. The following table provides a summary of net position at June 30, 2025, and 2024 relating to the District's governmental and business-type activities:

Table 1 – Comparative Summary of Net Position

	Governmental Activities		Business-Type Activities		Total School District	
	<u>2024-2025</u>	<u>2023-2024</u>	<u>2024-2025</u>	<u>2023-2024</u>	<u>2024-2025</u>	<u>2023-2024</u>
Assets						
Current and other assets	\$ 87,384,265	\$ 26,972,241	\$ 1,277,415	\$ 1,820,745	\$ 88,661,680	\$ 28,792,986
Capital assets, net	<u>185,976,431</u>	<u>178,007,393</u>	<u>13,594</u>	<u>13,594</u>	<u>185,990,025</u>	<u>178,020,987</u>
Total Assets	<u>\$ 273,360,696</u>	<u>\$ 204,979,634</u>	<u>\$ 1,291,009</u>	<u>\$ 1,834,339</u>	<u>\$ 274,651,705</u>	<u>\$ 206,813,973</u>
Deferred outflows of resources						
Loss on Defeasance of Bonds		\$ 30,095			\$ -	\$ 30,095
Pension	<u>3,845,110</u>	<u>4,140,197</u>			<u>3,845,110</u>	<u>4,140,197</u>
Total Deferred outflows of resources	<u>\$ 3,845,110</u>	<u>\$ 4,170,292</u>			<u>\$ 3,845,110</u>	<u>\$ 4,170,292</u>
Liabilities						
Current and other liabilities	\$ 14,713,767	\$ 8,807,613	\$ 3,914	\$ 182,244	\$ 14,717,681	\$ 8,989,857
Net pension liability	20,102,576	21,177,175			20,102,576	21,177,175
Long-term liabilities outstanding	<u>140,542,619</u>	<u>87,005,680</u>			<u>140,542,619</u>	<u>87,005,680</u>
Total Liabilities	<u>\$ 175,358,962</u>	<u>\$ 116,990,468</u>	<u>\$ 3,914</u>	<u>\$ 182,244</u>	<u>\$ 175,362,876</u>	<u>\$ 117,172,712</u>
Deferred inflow of resources						
Pension	<u>\$ 1,214,341</u>	<u>\$ 1,369,993</u>			<u>\$ 1,214,341</u>	<u>\$ 1,369,993</u>
Net Position						
Net investment in capital assets	\$ 107,243,602	\$ 91,031,808	\$ 13,594	\$ 13,594	\$ 107,257,196	\$ 91,045,402
Restricted	3,830,158	394,874			3,830,158	394,874
Unrestricted (deficit)	<u>(10,441,257)</u>	<u>(4,424,706)</u>	<u>1,273,501</u>	<u>1,638,501</u>	<u>(9,167,756)</u>	<u>(2,786,205)</u>
Total Net Position	<u>\$ 100,632,503</u>	<u>\$ 87,001,976</u>	<u>\$ 1,287,095</u>	<u>\$ 1,652,095</u>	<u>\$ 101,919,598</u>	<u>\$ 88,654,071</u>

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

The District's combined net position was \$101,919,195 on June 30, 2025. This is an increase of \$13,265,124 or 14.96% from the prior year.

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 machinery, equipment and vehicles), less any related debt (bonds payable) used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's 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 (namely, property taxes), since the capital assets themselves cannot be used to liquidate these liabilities.

Capital assets, net increased from the prior year due to the amount of new additions associated with the District's capital projects having exceeded the amount of depreciation of capital assets in the current year.

Long-term liabilities decreased due to the scheduled payment of principal on debt.

Restricted net position increased mainly due to the increase in the capital reserve and maintenance reserve.

Unrestricted net position decreased mainly due to a planned higher level of expenditures. General fund encumbrances at June 30, 2025, totaled \$831,229 as compared with \$3,245,355 at June 30, 2024.

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

Table 2 shows the comparative changes in net position from fiscal year 2025 and 2024.

Table 2 – Comparative Changes in Net Position

	Governmental Activities		Business-Type Activities		Total School District	
	2024-2025	2023-2024	2024-2025	2023-2024	2024-2025	2023-2024
Revenues:						
Program Revenues:						
Charges for Services			\$ 1,082,519	\$ 1,042,356	\$ 1,082,519	\$ 1,042,356
Operating Grants and Contributions	\$ 10,257,639	\$ 11,684,338	3,077,661	3,140,054	13,335,300	14,824,392
General Revenue:						
Property Taxes	97,187,170	95,476,257			97,187,170	95,476,257
Federal and State Aid	92,944,210	82,342,311			92,944,210	82,342,311
Miscellaneous	3,123,929	2,464,853			3,123,929	2,464,853
Total Revenue	203,512,948	191,967,759	4,160,180	4,182,410	207,673,128	196,150,169
Expenses:						
Instruction	95,768,831	88,956,687			95,768,831	88,956,687
Tuition	2,686,193	2,272,721			2,686,193	2,272,721
Student and Instruction						
Related Services	36,084,330	32,585,158			36,084,330	32,585,158
School Administration	9,199,106	10,290,141			9,199,106	10,290,141
General Administration	3,987,872	5,079,976			3,987,872	5,079,976
Operation and Maintenance					-	
of Facilities	18,022,764	16,698,704			18,022,764	16,698,704
Pupil Transportation	14,817,038	14,891,587			14,817,038	14,891,587
Interest on Debt	2,574,356	2,880,418			2,574,356	2,880,418
Charter Schools	8,314,280	7,866,876			8,314,280	7,866,876
Business Type Actives			4,525,179	4,131,902	4,525,179	4,131,902
Total Expenses	191,454,770	181,522,268	4,525,179	4,131,902	195,979,949	185,654,170
Other Financing Sources	1,572,349					
Change in Net Position	\$ 13,630,527	\$ 10,445,491	\$ (364,999)	\$ 50,508	\$ 13,265,528	\$ 10,495,999
Other Financing Sources						
Net Position - beginning	87,001,976	76,556,485	1,652,094	1,601,586	88,654,070	78,158,071
Net Position - ending	\$ 100,632,503	\$ 87,001,976	\$ 1,287,095	\$ 1,652,094	\$ 101,919,598	\$ 88,654,070

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

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 actual and budgeted amounts.

Described on the next page are explanations for variations in revenues and expenditures for certain lines where the modified budgeted amounts differ from the original budget by significant amounts. All other fluctuations were considered immaterial and no explanations were deemed required.

Revenues

- Actual miscellaneous revenue was in excess of the modified budgeted amount by approximately \$637,656 or 87.14% as a result mostly of increased interest income and refunds.

Expenditures

- Total regular programs – instruction final budget was more than the original budget by \$318,813 or .90%. Actual expenditures of \$35,536,358 represented 99.44% of budget. The increase in the budget was caused primarily by more of a need for purchased services – undistributed instruction expenses.
- Total special education – instruction final budget was less than the original budget by \$301,121 or .21%. Actual expenditures of \$13,777,750 represented 98.07% of budget. The decrease in the budget was caused by less of a need for instructional salaries.
- Total instructional expenditures final budget was more than the original budget by \$104,969 or 1.85%. Actual total instructional expenditures were \$55,765,704 or 98.66% of the budget. The decrease in the budget was caused by a decreased need for teacher-related salaries and purchased services.
- Total undistributed expenditures – other support service students related services special – final budget was higher than the original by \$770,769 or 18.03%. Actual expenditures were \$4,860,760 or 96.33% of final budget. The increase in the budget was due to additional student needs.
- Total undistributed expenditures – other support students – student services final budget was less than the original by \$300,447 or 11.16%. Actual expenditures were \$2,230,288 or 93.25% of final budget. The decrease in the budget was due to less required services for students.

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

Expenditures (Continued)

- Undistributed – student transportation final budget was less than the original budget by \$345,000 or 3.50% due to staff vacancies. Actual expenditures of \$9,361,469 represented 96.10% of budget. A lower than anticipated level of service is the cause.
- Undistributed – other operating and maintenance of plant expenditures were less than the final budget by \$17,380 or .30%, primarily due to lower than anticipated supply costs. Actual expenditures were \$7,018,129 or 94.90% of the final budget.
- Total undistributed expenditures – total maintenance for school facilities – final budget was higher than the original by \$224,474 or 5.40%. Actual expenditures were \$2,941,646 or 73.70% of final budget. The increase in the budget was due to higher material costs and unanticipated repairs.
- Total undistributed expenditures – tuition – final budget was less than the original by \$259,032 or 6.13%. Actual expenditures were \$2,686,193 or 67.71% of final budget. This was caused by a need for out-of-district placements.
- Total undistributed expenditures – unallocated benefits final budget was higher than the original by \$2,082,923 or 8.30% due to increased health benefit claims cost. Actual expenditures were \$27,070,732 or 98.80% of final budget.
- Total undistributed expenditures final budget was higher than the original budget by \$1,859,897 or 2.40%. Expenditures, net of on-behalf payments, were \$76,441,221 or 94.2% of final budget. This was aided by lower than anticipated tuition, maintenance costs and administrative expenses.
- The capital outlay portion of the budget was adjusted based on the needs of the District and various projects are prioritized and as funds become available. Was originally \$3,034,114 but was adjusted to \$6,011,158 by virtue of additional appropriation/transfers of which \$5,942,500 was expended.
- The general fund expense portion of the budget as modified (final) was \$4,071,972 or 2.8% more than the adopted budget. Total expenditures net of on-behalf payment was \$146,463,709 or 96.53% of the budget.

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

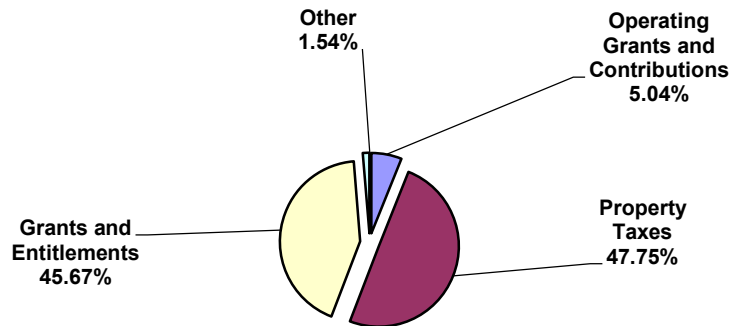
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

Governmental Activities

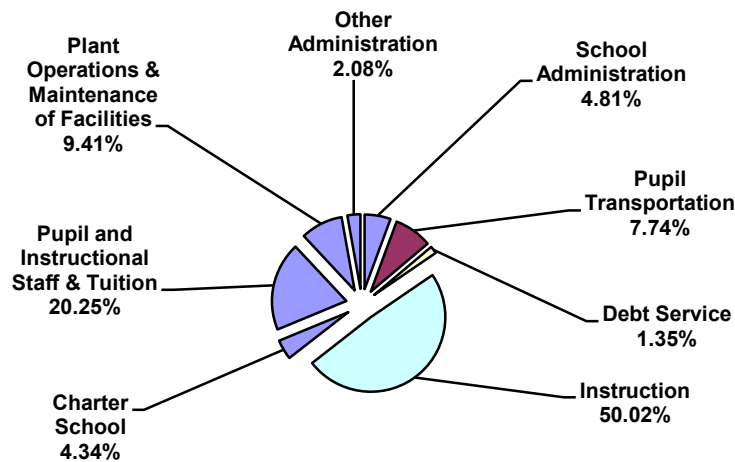
The unique nature of property taxes in New Jersey creates the legal requirement to annually seek voter approval for the School District operations. Property taxes of \$97,187,170 made up 47.75% of revenue for governmental activities for the North Brunswick School District for fiscal year 2025. Federal, state and local grants of \$106,325,778 accounted for another 52.25% of revenue. The District's total revenues were \$203,512,948 for the year ended June 30, 2025.

Revenue for Fiscal Year 2025



Expenses for Fiscal Year 2025

The total cost of all programs and services was \$191,454,770.



NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

Business-Type Activities

Food Service

- Revenues for the District's business-type activities for the food service program are comprised of charges for services and federal and state reimbursements.
- Food service expenditures exceeded revenues by \$402,268
- Charges for services represent \$908,229 or 22.90% of revenue. This represents amounts paid by patrons for daily food service, as well as special functions.
- Federal and state reimbursement for meals, including payments for free and reduced priced lunches and donated commodities was \$3,056,217 or 77.10% of revenue.

School Facilities

- Revenues for the District's business-type activities for the school facilities program are comprised of charges for use of District's facilities.
- School facilities revenues exceeded expenditures by \$42,252.

Integrated Pre-K/Summer Enrichment

- Revenues for the District's business-type activities for the integrated pre-K/summer program are comprised of charges for pre-K/summer services.
- Integrated pre-k/summer expenditures exceeded revenues by \$13,985.
- Operations were lower than in prior years.

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

Governmental Activities

The Comparative Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3 - Comparative Statement of Activities

	Total Cost of Services			Net Cost of Services		
	<u>2024-2025</u>	<u>2023-2024</u>	<u>% Change</u>	<u>2024-2025</u>	<u>2023-2024</u>	<u>% Change</u>
Regular Instruction	\$ 56,245,827	\$ 51,569,453	9.07%	\$ 56,245,827	\$ 51,569,453	9.07%
Special Education	29,311,622	27,665,525	5.95%	25,002,902	23,324,629	7.20%
Other Special Education	7,366,049	6,991,155	5.36%	7,366,049	6,991,155	5.36%
Other Instruction	2,845,333	2,730,553	4.20%	2,845,333	2,730,553	4.20%
Tuition	2,686,193	2,272,721	18.19%	2,686,193	2,272,721	18.19%
Student and Instruction Related Services	36,084,330	32,585,158	10.74%	30,525,813	25,637,332	19.07%
General and Business Administrative Services	3,987,872	5,079,976	-21.50%	3,987,872	5,079,976	-21.50%
School Administrative Services	9,199,106	10,290,141	-10.60%	9,199,106	10,290,141	-10.60%
Plant Operations and Maintenance	18,022,764	16,698,704	7.93%	18,022,764	16,698,704	7.93%
Pupil Transportation	14,817,038	14,891,587	-0.50%	14,817,038	14,891,587	-0.50%
Charter Schools	8,314,280	7,866,876	5.69%	8,314,280	7,866,876	5.69%
Interest and Fiscal Charges	2,574,356	2,880,418	-10.63%	2,183,954	2,484,802	-12.11%
Total Expenses	\$ 191,454,770	\$ 181,522,267	5.47%	\$ 181,197,131	\$ 169,837,929	6.69%

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

Regular instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

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

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

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

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

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the School district.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund and debt service fund presented in the fund-based statements), exclusive of the capital projects fund, are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$198,488,771 and expenditures exclusive of the capital projects fund \$196,817,125.

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 schedules present a comparative summary of the revenues of the general fund, special revenue fund and debt service fund for the fiscal years ended June 30, 2025 and June 30, 2024, and the amount of increase and decreases in relation to prior year revenues.

Comparative Summary of Revenues

Revenue	2024-2025		2023-2024		Increase/ (Decrease) from 2023-2024 to 2024-2025
	Amount	Percent of Total	Amount	Percent of Total	
Local Sources	\$ 99,834,398	50.30%	\$ 97,926,338	52.32%	\$ 1,908,060
State Sources	95,492,085	48.11%	83,967,358	44.86%	11,524,727
Federal Sources	<u>3,162,288</u>	<u>1.59%</u>	<u>5,275,393</u>	<u>2.82%</u>	<u>(2,113,105)</u>
	<u>\$ 198,488,771</u>	<u>100.00%</u>	<u>\$ 187,169,089</u>	<u>100.00%</u>	<u>\$ 11,319,682</u>

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

Local revenues increased by \$1,908,060. The increase in local revenue was due to an increase in the tax levy for 2024-2025, of \$1,908,060 and an increase in miscellaneous revenue of \$631,022, most of which is interest earned.

Federal source revenues decreased by \$2,113,105 due mostly to decrease in COVID related revenue and expenditures.

State sources revenue increased \$11,524,727 due mostly to an increase in other state aid in the General Fund.

The following schedule presents a comparative summary of general fund, special revenue fund and debt service fund expenditures for the fiscal years ended June 30, 2025 and June 30, 2024, and the increases and decreases in relation to prior year amounts.

Comparative Summary of Expenditures

<u>Expenditures</u>	<u>2024-2025</u>		<u>2023-2024</u>		Increase/ (Decrease) from 2023-2024 to 2024-2025
	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	
Current Expense:					
Instruction	\$ 60,074,424	30.52%	\$ 55,728,442	29.63%	\$ 4,345,982
Undistributed					
Expenditures	113,106,592	57.47%	109,122,744	58.01%	3,983,848
Capital Outlay	6,057,846	3.08%	6,043,071	3.21%	14,775
Charter School	8,314,280	4.22%	7,866,876	4.18%	447,404
Debt Service:					
Principal	7,035,000	3.57%	6,995,000	3.72%	40,000
Interest	2,228,983	1.13%	2,341,541	1.24%	(112,558)
	<u>\$ 196,817,125</u>	<u>100.00%</u>	<u>\$ 188,097,674</u>	<u>100.00%</u>	<u>\$ 8,719,451</u>

Changes in expenditures were the results of varying factors. Current expense increased due to increased personnel and benefits costs, additional students and capital projects.

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

General Fund Budgeting Highlights

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

Over the course of the year, the District revised via transfer the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line-item accounts.

Capital Assets

At the end of the fiscal year 2025, the School District had \$283,853,646 invested in land, buildings, furniture and equipment and vehicles. Table 4 shows fiscal 2025 balances compared to 2024.

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

	Governmental Activities		Business-Type Activities		Total School District	
	<u>2024-2025</u>	<u>2023-2024</u>	<u>2024-2025</u>	<u>2023-2024</u>	<u>2024-2025</u>	<u>2023-2024</u>
Land	\$ 10,865,232	\$ 10,865,232			\$ 10,865,232	\$ 10,865,232
Construction in Progress	22,785,752	22,785,752			22,785,752	22,785,752
Building and Building Improvements	145,131,056	136,371,132			145,131,056	136,371,132
Machinery and Equipment	5,553,797	5,967,505	\$ 13,594	\$ 13,594	5,567,391	5,981,099
Right to Use	<u>1,640,594</u>	<u>2,017,772</u>			<u>1,640,594</u>	<u>2,017,772</u>
Total Capital Assets - Net of Depreciations	<u>\$ 185,976,431</u>	<u>\$ 178,007,393</u>	<u>\$ 13,594</u>	<u>\$ 13,594</u>	<u>\$ 185,990,025</u>	<u>\$ 178,020,987</u>

Refer to Notes to Financial Statements (Note 6) for more detailed information.

Overall Governmental Activities capital assets decreased by \$7,969,038 from fiscal year 2024 to fiscal year 2025. The increase in capital assets is due to the capital asset addition that were in excess of depreciation expense.

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

Debt Administration

At the end of the fiscal year 2025, the School District had noncurrent outstanding debt as follows:

Table 5 – Debt Administration

	June 30,	
	<u>2025</u>	<u>2024</u>
Compensated Absences	\$ 3,691,461	\$ 3,787,488
Capital Leases	10,795,000	12,134,048
Serial Bonds	130,894,000	74,180,640
Copy Machine Lease	529,952	690,992
Subscriptions	138,654	20,580
Totals	<u>\$ 146,049,067</u>	<u>\$ 90,813,748</u>

Refer to Notes to Financial Statements (Note 7) for more detailed information.

For the Future

In 2025 the District was awarded Schools Development Authority Section 15 Grant funds (Regular Operating Grants) for HVAC control upgrades at district schools, including North Brunswick Township High School, Linwood Campus, John Adams, Judd, Livingston Park, and Parsons. The total cost of the project is estimated to be \$8.7M with the local share of \$5.2M funded through capital reserves, and the SDA funding totaling \$3.5M. Work is in progress and is expected to be completed by the summer of 2026.

The District engaged with its architect of record to conduct a district-wide facilities study to inventory and assess all macadam, parking lots, playgrounds and playfields, building exteriors, building interiors, and the building infrastructure, including plumbing, mechanicals, electrical, and fire suppression systems. This Comprehensive Facilities Study is a written evaluation of each facility's components and a cost estimate to address deficiencies. This study will be the basis for future facilities improvement plans and budgets.

Charter school enrollment continues to be an area of concern. Charter Schools are projected to have an enrollment of nearly 500 students by FY24 by recruiting selective students to fill out their rosters. This expense has had a detrimental impact on the District's budget.

The North Brunswick Township School District has committed itself to financial excellence for many years. The district systems for financial planning, budgeting, and internal financial controls are well-tested and highly regarded. The school district is unwavering in its practice of sound fiscal management to meet the challenges of the future.

NORTH BRUNSWICK TOWNSHIP PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED – (CONTINUED)

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. Questions regarding this report or if additional information is needed, kindly contact the School Business Administrator's Office at the North Brunswick Township School District, P.O. Box 6016, North Brunswick Township, NJ 08902.

Respectfully submitted,



Dr. Brian Zychowski
Interim Superintendent of Schools



Rosa Hock
Business Administrator/Board Secretary

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
STATEMENT OF NET POSITION
JUNE 30, 2025

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 17,095,671	\$ 998,980	\$ 18,094,651
Receivables - Net	7,334,903	221,606	7,556,509
Other Receivables	249,432		249,432
Inventory		56,828	56,828
Restricted Assets:			
Cash with Fiscal Agent	62,704,259		62,704,259
Capital Assets, Net			
Nondepreciable	33,650,984		33,650,984
Depreciable	150,684,853	13,594	150,698,447
Right of Use	1,640,594		1,640,594
Total Assets	<u>\$ 273,360,696</u>	<u>\$ 1,291,008</u>	<u>\$ 274,651,704</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension	3,845,110		3,845,110
	<u>\$ 3,845,110</u>		<u>\$ 3,845,110</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 7,694,501	\$ 3,914	\$ 7,698,415
Other Current Liabilities	107,208		107,208
Intergovernmental Accounts Payable	20,463		20,463
Unearned Revenue	46,185		46,185
Accrued Interest	1,338,961		1,338,961
Net Pension Liability	20,102,576		20,102,576
Noncurrent Debt:			
Due Within One Year	5,506,449		5,506,449
Due Beyond One Year	140,542,619		140,542,619
Total Liabilities	<u>\$ 175,358,962</u>	<u>\$ 3,914</u>	<u>\$ 175,362,876</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension	<u>\$ 1,214,341</u>		<u>\$ 1,214,341</u>
<u>NET POSITION</u>			
Invested in Capital Assets	\$ 107,243,602	\$ 13,594	\$ 107,257,196
Restricted	3,830,158		3,830,158
Unrestricted (Deficit)	(10,441,257)	1,273,501	(9,167,756)
Total Net Position	<u>\$ 100,632,503</u>	<u>\$ 1,287,095</u>	<u>\$ 101,919,598</u>

See accompanying notes to financial statements.

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 56,245,827			\$ (56,245,827)		\$ (56,245,827)
Special Education	29,311,622		\$ 4,308,720	(25,002,902)		(25,002,902)
Other Special Education	7,366,049			(7,366,049)		(7,366,049)
Other Instruction	2,845,333			(2,845,333)		(2,845,333)
Support Services:						
Tuition	2,686,193			(2,686,193)		(2,686,193)
Student and Instruction Related Services	36,084,330		5,558,517	(30,525,813)		(30,525,813)
General Administrative Services	3,987,872			(3,987,872)		(3,987,872)
School Administrative Services	9,199,106			(9,199,106)		(9,199,106)
Plant Operations and Maintenance	18,022,764			(18,022,764)		(18,022,764)
Pupil Transportation	14,817,038			(14,817,038)		(14,817,038)
Charter Schools	8,314,280			(8,314,280)		(8,314,280)
Interest on Long Term Debt	2,574,356		390,402	(2,183,954)		(2,183,954)
Total Governmental Activities	\$ 191,454,770		\$ 10,257,639	\$ (181,197,131)		\$ (181,197,131)
Business-Type Activities:						
Food Service	\$ 4,357,712	\$ 908,229	\$ 3,056,217		\$ (393,266)	\$ (393,266)
School Facilities	124,347	145,155			20,808	20,808
Integrated Pre-K/Summer Enrichment	43,120	29,135			(13,985)	(13,985)
Total Business-Type Activities	\$ 4,525,179	\$ 1,082,519	\$ 3,056,217		\$ (386,443)	\$ (386,443)
Total Primary Government	\$ 195,979,949	\$ 1,082,519	\$ 13,313,856	\$ (181,197,131)	\$ (386,443)	\$ (181,583,574)
<u>General Revenues</u>						
Property Taxes Levied for:						
General Purposes				\$ 88,313,591		\$ 88,313,591
Debt Service				8,873,579		8,873,579
Federal and State Aid Not Restricted				92,944,210		92,944,210
Miscellaneous Income				3,123,929	\$ 21,444	3,145,373
Total General Revenues				\$ 193,255,309	21,444	\$ 193,276,753
Excess (Deficit) of Revenue over Expenditures				\$ 12,058,178	\$ (364,999)	\$ 11,693,179
Special and Extraordinary Items-Loss on FA				1,572,349		1,572,349
Change in Net Position				\$ 13,630,527	\$ (364,999)	\$ 13,265,528
Net Position - Beginning				87,001,976	1,652,094	88,654,070
Net Position - Ending				\$ 100,632,503	\$ 1,287,095	\$ 101,919,598

See accompanying notes to financial statements.

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 14,975,990		\$ 2,635,934	\$ 1	\$ 17,611,925
Cash with Fiscal Agents			62,704,259		62,704,259
Intergovernmental Accounts Receivable	3,051,895	\$ 818,568	3,464,440		7,334,903
Other Receivables	245,988	3,444			249,432
Interfund Receivable				186,139	186,139
Total Assets	<u>\$ 18,273,873</u>	<u>\$ 822,012</u>	<u>\$ 68,804,633</u>	<u>\$ 186,140</u>	<u>\$ 88,086,658</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash and Cash Equivalents		\$ 516,254			\$ 516,254
Accounts Payable	\$ 4,023,602	454,278	\$ 1,163,558		5,641,438
Other Current Liabilities	107,208				107,208
Intergovernmental Accounts Payable		20,463			20,463
Interfund Payable			186,139		186,139
Unearned Revenue		46,185			46,185
Total Liabilities	<u>\$ 4,130,810</u>	<u>\$ 1,037,180</u>	<u>1,349,697</u>		<u>\$ 6,517,687</u>
Fund Balances					
Reserved for:					
Maintenance Reserve	\$ 4,189,953				\$ 4,189,953
Capital Outlay			\$ 64,023,961		64,023,961
Capital Reserve	9,094,563				9,094,563
Debt Service				\$ 186,140	186,140
Student Activities		\$ 484,034			484,034
Assigned to Other Purposes	831,229		3,430,975		4,262,204
Assigned FFCRA-SEMI:					
Designated for Subsequent Years Expenditures	27,318				27,318
Special Revenue Fund (Deficit)		(699,202)			(699,202)
Total Fund Balances	<u>\$ 14,143,063</u>	<u>\$ (215,168)</u>	<u>\$ 67,454,936</u>	<u>\$ 186,140</u>	<u>\$ 81,568,971</u>
Total Liabilities and Fund Balance	<u>\$ 18,273,873</u>	<u>\$ 822,012</u>	<u>\$ 68,804,633</u>	<u>\$ 186,140</u>	<u>\$ 88,086,658</u>

See Notes to financial statements.

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT

COUNTY OF MIDDLESEX
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2025

	<u>Total Governmental Funds</u>
Total Fund Balances above	
Amounts reported for <i>governmental activities</i> in the Statement of Net Position (A-1) are different because:	\$ 81,568,971
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. The cost of capital assets is \$279,168,180 and the accumulated depreciation is \$94,832,343.	184,335,837
Lease and subscription assets used in governmental activities are not financial resources and therefore, are not reported in the funds. The cost basis of the asset is \$4,361,198 and the accumulated amortization is	1,640,595
Noncurrent liabilities, including bonds, loans, leases payable and compensated absence are not due and payable in the current period and therefore are not reported as liabilities in the funds. (see Note 8)	(146,049,068)
Certain liabilities are not due and payable in the current period, and therefore	
Accrued Interest Payable	
(Accrued interest is a current liability that will be paid from the debt service fund. Therefore, the liability reduces the restricted for debt service net asset balance.)	(1,338,961)
Accrued Pension Liability	
(Accrued pension is a current liability that will be paid from the general fund, attributed to the fiscal year ending June 30th, 2025, however will be raised in the budget for the fiscal year ending June 30th, 2026)	(2,053,063)
Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the funds. (See Note 9)	<u>(17,471,808)</u>
Net position of governmental activities (A-1)	<u>\$ 100,632,503</u>

See Notes to financial statements.

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<u>REVENUES</u>					
Local sources:					
Local tax levy	\$ 88,313,591			\$ 8,873,579	\$ 97,187,170
Transportation Fees	72,350				72,350
Interest on Investments			\$ 186,140		186,140
Interest on Capital Reserve	500				500
Interest on Maintenance Reserve	500				500
Miscellaneous	1,771,773	\$ 802,105	290,561		2,864,439
Total Local Sources	90,158,714	802,105	476,701	8,873,579	100,311,099
State Sources	87,581,703	7,519,980		390,402	95,492,085
Federal Sources	150,932	3,011,356			3,162,288
Total Revenues	\$ 177,891,349	\$ 11,333,441	\$ 476,701	\$ 9,263,981	\$ 198,965,472
<u>EXPENDITURES</u>					
Current:					
Regular Instruction	\$ 35,536,358				\$ 35,536,358
Special Education Instruction	13,777,750	\$ 4,308,720			18,086,470
Other Special Instruction	4,653,902				4,653,902
Other Instruction	1,797,694				1,797,694
Support Services and Undistributed Costs:					
Tuition	2,686,193				2,686,193
Student and Instruction Related Services	16,688,959	5,558,517			22,247,476
Other Administrative Services	2,519,555				2,519,555
School Administrative Services	6,727,450				6,727,450
Plant Operations and Maintenance	11,386,861				11,386,861
Pupil Transportation	9,361,469				9,361,469
Employee Benefits	56,620,934	1,556,654			58,177,588
Transfer to Charter Schools	8,314,280				8,314,280
Debt Service:					
Principal				\$ 7,035,000	7,035,000
Interest				2,228,983	2,228,983
Capital Outlay	5,942,505	115,341	\$ 5,505,649		11,563,495
Total Expenditures	\$ 176,013,910	\$ 11,539,232	\$ 5,505,649	\$ 9,263,983	\$ 202,322,774
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 1,877,439	\$ (205,791)	\$ (5,028,949)	\$ (2)	\$ (3,357,302)
Other Financing Sources (Uses)					
Capital Project Interest			\$ (186,140)	\$ 186,140	
Write Off of Receivable	\$ (142,961)				\$ (142,961)
Bond Proceeds			63,794,000		63,794,000
Net Change in Fund Balances	\$ 1,734,478	\$ (205,791)	\$ 58,578,912	\$ 186,138	\$ 60,293,737
Fund Balance - July 1	12,408,585	(9,377)	8,876,030	2	21,275,240
Fund Balance - June 30	\$ 14,143,063	\$ (215,168)	\$ 67,454,942	\$ 186,140	\$ 81,568,977

See Notes to financial statements.

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGE IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Exhibit B-3

Total Net Change in Fund Balance - Governmental Funds (from B-2) \$ 60,293,737

Amounts Reported for Governmental Activities in the Statement of Activities
(A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciated expense. This is the amount by which capital outlays exceeded depreciation in the period.

Capital outlay	\$ 11,563,495	
Depreciation expense	(4,307,589)	
Amortization expense	(377,177)	
Miscellaneous Adjustments	<u>(189,337)</u>	6,689,392

Governmental funds report the effect of premiums and similar items when the debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This represents the following related to the premiums on bonds.

Amortization of premium		45,640
-------------------------	--	--------

Governmental funds report the effect of defeasances and similar items when the debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This represents the following related to the deferred loss of refunding.

Amortization of deferred loss		(30,095)
-------------------------------	--	----------

Proceeds from debt issues are a financing source in the governmental funds.
They are not revenue in the statement activities; issuing debt increases
noncurrent liabilities in the statement of net position.

Proceeds from sale of school district bonds (receivable)		(63,794,000)
--	--	--------------

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

7,035,000

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

1,500,087

In the statement of activities, interest on noncurrent debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The increase in accrued interest is an deduction in the reconciliation.

(258,304)

In the statement of activities, certain operating expenses, e.g. compensated absences (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). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.

96,027

Net pension obligation related to PERS which is attributable to June 30, 2024 (*the measurement date*) not reported in governmental funds; however, it is reported in the statement of activities.

2,053,063

Change in Net Position of Governmental Activities (A-2)

\$ 13,630,547

See accompanying notes to financial statements

**PROPRIETARY FUNDS –
ENTERPRISE FUNDS**

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
PROPRIETARY FUNDS - ENTERPRISE FUND
STATEMENT OF NET POSITION
JUNE 30, 2025

	<u>Food Service</u>	<u>School Facilities</u>	<u>Integrated Pre-K/Summer Enrichment</u>	<u>Total Enterprise</u>
<u>ASSETS</u>				
Current assets:				
Cash and cash equivalents	\$ 870,410	\$ 110,918	\$ 17,652	\$ 998,980
Accounts receivable:				
State	10,884			10,884
Federal	189,936			189,936
Other		5,786	15,000	20,786
Inventories	56,828			56,828
Total current assets	\$ 1,128,059	\$ 116,704	\$ 32,652	\$ 1,277,415
Noncurrent assets:				
Furniture, machinery and equipment	\$ 627,182	\$ 211,796	\$ 139,787	\$ 978,765
Less: accumulated depreciation	627,182	198,202	139,787	965,171
Total noncurrent assets		\$ 13,594		\$ 13,594
Total assets	\$ 1,128,059	\$ 130,298	\$ 32,652	\$ 1,291,009
<u>LIABILITIES</u>				
Current Liabilities:				
Accounts Payable	\$ 3,914			\$ 3,914
Total Liabilities	\$ 3,914			\$ 3,914
<u>NET POSITION</u>				
Net investment in capital assets		\$ 13,594		\$ 13,594
Unrestricted	\$ 1,124,145	116,704	\$ 32,652	1,273,501
Total net position	\$ 1,124,145	\$ 130,298	\$ 32,652	\$ 1,287,095

See accompanying notes to financial statements

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
PROPRIETARY FUND - ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN FUND NET POSITION
JUNE 30, 2025

	Business-Type Activities Enterprise Fund			
	Food Service	School Facilities	Integrated Pre-K/Summer Enrichment/	Total Enterprise
<u>OPERATING REVENUES</u>				
Local Sources:				
Daily sales - reimbursable programs:				
School lunch program	\$ 908,229			\$ 908,229
Tuition and services		\$ 145,155	\$ 29,135	174,290
Total operating revenues	\$ 908,229	\$ 145,155	\$ 29,135	\$ 1,082,519
<u>OPERATING EXPENSES</u>				
Cost of sales - reimbursable programs	\$ 1,665,026			\$ 1,665,026
Cost of sales - non-reimbursable programs	144,002			144,002
Salaries	1,408,156	\$ 38,261	\$ 43,120	1,489,537
Employee benefits	404,568			404,568
Insurance	54,710			54,710
Repairs and maintenance	104,742			104,742
General supplies	57,531			57,531
Depreciation		21,444		21,444
Management Fee	223,141			223,141
Miscellaneous Expense	262,106			262,106
Other	33,730	64,642		98,372
Total operating expenses	\$ 4,357,712	\$ 124,347	\$ 43,120	\$ 4,525,179
Operating income/(loss)	\$ (3,449,483)	\$ 20,808	\$ (13,985)	\$ (3,442,660)
<u>NONOPERATING REVENUES</u>				
State sources:				
State school lunch program	\$ 66,578			\$ 66,578
State breakfast program	7,628			7,628
State school lunch program- NJEIE	50,895			50,895
State breakfast program- NJEIE	17,045			17,045
Federal sources:				
National school lunch program	2,021,934			2,021,934
After School Snack	15,396			15,396
National breakfast program	594,436			594,436
Commodities Donated	279,193			279,193
Refund		\$ 21,444		21,444
Miscellaneous Revenue- other federal	3,112			3,112
Interest Income				
Total nonoperating revenues	\$ 3,056,217	\$ 21,444		\$ 3,077,661
Income/(loss)	\$ (393,266)	\$ 42,252	\$ (13,985)	\$ (364,999)
Change in net position	\$ (393,266)	\$ 42,252	\$ (13,985)	\$ (364,999)
Total net position - beginning	1,517,413	88,045	46,636	1,652,094
Total net position - ending	1,124,147	130,297	32,651	1,287,095

See accompanying notes to financial statements

**BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
PROPRIETARY FUNDS - ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Business-Type Activities Enterprise Fund			
	<u>Food Service</u>	<u>School Facilities</u>	<u>Integrated Pre-K/Summer Enrichment/</u>	<u>Total Enterprise</u>
<u>Cash Flows from Operating Activities</u>				
Receipts from Customers	\$ 908,229	\$ 148,521	\$ 27,935	\$ 1,084,685
Payments to Employees	(1,408,156)	(38,261)	(43,120)	(1,489,537)
Payments for Employee Benefits	(404,568)			(404,568)
Payments to Suppliers	(2,508,261)	(64,642)		(2,572,903)
Payment for Management Fee	(223,141)			(223,141)
Net Cash Provided by/(Used for) Operating Activities	\$ (3,635,897)	\$ 45,618	\$ (15,185)	\$ (3,605,464)
<u>Cash Flows from Noncapital Financing Activities</u>				
State Sources	\$ 140,647			\$ 140,647
Federal Sources	2,927,949			2,927,949
Other Revenue	3,112			3,112
Net Cash Provided by/(Used for) Noncapital Financing Activities	\$ 3,071,708			\$ 3,071,708
Net Increase/(decrease) in Cash and Cash Equivalents	\$ (564,189)	\$ 45,618	\$ (15,185)	\$ (533,756)
Balances - Beginning of Year	1,434,599	65,301	32,836	1,532,736
Balances - End of Year	\$ 870,410	\$ 110,919	\$ 17,651	\$ 998,980
<u>Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities</u>				
Operating Gain/(Loss)	\$ (3,452,813)	\$ 20,808	\$ (13,985)	\$ (3,445,990)
Adjustments to Reconcile Operating Loss to Cash Provided/(Used) by Operating Activities:				
Depreciation		\$ 21,444		\$ 21,444
Change in Assets and Liabilities:				
(Increase)/Decrease in Accounts Receivable		3,366	\$ (1,200)	2,166
(Increase)/Decrease in Inventories	\$ 13,822			13,822
Increase/(Decrease) in Accounts Payable	(196,906)			(196,906)
Total Adjustments	\$ (183,084)	\$ 24,810	\$ (1,200)	\$ (159,474)
Net Cash Provided by/(Used for) by Operating Activities	\$ (3,635,897)	\$ 45,618	\$ (15,185)	\$ (3,605,464)

See accompanying notes to financial statements

NOTES TO THE FINANCIAL STATEMENTS

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The North Brunswick Township School District (the "District") is a Type II district located in the County of Middlesex, State of New Jersey. As a Type II district, the District functions independently through a Board of Education (the "Board"). The Board is comprised of nine (9) members elected to three (3) year terms. The purpose of the District is to educate students in grades pre-K-12. The District had an approximate enrollment at June 30, 2025 of 5,703 students.

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

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the 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 most significant of the District's accounting policies are described below.

A. Basis of Presentation

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

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Basis of Presentation (Continued)

1. Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government.

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

2. Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance.

Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Fund Accounting

The District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

1. Governmental Funds

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

General Fund – The General Fund is the general operating fund of the District. It 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 noninstructional equipment that are classified in the Capital Outlay subfund. The General Fund also includes the payroll agency, payroll net and the flexible spending accounts.

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund – The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes. The Special Revenue Fund also includes the scholarship and student activity accounts.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Fund Accounting (Continued)

1. Governmental Funds (Continued)

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

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

2. Proprietary Fund Type

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

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

The District's Enterprise Fund is comprised of the following:

Food Service: This fund provides for the cafeteria operation in all schools within the school district.

Integrated Pre-K/Summer Enrichment: This fund provides for the attendance of regular education students within the preschool program and for the Summer Enrichment program.

School Facilities: This fund provides for usage of school facilities within the school district.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Fund Accounting (Continued)

2. Proprietary Fund Type (Continued)

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

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives of the equipment used in the operations of the Enterprise Funds are approximately 10 years.

C. Measurement Focus

1. Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the Statement on Net Position.

2. Fund Financial Statements

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

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. Fund equity (i.e., net position) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general noncurrent debt which are recorded when due.

Ad Valorem (Property) Taxes are susceptible to accrual and 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 accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

E. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the winter of each year for the general, special revenue, and debt service funds. The budgets are approved and voted on by the Board of Education of the District, submitted to the County office for approval and if determined to be within the allowable tax levy cap and within the allowable appropriation cap, become effective upon the holding of a public hearing and final adoption by the District. In accordance with P.L. 2011, c.202, which became effective 17, 2012, the district elected to move the annual School Board election to the date of the November general election thereby eliminating the vote on the annual base budget. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year subject to the limitation of N.J.A.C 6A:23A-2.3 (et seq.). All budget amendments must be approved by School Board resolution and certain others require approved 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.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgets/Budgetary Control (Continued)

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 of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

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. The amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

Refer to Exhibit C-3 for a reconciliation of the general fund revenue and special revenue fund revenue from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Special Revenue and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types.

F. Encumbrances

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

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

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

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity

1. Cash, Cash Equivalents and Investments

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

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. 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.

2. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, are recorded in the enterprise funds. All expenses in the other funds are recorded as expenditures during the year of purchase.

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2025.

3. Allowance for Uncollectible Accounts

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

4. Tuition Receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

5. Tuition Payable

Tuition charges for the fiscal years 2023-2024 and 2024-2025 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

6. 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.

7. Capital Assets

General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$2,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except for land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method under the half year convention over the following useful lives:

<u>Asset Class</u>	<u>Estimated Lives</u>
School Buildings	50 years
Building Improvements	20 years
Electrical/Plumbing	30 years
Vehicles	6-8 years
Office and Computer Equipment	5-20 years
Instructional Equipment	5-10 years
Grounds Equipment	5-15 years
Food Service Equipment	7-20 years

8. Lease Assets

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

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

9. Subscription Assets

Intangible right-to-use subscription assets are subscription-based information technology arrangements (SBITAs) with subscription terms of more than one year. The value of subscription assets is determined by the sum of the subscription liability and payments made to the SBITA vendor, including capitalizable initial implementation costs, before the commencement date of the subscription terms.

10. Deferred Outflows/Inflows of Resources

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

11. Compensated Absences

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

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

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

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

12. Accrued Liabilities and Noncurrent Obligations

All payables, accrued liabilities and noncurrent obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the governmental funds. However, the noncurrent portion of capital leases, compensated absences and bonds payable that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable, available financial resources. 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.

13. Deferred Loss on Refunding of Debt

Deferred loss on refunding arising from the issuance of the refunding bonds is recorded as a deferred outflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense.

14. Net Position

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

15. Unearned (Deferred) Revenue

Unearned revenue in all funds represents program revenues that have been received but not yet earned. In the case of Food Service Fund, it is unused food distribution and student deposits for purchasing food in a future period.

16. Fund Equity

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

17. Fund Balance

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* ("GASB No. 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 No. 54, fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five (5) categories, as defined below:

- a. 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, noncurrent receivables and corpus of any permanent funds.
- b. Restricted – includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers or through enabling legislation.
- c. 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 revised or changes the specified use by taking the same action (resolution) taken to originally commit these funds.

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.

- d. 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 position 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.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

18. Lease Payable

In the district-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

19. Subscriptions Payable

In the district-wide financial statements, subscriptions payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of subscription payments at the District's incremental borrowing rate over the subscription term is reported as other financing sources.

20. Proprietary Funds Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School District enterprise fund, (the Food Service) are charges to customers for sales of food service. Operating expenses for enterprise funds include the cost of sales and services, administrative expense and depreciation on Capital Assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

21. Rebatable Arbitrage

Rebatable arbitrage results from investing the proceeds of borrowed funds either directly or indirectly into investments that are higher in yield than the bond yield incurred on the borrowed funds. In accordance with GASB No. 34, rebatable arbitrage is treated like a claim or judgment. All interest income is reported as revenue of the capital projects fund. The liability, if any, is recorded as an accrued arbitrage rebate.

22. Non-Monetary Transactions

Commodities received under the Federal Food Distribution Program are received by the district and are recorded as nonoperating revenue when received in the food service enterprise fund at market value. The use of the commodities is included in cost of sales.

23. Allocation of Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified and allocated by function and is included in the direct expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is reported separately on the Statement of Activities. No expenses were allocated as "Indirect Expenses".

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

24. Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence.

25. 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 revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

H. Other Accounting Standards

The District is currently reviewing the following for applicability and potential impact on the financial statements:

- *GASB Statement 101. Compensated Absences.* The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after December 15, 2023 and all reporting periods thereafter. Earlier application is encouraged.

- *GASB Statement No. 102. Certain Risk Disclosures.* State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Other Accounting Standards (Continued)

- *GASB Statement No. 103. Financial Reporting Model Improvements.* The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues – Management's Discussion and Analysis, Unusual or Infrequent Items, Presentation of the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Position, Major Component Unit Information, and Budgetary Comparison Information.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

- *GASB Statement No. 104. Disclosure of Certain Capital Assets.* The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class.

This Statement also requires additional disclosures for capital assets held for sale. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

I. Subsequent Events

Management has reviewed and evaluated all events and transactions from June 30, 2025 through December 2, 2025, the date that the financial statements are issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and Cash Equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less. Cash equivalents are defined as short-term, highly liquid securities that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only securities with original maturities of three (3) months or less meet this definition.

Investments are stated at cost, which approximates market. The District classifies certificates of deposit that have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments. The District is in compliance with GASB Statement No. 3 as amended by GASB Statement No. 40.

A. 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, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

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

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

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

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

As of June 30, 2025, cash and cash equivalents (Deposits) of the District consisted of the following:

	<u>Cash and Cash Equivalents</u>
Checking Accounts - Interest Bearing	\$ <u>22,037,740</u>
Reconciliation:	
Governmental Funds	\$ 21,037,760
Proprietary Funds	<u>999,980</u>
	22,037,740
Capital Project	
NJARM - Bond Proceeds 2025	<u>63,624,777</u>
	\$ <u>85,662,517</u>

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

Allocation of Cash and Cash Equivalents

Unrestricted	\$ 18,207,582
Restricted	3,830,158
	\$ 22,037,740

Custodial Credit Risk – The NJARM accounts are collateralized by U.S. government securities (both U.S. Treasury and Federal Agency) and other permitted money market instruments and not exposed to custodial credit risk. The checking accounts were on deposit in a bank which had the Government Unit Deposit Protection Act coverage (“GUDPA”) as of June 30, 2024 which minimizes credit risk.

B. Investments

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

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- Government money market mutual funds.
- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase and has a fixed rate of interest not dependent on any index or external factors.
- Bonds or other obligations of the school district or local unit of which the school district is a part.
- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments, New Jersey State Department of Treasury.
- Local government investment pools.
- New Jersey State Cash Management Fund.
- Repurchase agreements of fully collateralized securities, subject to special conditions.

Custodial Credit Risk – The District had no securities as of June 30, 2025 that would be considered investments as defined by GASB Statement No. 3 as amended by GASB Statement No. 40.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

4. INTERGOVERNMENTAL ACCOUNTS RECEIVABLE

Intergovernmental Accounts Receivable at June 30, 2025 consisted of Federal source, State source, transportation, a local project and other revenue. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	<u>Governmental Fund</u> <u>Financial Statements</u>	<u>Business Type</u> <u>Activities</u>
General Fund		
State Aid:		
Extraordinary Aid	\$ 2,697,764	
Non-Public Transportation	138,699	
TPAF FICA Reimbursement	<u>215,432</u>	
	<u>\$ 3,051,895</u>	
Other Miscellaneous:		
Tuition:		
State	\$ 197,488	
Elizabeth BOE	8,500	
AETNA - Rebate	<u>40,000</u>	
	<u>\$ 245,988</u>	

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

4. INTERGOVERNMENTAL ACCOUNTS RECEIVABLE (CONTINUED)

	<u>Governmental Fund</u> <u>Financial Statements</u>	<u>Business Type</u> <u>Activities</u>
Special Revenue Fund		
Federal Aid:		
Title I A	\$ 322,124	
Title I D	101,611	
Title ISIA	9,266	
Title II	49,768	
Title III	5,146	
Title IV	6,537	
IDEA Part B Basic Regular	250,496	
IDEA Preschool	4,038	
Perkins	5,192	
	<u>\$ 754,178</u>	
State Grant:		
High Impact	\$ 61,955	
Menstrual	2,434	
	<u>\$ 818,567</u>	
Other: ESCNJ	<u>\$ 3,444</u>	
Capital Projects Fund:		
NJ ROD Grant	<u>\$ 3,464,440</u>	
Proprietary Fund		
Enterprise Fund:		
State Source		<u>\$ 10,864</u>
Federal Source		<u>\$ 189,936</u>

5. INVENTORY

The value of federal donated commodities as reflected on Schedule A of \$279,193 (required by the Single Audit Act) is the difference between market value and cost of the commodities at the date of the purchase and has been included as an item of nonoperating revenue in the financial statements. As of June 30, 2025, the federal donated commodities food inventory of \$3,328 was included in the year end food and supplies amount of \$55,949.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

6. CAPITAL ASSETS, NET

Capital asset activity for the fiscal year ended June 30, 2025 was as follows:

	Beginning Balance	Additions	Transfers (Retirements)	Ending Balance
<u>Governmental Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 10,865,232			\$ 10,865,232
Construction in Progress	22,785,752		-	22,785,752
Total capital assets not being depreciated	<u>33,650,984</u>	<u>-</u>	<u>-</u>	<u>33,650,984</u>
Capital assets being depreciated:				
Building and Building Improvements	218,673,323	\$ 13,508,487		232,181,810
Machinery and Equipment	13,077,442	629,885	\$ (371,941)	13,335,386
Total at historical cost	<u>231,750,765</u>	<u>14,138,372</u>	<u>(371,941)</u>	<u>245,517,196</u>
Less accumulated depreciation for:				
Building and Building Improvements	(82,302,191)	(3,306,051)	(1,442,512)	(87,050,754)
Machinery and Equipment	(7,109,937)	(1,001,538)	329,886	(7,781,589)
Total accumulated depreciation	<u>(89,412,128)</u>	<u>(4,307,589)</u>	<u>(1,112,626)</u>	<u>(94,832,343)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>142,338,637</u>	<u>9,830,783</u>	<u>(1,484,567)</u>	<u>150,684,853</u>
Capital Assets being Amortized:				
Lease equipment - copy machine	844,805			844,805
Lease equipment - other	3,500,000			3,500,000
Subscriptions	16,393	655,514	(16,393)	655,515
Total Capital Assets being amortized	<u>4,361,198</u>	<u>655,514</u>	<u>(16,393)</u>	<u>5,000,320</u>
Less accumulated amortization:				
Leased Equipment - Copy Machine	(153,813)	(161,039)		(314,852)
Leased Equipment- Other	(2,175,953)	(714,016)		(2,889,969)
Subscriptions	(13,660)	(157,636)	16,393	(154,904)
Total capital assets being amortized, net	<u>2,017,772</u>	<u>(377,177)</u>	<u>-</u>	<u>1,640,594</u>
Governmental activities capital assets, net	<u>\$ 178,007,393</u>	<u>\$ 9,453,606</u>	<u>\$ (1,484,567)</u>	<u>\$ 185,976,431</u>
<u>Business-Type Activities:</u>				
Furniture, machinery and equipment	\$ 978,765			\$ 978,765
Less accumulated depreciation for:				
Furniture, machinery and equipment	(965,171)	\$ (21,444)	21,444	(965,171)
Business type activities capital assets, net	<u>\$ 13,594</u>	<u>\$ (21,444)</u>	<u>\$ 21,444</u>	<u>\$ 13,594</u>

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

6. CAPITAL ASSETS, NET (CONTINUED)

Note: The July 1, 2023 beginning balance includes right-to-use assets due to the implementation of GASB Statement No. 87, *Leases*. The accounting standard states that it should be applied retroactively by restating beginning net position. However, due to the insignificant impact of this implementation to the District's capital assets – as well as the financial statements – as a whole, management deemed that a restatement of beginning net position related to GASB 87 was not considered necessary.

Depreciation expense was charged to functions as follows:

Regular Instruction	\$ 1,362,890
Special Education Instruction	693,652
Other Special Instruction	178,486
Other Instruction	68,945
Support Services and Undistributed Cost:	
Student and Instruction Related Services	853,235
School Administrative Services	96,630
General and Business Administrative Services	258,011
Plant Operations and Maintenance	436,709
Pupil Transportation	<u>359,031</u>
 Total	 <u><u>\$ 4,307,589</u></u>

7. UNEARNED REVENUE

Cash receipts that are earmarked for use in subsequent year as of June 30, 2025 is as follows:

Special Revenue Fund:	
Federal *	\$ 40,837
State	None
Local	<u>5,348</u>
	<u><u>\$ 46,185</u></u>

*Encumbered (budgetary basis of accounting), however under GAAP are "*Unearned Revenues*".

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

8. NONCURRENT (LONG-TERM) DEBT

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

	Beginning Balance	Additions	Retirements	Ending Balance	Amounts Due within One Year	Noncurrent Portion
<u>Governmental Activities:</u>						
Bonds Payable -						
General Obligation Debt	\$ 74,135,000	63,794,000	\$ 7,035,000	\$ 130,894,000	\$ 4,060,000	\$ 126,834,000
Add: Unamortized						
Premium on Bonds	45,640		45,640			
	74,180,640	63,794,000	7,080,640	130,894,000	4,060,000	126,834,000
Lease:						
ESIP Finance	10,810,000		625,000	10,185,000	610,000	9,575,000
Other - Equipment etc.	1,324,048		714,048	610,000	406,231	203,769
Copy Machine	690,992		161,039	529,953	168,605	361,348
Subscriptions		138,654		138,654	77,040	61,614
	12,825,040	138,654	1,500,087	11,463,607	1,261,876	10,201,731
Compensated						
Absences Payable	3,787,488		96,027	3,691,461	184,573	3,506,888
	<u>\$ 90,793,168</u>	<u>63,932,654</u>	<u>\$ 8,676,754</u>	<u>\$ 146,049,068</u>	<u>\$ 5,506,449</u>	<u>\$ 140,542,619</u>

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

8. NONCURRENT (LONG-TERM) DEBT (CONTINUED)

A. Bonds Payable

Bonds payable current outstanding is summarized as follows:

School District Refunding Bonds, Series 2014 (Portion of 2006 Bonds)

The District issued \$4,260,000 of bonds dated October 2, 2014 at a premium of \$502,039 in order to provide sufficient funds to refund \$4,431,000 of the remaining portion of 2006 Series Bonds issued in the original principal amount of \$7,391,000 dated 15, 2006 maturing on or after March 15, 2017. Final annual maturity of \$480,000 at an interest rate of 4.00% on March 15, 2026.

\$ 480,000

Optional Redemption: The bonds maturing prior to March 15, 2025 are not subject to redemption prior to their stated maturities. The bonds maturing on or after March 15, 2025 are redeemable at the option of the Board in whole or in part on any date on or after September 15, 2024 at 100% of the principal amount plus interest accrued to the date of redemption upon notice as required herein. To date there has been no redemption call.

School District Bonds, Series 2017

The District issued bonds dated September 20, 2017 in the amount of \$35,000,000. The purpose of the bonds is to (i) provide \$15,000,000 to currently refund the Board's \$15,000,000 temporary notes dated January 18, 2017 and maturing October 18, 2017, originally issued to finance the acquisition of land for the construction of a new middle school; and (ii) permanently finance the acquisition of land, the associated design fees and the partial construction of a new middle school, including fixtures, furnishings and equipment; and (iii) to permanently finance design, partial construction costs including fixtures, furnishings and equipment associated with the renovation to the Lindwood Middle School. The bonds are payable commencing September 15, 2018 through September 15, 2042 with remaining annual maturities ranging from \$1,600,000 to \$1,650,000 at interest rates ranging from 2.75% to 3.0%.

\$ 29,225,000

Redemption: The bonds maturing prior to September 15, 2028 are not subject to redemption prior to maturity. The bonds maturing on or after September 15, 2028 shall be subject to redemption at the option of the Board, in whole or in part, on any date on or after September 15, 2027 at a price of 100% of the bonds to be redeemed, plus unpaid accrued interest to the date fixed for redemption.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

8. NONCURRENT (LONG-TERM) DEBT (CONTINUED)

A. Bonds Payable (Continued)

Bonds payable current outstanding is summarized as follows: (Continued)

School District Bonds, Series 2019

The District issued bonds dated February 7, 2019 in the amount of \$42,348,000. The purpose of the bonds is to permanently finance the acquisition of land, the associated design fees and the partial construction of a new middle school, including fixtures, furnishings and equipment and to permanently finance design, partial construction costs including fixtures, furnishings and equipment associated with the renovation to the Linwood Middle School. The bonds are payable commencing August 15, 2020 through August 15, 2043, with remaining annual maturities ranging from \$990,000 to \$1,900,000 at interest rates ranging from 3.125% to 3.625%.

\$ 37,395,000

Redemption: The bonds maturing prior to August 15, 2029 are not subject to redemption prior to their stated maturities. The bonds maturing on or after August 15, 2029 are redeemable at the option of the Board in whole or in part on any date on or after August 15, 2028 upon notice as required herein at par, plus in each case unpaid accrued interest to the date fixed for redemption.

School District Bonds, Series 2025

The District issued bonds dated May 15, 2025, in the amount of \$63,794,00. The bonds are being issued to permanently finance renovations, alterations and improvements at John Adams Elementary School, Arthur M. Judd Elementary School, Livingston Park Elementary School, Parsons Elementary School, Linwood School and North Brunswick Township High School, including acquisition and installation of equipment and furnishings, site work and related work and costs. The bonds are payable commencing May 15, 2027 through May 15, 2044 with annual maturities ranging from \$2,335,000 to \$4,600,000 at interest rates ranging from 3.0% to 4.0%.

\$ 63,794,000

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

8. NONCURRENT (LONG-TERM) DEBT (CONTINUED)

A. Bonds Payable (Continued)

Bonds payable current outstanding is summarized as follows: (Continued)

School District Bonds, Series 2025 (Continued)

Redemption: The bonds maturing prior to May 15, 2034 are not subject to redemption prior to maturity. The bonds maturing on or after May 15, 2034 shall be subject to redemption at the option of the Board, in whole or in part, on any date on or after May 15, 2033, at a price of 100% of the bonds to be redeemed, plus unpaid accrued interest to the date fixed for redemption.

TOTAL:

\$ 130,894,000

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

8. NONCURRENT (LONG-TERM) DEBT (CONTINUED)

A. Bonds Payable (Continued)

Debt service requirements on serial bonds payable are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	\$ 4,060,000	\$ 4,600,533	\$ 8,660,533
2027	6,984,000	4,471,457	11,455,457
2028	5,915,000	4,259,463	10,174,463
2029	6,015,000	4,056,187	10,071,187
2030	6,115,000	3,848,913	9,963,913
	<u>29,089,000</u>	<u>21,236,553</u>	<u>50,325,553</u>
2031	6,215,000	3,636,400	9,851,400
2032	6,325,000	3,418,650	9,743,650
2033	6,435,000	3,196,500	9,631,500
2034	6,555,000	2,969,950	9,524,950
2035	6,700,000	2,738,225	9,438,225
	<u>32,230,000</u>	<u>15,959,725</u>	<u>48,189,725</u>
2036	6,850,000	2,500,950	9,350,950
2037	6,985,000	2,257,063	9,242,063
2038	7,120,000	2,006,537	9,126,537
2039	7,260,000	1,749,375	9,009,375
2040	7,410,000	1,485,375	8,895,375
	<u>35,625,000</u>	<u>9,999,300</u>	<u>45,624,300</u>
2041	7,555,000	1,215,375	8,770,375
2042	7,655,000	940,712	8,595,712
2043	7,810,000	659,663	8,469,663
2044	6,330,000	395,637	6,725,637
2045	4,600,000	184,000	4,784,000
	<u>33,950,000</u>	<u>3,395,387</u>	<u>37,345,387</u>
Total	<u>\$ 130,894,000</u>	<u>\$ 50,590,965</u>	<u>\$ 181,484,965</u>

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

8. NONCURRENT (LONG-TERM) DEBT (CONTINUED)

A. Bonds Payable (Continued)

Bonds Pledge

The Bonds are general obligations of the Board and are secured by a pledge of the full faith and credit of the Board for the payment of the principal thereof and the interest thereon and, unless paid from other sources, the Bonds are payable from ad valorem taxes to be levied on all taxable real property in the school district, without limitation as to rate or amount. The Bonds are additionally secured by the provisions of the New Jersey School Bond Reserve Act.

Continuing Secondary Market Disclosure

The District in conjunction with the issuance of the Bonds has agreed to undertake and provide certain information to Bondholders on a continuing basis. The Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(5) "Continuing Disclosure" requirements, which the District has adopted, requires that various financial information about the District and the Municipality be provided annually to various information repositories. The requirement is effective for the fiscal year ended June 30, 2024. Bonds are authorized in accordance with State law by the voters of the Municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds.

Bonds Authorized but Not Issued

As of June 30, 2025 the District had unissued debt authorization of \$1,200,000 from the November 1994 Referendum.

Defeasance

As a result of the accounting requirement under GASB No. 23/65, Accounting and Financial Reporting for Refunding of Debt Reported by Proprietary Activities, the recording of the transaction related to the new vs. old debt and related costs resulted in accounting losses which in conjunction with the premium will be amortized over the remaining life of the respective bond issues using the "straight-line". The Unamortized Loss on Defeasance is as follows:

<u>Refunding Bonds</u>	<u>Amount</u>	<u>Beginning Balance</u>	<u>Amortization</u>
2014 Series	\$ 331,039	\$ <u>30,095</u>	\$ <u>30,095</u>

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

8. NONCURRENT (LONG-TERM) DEBT (CONTINUED)

B. Capital Lease Financing

The District entered into a capital lease for an Energy Saving Improvement Plan (ESIP) to the District's buildings. The incentive is anticipated to generate sufficient savings to offset a portion of the cost. The payments are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 610,000	\$ 303,921	\$ 913,921
2027	645,000	285,718	930,718
2028	680,000	266,471	946,471
2029	715,000	246,180	961,180
2030	755,000	224,844	979,844
	<u>3,405,000</u>	<u>1,327,134</u>	<u>4,732,134</u>
2031	795,000	202,315	997,315
2032	835,000	178,593	1,013,593
2033	880,000	153,676	1,033,676
2034	925,000	127,417	1,052,417
2035	970,000	99,815	1,069,815
	<u>4,405,000</u>	<u>761,816</u>	<u>5,166,816</u>
2036	750,000	70,870	820,870
2037	790,000	48,490	838,490
2038	835,000	24,916	859,916
	<u>2,375,000</u>	<u>144,276</u>	<u>2,519,276</u>
	<u>\$ 10,185,000</u>	<u>\$ 2,233,226</u>	<u>\$ 12,418,226</u>

Contract Rate – the contract rate is 2.984% per annum.

Purchase Option Commencement Date – for purposes of Section 10.01 of the Agreement, the Purchase Option Commencement Date is July 14, 2020.

C. Leases

In June 2017, the GASB issued GASB No. 87, Leases. This GASB increases the transparency and comparability of organizations by requiring the capitalization of substantially all leases on the statement of net position and disclosures of key information about leasing arrangements. Under this new guidance, at the lease commencement date, a lessee recognizes a right-of-use asset and lease obligation, which is initially measured at the present value of the future lease payments. For statement of activities purposes, a dual model was retained for lessees, requiring leases to be classified as either operating or finance leases. Under the operating lease model, lease expense is recognized on a straight-line basis over the lease term. Under the finance lease model, interest on the lease liability is recognized separately from amortization of the right-of-use assets.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

8. NONCURRENT (LONG-TERM) DEBT (CONTINUED)

C. Leases (Continued)

The District adopted this new accounting standard on July 1, 2021 on a modified retrospective basis and applied the new standard to all leases through a cumulative-effect adjustment to beginning net position. As a result, comparative financial information has not been restated and continues to be reported under the accounting standards in effect for those periods. The District elected a package of practical expedients permitted under the transition guidance, which among other things, allows the carryforward of historical lease classification.

Right-of-use assets represent the District's right to use an underlying asset for the lease term and lease liabilities represent the District's obligation to make lease payments arising from the lease during the lease term. Right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of the remaining future minimum lease payments during the lease term. The operating lease right-of-use assets also include lease payments made before commencement, lease incentives and are recorded net of impairment. Operating leases are expended on a straight line basis over the lease term. Finance leases are recognized as a noncurrent asset and as a finance lease liability within accrued expenses and other liabilities and other noncurrent liabilities.

Copy Machine Leases

The District entered into lease agreements for twenty-eight (28) school copy machines resulting in recognition of the cost basis of the assets of \$844,805 and the lease principal balance due of \$499,952. The future minimum lease obligations and the net present value of the future payments, with an imputed or stated interest rate of 3.86% at June 30, 2025 are as follows:

Total minimum lease payments remaining	\$ 568,374
Less: Amount representing interest	<u>38,422</u>
Present value of minimum lease payments	<u><u>\$ 529,952</u></u>

Five Years and Thereafter Payments

Principal and interest due on copy machine lease obligations outstanding at June 30, 2025 are as follows:

Year Ending June 30	Copy Machine Leases		Total
	Principal	Interest	
2026	\$ 168,605	\$ 20,853	\$ 189,458
2027	176,527	12,931	189,458
2028	<u>184,820</u>	<u>4,638</u>	<u>189,458</u>
	<u><u>\$ 529,952</u></u>	<u><u>\$ 38,422</u></u>	<u><u>\$ 568,374</u></u>

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

8. NONCURRENT (LONG-TERM) DEBT (CONTINUED)

C. Leases (Continued)

Various Equipment Lease

The District entered into lease purchase agreements for various equipment, computers and textbooks. The future minimum lease obligations for the machine and the net present value of the future payments, with an imputed or stated interest rate approximately from .9875% to 1.106% at June 30, 2025 are as follows:

Total minimum lease payments remaining	\$ 618,310
Less: Amount representing interest	<u>8,279</u>
Present value of minimum lease payments	<u><u>\$ 610,031</u></u>

Five Years and Thereafter Payments

Principal and interest due on equipment lease obligations outstanding at June 30, 2025 are as follows:

<u>Year Ending June 30</u>	<u>Equipment Leases</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2026	\$ 406,231	\$ 6,266	\$ 412,497
2027	<u>203,800</u>	<u>2,013</u>	<u>205,813</u>
	<u><u>\$ 610,031</u></u>	<u><u>\$ 8,279</u></u>	<u><u>\$ 618,310</u></u>

D. Subscriptions

The implementation of GASB No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, results in the recognition of a right-of-use assets and a subscription liability. Amortization of the subscriptions are included in the capital assets.

The District has four (4) subscription agreements, as of June 30, 2025, that require disclosure in the financial statements, as follows

<u>Year End June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 77,040	\$ 7,468	\$ 84,508
2027	<u>61,614</u>	<u>3,242</u>	<u>64,857</u>
	<u><u>\$ 138,654</u></u>	<u><u>\$ 10,711</u></u>	<u><u>\$ 149,365</u></u>

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

9. PENSION PLANS

Description of Plans: All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund that have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division of Pension issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund.

Teachers' Pension and Annuity Fund (TPAF)

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contribution, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

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

The following represents the membership tiers for TPAF:

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

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

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

9. PENSION PLANS (CONTINUED)

Description of Plans (Continued)

Public Employees' Retirement System (PERS)

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

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

The following represents the membership tiers for PERS:

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

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

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

9. PENSION PLANS (CONTINUED)

Description of Plans (Continued)

Public Employees' Retirement System (PERS) (Continued)

Funding Policy: The contribution policy is set by New Jersey Statutes and contributions are required by active members and contributing members. Plan member and employer contributions may be amended by State of New Jersey legislation. Under the provisions of Chapter 78, P.L. 2011, employee contribution rates for TPAF and PERS of employees' annual compensation is 7.5% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate in both the TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, 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 for TPAF, which is a cost sharing plan with special funding situations, the annual pension costs equals annual required contribution. For PERS, which is a cost sharing multi-employer pension plan, the annual pension costs differs from the annual required contribution due to the enactment of Chapter 114, P.L. 1997.

Three-Year Trend Information for PERS

Year Funding June 30.	Net Cost to District	Percentage of APC Contributed	Employee Contribution
2025	\$ 2,013,113	100%	\$ 958,250
2024	1,954,097	100%	904,137
2023	1,726,709	100%	851,597

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

Year Funding June 30	Cost (APC)	APC Contributed	Total On-Behalf of	Employee Contribution	TPAF FICA
2025	\$ None	100%	\$ 19,402,116	\$ 4,441,090	\$ 4,365,283
2024	None	100%	19,664,978	5,352,088	4,215,883
2023	None	100%	18,106,652	4,125,133	4,045,802

During the fiscal year ended June 30, 2025, the State of New Jersey contributed \$19,664,978 to the TPAF for normal pension. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$4,365,283 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. This amount has been included in the basic financial statements, and the individual fund statements and schedules as a revenue and expenditure in accordance with GASB 24.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

9. PENSION PLANS (CONTINUED)

Public Employees Retirement System (PERS)

The information for PERS was abstracted from State of New Jersey Public Employees' Retirement System Schedules of Employer Allocations and Schedules of Pension Amounts by Employer as of June 30, 2024 and June 30, 2023 Independent Auditor's Reports dated June 11, 2025 and May 24, 2024, respectively.

The District reported a liability of \$20,102,576 and \$21,177,175 for its proportionate share of the net pension liability as of June 30, 2025 and June 30, 2023, respectively. The net pension liability was measured as of June 30, 2024 and June 30, 2023 (*measurement dates*), and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023 and July 1, 2022, whichever were rolled forward to the respective measurement dates. 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.

	<u>June 30, [Measurement Date]</u>	
	<u>2024</u>	<u>2023</u>
Collective Net Pension Liability	13,702,423,985	14,606,489,066
District Proportionate Share	0.1479430965	0.1462070442
Difference - Increase	0.0017360523	

The contribution policy for PERS is set by N.J.S.A. 43.15A and requires contributions by active members and contributing employers. Employee contributions for 2025 were seven and 50/100th percent (7.5%) for PERS. Employer's contributions are actuarially determined annually by the Division of Pensions.

For the year ended June 30, 2025, the District recognized pension expense of \$895,214. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions	\$ 24,974	\$ 228,721
Difference between expected and actual experience	402,692	53,519
Net difference between projected and actual earnings on pension plan investments	1,364,381	932,101
Changes in proportion District contributions subsequent to the measurement date	<u>2,053,063</u>	
Total	<u>\$ 3,845,110</u>	<u>\$ 1,214,341</u>

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

9. PENSION PLANS (CONTINUED)

Public Employees Retirement System (PERS) (Continued)

The \$2,053,063 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2025, the plan measurement date is June 30, 2024) will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(benefit) as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Amount</u>
2025	\$ (846,382)
2026	654,905
2027	(378,781)
2028	(217,513)
2029	5,661

Collective balances of local group are as follows:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Collective deferred outflows of resources	\$ 1,079,580,780	\$ 1,080,204,730
Collective deferred inflows of resources	1,611,322,898	1,780,216,457
Collective net pension liability	13,702,423,985	14,606,489,066
Collective pension expenses	372,160,096	(79,181,803)
District's proportion (of Local Group)	0.1479430965 %	0.1462070442 %

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 rolled forward to June 30, 2024. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75-6.55% (based on year of service)
Investment Rate of Return	7.00%

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

9. PENSION PLANS (CONTINUED)

Public Employees Retirement System (PERS) (Continued)

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 from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for one period July 1, 2018 to June 30, 2021.

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 expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024 (*measurement date*) are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
U.S. Equity	28.00 %	8.63 %
Non-U.S. Developed Market Equity	12.75	8.85
International Small Cap Equity	1.25	8.85
Emerging Market 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>	

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

9. PENSION PLANS (CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022 (*measurement date*). The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the state employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of The Collective Net Pension Liability to Changes in the Discount Rate.

The following presents the collective net pension liability of the participating employers as of June 30, 2024 (*Measurement date*), calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1- percentage-point higher than the current rate:

	1% Decrease <u>6.00%</u>	Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$ 26,711,381	\$ 20,102,576	\$ 14,478,519

Special Funding Situation – PERS

A special funding situation exists for certain Local employers of the Public Employees' Retirement System. The State, as a nonemployer, is required to pay the additional costs incurred by local employers under Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The Chapter 366, P.L. 2001 legislation established the Prosecutors Part of the PERS which provides enhanced retirement benefits for prosecutors enrolled in the PERS. The State is liable for the increased pension costs to a county that resulted from the enrollment of prosecutors in the Prosecutors Part. The June 30, 2023 State special funding situation net pension liability amount of \$114.4 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 is no net pension liability associated with this special funding situation as there was no accumulated difference between the annual additional 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.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

9. PENSION PLANS (CONTINUED)

Special Funding Situation – PERS (Continued)

The District has the following attributed to it related to the Special Funding Situation:

<u>June 30,</u>	District's Proportionate Share	Employer's Pension Expense and Related Revenues	
		Ch.133 P.L. 2001 <u>State Total</u>	District's <u>Share</u>
2025	0.1486266038 %	\$ 43,606,492	\$ 64,811
2024	0.1467621488	45,000,471	66,044
2023	0.1374735494	31,626,530	43,478

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 (PERS) or by visiting their website at www.state.nj.us/treasury/pensions/pers1.

Teachers Pensions and Annuity Fund (TPAF)

Data for the TPAF was abstracted from the State of New Jersey Teachers' Pension and Annuity Fund Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer and Nonemployer as of June 30, 2024 and June 30, 2023 Independent Auditor's Reports dated June 11, 2025 and May 24, 2024, respectively.

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 nonemployer 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 nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2025 (*measurement date* of June 30, 2024) was as follows:

Net Pension Liability:	
District's proportionate share	None
State's proportionate share associated with the District	\$ 225,512,526
	<u>\$ 225,512,526</u>

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

9. PENSION PLANS (CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

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. The net pension liability associated with the District 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 and the State, actuarially determined. The proportion of the TPAF net pension liability associated with the District was as follows:

	June 30,	
	<u>2024</u>	<u>2023</u>
District Proportionate Share	0.45627119870 %	0.43685460340 %
Difference - Increase	0.0194165953	

For the year ended June 30, 2025, the District recognized on-behalf pension expense and revenue of \$19,721,543 for contributions provided by the State.

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 in the measurement:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75% - 5.65% (based on year of service)
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. 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.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

9. PENSION PLANS (CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.0% at June 30, 2024 *measurement date*) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2024 are summarized in the table as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
US Equity	28.00 %	8.63 %
Non-U.S. Developed Market Equity	12.75	8.85
International Small Cap Equity	1.25	8.85
Emerging Market 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 (*measurement date*). 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 the most recent fiscal years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

9. PENSION PLANS (CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability associated with the District as of June 30, 2025 (*measurement date 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 be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	At 1% Increase <u>8.00%</u>
State's proportionate share of the net pension liability associated with the District	\$ 268,053,262	\$ 225,512,526	\$ 189,684,932

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 are as follows:

	<u>June 30 [Measurement Date]</u>	
	<u>2024</u>	<u>2023</u>
Deferred outflows of resources	\$ 1,176,934,477	\$ 2,498,730,891
Deferred inflows of resources	10,530,833,969	14,719,080,314
Net pension liability	49,425,106,002	51,032,669,551
Total expenses/(benefit) - non-employer	(48,167,647)	1,292,291,943
District share of liability	0.4562711987 %	0.4368546034 %

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

10. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”)

Data for the OPEB was abstracted from the State of New Jersey Local Education Retired Employees Plan as of June 30, 2024 and June 30, 2023 [*measurement dates*] Independent Auditor’s Reports dated September 26, 2025 and September 27, 2024, respectively.

In Fiscal Year 2024 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State’s contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State’s contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans’ net pension liability. The State’s share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a “pay-as-you-go” basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for “pay-as-you-go” PRM benefit costs incurred by covered populations, a slight increase from \$1.9 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2024 as the State’s contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

10. OTHER POST-EMPLOYMENT BENEFITS ("OPEB") (CONTINUED)

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75.

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

<u>Fiscal Year Ended June 30,</u>	<u>Post-Retirement Medical</u>
2025	\$ 5,692,688
2024	5,352,088
2023	4,756,574

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent.

The District is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the board of education level. Note that actual numbers will be published in the NJ State's ACFR (<https://www.nj.gov/treasury/omb/publications/archives.shtml>). The portion of the PERS and TPAF OPEB Liability that was associated with the District recognized at June 30, 2024 was as follows:

Net OPEB Liability:

Districts proportionate share	None
State's proportionate share associated with the District	<u>\$ 235,816,784</u>
	<u><u>\$ 235,816,784</u></u>

The proportion of the PERS and TPAF OPEB liability that was associated with the District is as follows:

<u>2024</u>	June 30,	<u>2023</u>
0.3953229910 %		0.3953598100 %

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

10. OTHER POST-EMPLOYMENT BENEFITS ("OPEB") (CONTINUED)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2024 (*measurement date*) was determined by an actuarial valuation as of June 30, 2023, which was rolled forward to June 30, 2024. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%	
	<u>TPAF/ABP</u>	<u>PERS</u>
	<i>(based on service years)</i>	<i>(based on service years)</i>
Salary increase	2.75-5.65%	2.75-6.55%

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 disables 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 TPAF and PERS experience studies prepared for July 1, 2018 to June 30, 2021.

100% of all retirees who currently have healthcare coverage are assumed to continue with that coverage, 100% of active members are considered to participate in the Plan upon retirement, having a coverage blend of 85% and 15% in PPO and HMO, respectively.

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 (9) 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 2033. For HMO the trend is increasing to 22.88% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.25% and decreases to a 4.50% long-term trend rate after nine (9) years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

10. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) (CONTINUED)

Discount Rate

The discount rate 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.

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

The following represents the total nonemployer OPEB liability associated with the District as of June 30, 2024 (*Measurement Date*), calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

June 30, 2024 [<i>Measurement Date</i>]		
<u>At 1% Decrease (2.93%)</u>	<u>At Discount Rate (3.93%)</u>	<u>At 1% Increase (4.93%)</u>
\$ 276,191,958	\$ 235,816,784	\$ 203,346,764

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

The following represents the total nonemployer OPEB liability as of June 30, 2024, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

June 30, 2024 [<i>Measurement Date</i>]		
<u>1% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
\$ 196,437,098	\$ 235,816,784	\$ 287,111,424

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

10. OTHER POST-EMPLOYMENT BENEFITS ("OPEB") (CONTINUED)

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

Shown below are details regarding the Total OPEB Liability for the measurement period from June 30, 2023 to June 30, 2024:

	<u>Total OPEB Liability</u>
Balance as of June 30, 2023 <i>Measurement Date</i>	\$ 207,016,992
Changes Recognized for the Fiscal Year:	
Service Cost	\$ 9,888,690
Interest on the Total OPEB Liability	7,762,530
Changes of Assumptions	17,642,232
Gross Benefit Payments	(5,928,370)
Difference between Expected and Actual Experience	(768,283)
Change of Benefit Terms	
Contributions from the Member	<u>202,993</u>
Net Changes	\$ <u>28,799,792</u>
Balance as of June 30, 2024 <i>Measurement Date</i>	<u>\$ 235,816,784</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% as of June 30, 2023 to 3.93% as of June 30, 2024.

The components of the Net OPEB Liability as of June 30, 2024 are as follows:

	<u>[Measurement Date]</u> <u>June 30, 2024</u>
Total OPEB Liability	\$ 235,816,784
Plan Fiduciary Net Position	None
Net OPEB Liability	\$ 235,816,784
Net Position as a Percentage of OPEB Liability	0.0%
OPEB Expense	\$ 11,062,799

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

10. OTHER POST-EMPLOYMENT BENEFITS ("OPEB") (CONTINUED)

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

For the year ended June 30, 2025, the board of education recognized OPEB expense of \$11,062,799 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

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

The following table illustrates the Deferred Inflows and Outflows as of June 30, 2024 [*measurement date*] under GASB No. 75 prior to any reduction due to the Fiscal Year 2024 amortizations.

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Changes of Assumptions	\$ 39,552,671	46,105,777
Differences between Actual and Expected Experience	25,217,827	44,038,593
Changes in Proportion	<u>10,465,989</u>	<u>1,226,178</u>
Sub-total	75,236,487	91,370,548
Contributions made in Fiscal Year Ending 2025		
After June 30, 2024 <i>Measurement Date</i>	<u>None</u>	<u>None</u>
Total	<u>\$ 75,236,487</u>	<u>\$ 91,370,548</u>

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

Amount recognized in the deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the OPEB expense/(revenues) as follows:

Fiscal Year Ending June 30,	
2025	\$ (8,364,697)
2026	(7,013,847)
2027	(3,331,354)
2028	875,538
2029	(6,079,090)
Thereafter	(1,460,422)

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

10. OTHER POST-EMPLOYMENT BENEFITS ("OPEB") (CONTINUED)

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 Education Group are as follows:

	June 30,	
	<u>2024</u>	<u>2023</u>
Deferred outflows of resources	\$ 18,640,445,786	\$ 17,347,811,894
Deferred inflows of resources	25,058,850,125	30,503,688,706
Net OPEB liability	59,650,630,530	52,361,668,239
OPEB expense	1,999,742,665	1,369,124,126
District Share	0.39532991 %	0.3953598099 %

Other

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

11. COMPENSATED ABSENCES

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

District employees are granted vacation and sick leave in varying amounts in accordance with various employment agreements under the District's personnel policies. 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 fifteen years of service.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. The current portion of the compensated absence balance of the governmental funds is reported separately on the Statement of Net Position.

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 no liability existed for compensated absences in the proprietary fund types.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

12. DEFINED CONTRIBUTION RETIREMENT PROGRAM

Description of System

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If an eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and adjusted for membership earnings or losses. It is a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law requires that three classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employee's Retirement System (PERS).
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured chief administrative officer such as the Business Administrator, County Administrator or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements, other employees who hold a professional license or certificate or meet other exceptions are permitted to remain in PERS.

Contributions Required and Made

Contributions made by employees for DCRP are currently 5.5% of their base wages. Member contributions are matched by a 3.0% employer contribution. Contributions to the plan were as follows:

Fiscal Year Ended			
<u>June 30,</u>	<u>Employee</u>		<u>Employer</u>
2025	\$ 54,774	\$	29,876
2024	46,846		26,644
2023	48,745		26,588

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

13. DEFERRED COMPENSATION

A. IRS Code Section 403(b)

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

AIG Valic	FTJ Fund Choice
AXA Equitable	New York Life Insurance Company/
Lincoln Investment Planning Inc.	Mainstay Investments
Security Benefit	MetLife

B. IRS Code Section 457

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan which is administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrator is AIG – VALIC Financial Resource.

14. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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

New Jersey Unemployment Compensation Insurance: The District contributes to the State of New Jersey unemployment fund which requires quarterly remittances to the state for both employer and employee share. Benefits if any will get paid by the State.

Health Benefits: The Board of Education has procured medical insurance coverage for its employees under a "self-insurance plan" provisions have been made for the current claims liability and IBNR of \$1,625,305 and for a stop loss (excess) coverage of \$2,210,594.

15. INTERFUND BALANCES AND TRANSFERS

There were interfunds as of June 30, 2025.

<u>Fund</u>	<u>From</u>	<u>To</u>
Debt Service	\$186,140	
Capital Projects		\$186,140

These will be liquidated in the normal course of business.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

16. RESERVE ACCOUNTS

A. CAPITAL RESERVE

A Capital Reserve Account was established by the Board by inclusion on October 10, 2000 and June 25, 2011 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. Analysis of Capital Reserve Activity since Inception:

Contributions from Board		
Prior to June 30, 2024	\$ 39,405,246	
During year ended June 30, 2025	<u>4,017,759</u>	\$ 43,423,005
Interest Earned		
Prior to June 30, 2024	\$ 114,174	
During year ended June 30, 2025	<u>500</u>	114,674
Less Withdrawals:		
Prior to June 30, 2024	\$ 34,443,116	
During year ended June 30, 2025	<u>-</u>	<u>34,443,116</u>
Balance June 30, 2025		<u><u>\$ 9,094,563</u></u>

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, if 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. 6:23A-5.1(d) 7*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The 2025-2026 District budget anticipated a withdrawal of \$282,550.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

16. RESERVE ACCOUNTS (CONTINUED)

B. MAINTENANCE RESERVE

The School District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at yearend of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four (4) percent of the replacement cost of the school district's school facilities for the current year.

Balance June 30, 2024	\$ 5,821,750
Add Board Contributions:	
During year ended June 30, 2025	2,250,000
Less Withdrawals:	
During year ended June 30, 2025	<u>1,250,000</u>
Balance June 30, 2025 (C-1)	\$ 6,821,750
Less: Adjustment for State Aid Not Recognized as a GAAP Basis	<u>\$ 2,632,200</u>
As Adjusted (B-1)	<u><u>\$ 4,189,550</u></u>

The 2025-2026 District Budget anticipates a withdrawal of \$1,000,000.

17. DEFICIT FUND BALANCES – SPECIAL REVENUE FUND

The District has a fund balance of \$699,202 in the Special Revenue Fund as of June 30, 2025 as reported in the fund statements deficit (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two (2) state aid payments in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP funds statements for the Special Revenue Fund of \$699,202 was caused by the net effect of the non-recognition of the final state aid payment of \$702,807 for preschool offset by the expenditures \$699,202.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

18. FUND BALANCE APPROPRIATED

General Fund - Of the \$14,143,063 General Fund fund balance at June 30, 2025, \$831,229 is assigned – for other purposes (encumbrances); \$9,094,563 is restricted for the Capital Reserve Account, \$4,189,953 is restricted for the Maintenance Reserve and \$27,318 is FFCRA/SEMI funds, assigned designated for subsequent year's expenditures.

Special Revenue Fund – The \$(9,376) Special Revenue Fund fund balance deficit at June 30, 2025 is a result of the net offset of \$484,034 assigned – for student activities; and reduced by a deficit of \$699,202 related to state aid (see Note 15).

Debt Service Fund – Of the \$186,140 Debt Service Fund fund balance at June 30, 2025, None is included as revenue in the 2025-2026 debt service fund budget.

Capital Projects Fund – Of the \$67,454,942 Capital Projects Fund fund balance at June 30, 2025, \$3,430,915 is assigned for other purposes and \$64,023,961 is restricted for capital projects most of which have been effectively committed.

19. CONTINGENT LIABILITIES AND COMMITMENTS

A. **Grant Programs** – The school district participates in federal, state and locally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

B. **Pending Litigation** – As of the date of this report, in the opinion of the management, there was no litigation pending which, in the event of an adverse or unfavorable outcome, would materially impair the financial position of the District. There were several matters pending that are being handled by the Board's insurance carrier which should not have any adverse impact.

C. **Interlocal Services Agreement** – The District has an agreement with the Township for reimbursement for unforeseen soil remediation at the High School. The Township adopted an Improvement Authorization to provide funds and the District actually awarded and managed the related contracts. The agreement also requires payment back to the Township for debt service.

D. **Contractual Commitments**

The District has contractual commitments at June 30, 2025 to various vendors, which are recorded in the general fund as fund balance assigned for other purposes in the amount of \$831,229 and in the capital projects \$3,430,975 for the HVAC improvements.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

18. FUND BALANCE APPROPRIATED

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19. CONTINGENT LIABILITIES AND COMMITMENTS

A. **Grant Programs** – The school district participates in federal, state and locally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

B. **Pending Litigation** – As of the date of this report, in the opinion of the management, there was no litigation pending which, in the event of an adverse or unfavorable outcome, would materially impair the financial position of the District. There were several matters pending that are being handled by the Board's insurance carrier which should not have any adverse impact.

C. **Interlocal Services Agreement** – The District has an agreement with the Township for reimbursement for unforeseen soil remediation at the High School. The Township adopted an Improvement Authorization to provide funds and the District actually awarded and managed the related contracts. The agreement also requires payment back to the Township for debt service.

D. **Contractual Commitments**

The District has contractual commitments at June 30, 2025 to various vendors, which are recorded in the general fund as fund balance assigned for other purposes in the amount of \$831,229 and in the capital projects \$3,430,975 for the HVAC improvements.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

24. TAX ABATEMENTS

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

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

The Township of North Brunswick 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 the Township of North Brunswick are for senior citizen housing projects and a technology center. Taxes abated include municipal, local school and county taxes.

The Township of North Brunswick anticipated revenue of \$432,800 from the annual service charge in lieu of payment of taxes for two (2) properties in the budget had the true amount \$895,214 been levied on these long-term tax exemptions, the school tax due would be substantially higher and a portion of the abatement would have been allocated to the District.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 88,313,591	\$	\$ 88,313,591	\$ 88,313,591	
Interest on Capital Reserve	500		500	500	
Interest on Maintenance Reserve	500		500	500	
Transportation Fees	50,000		50,000	72,350	\$ (22,350)
Miscellaneous	307,500	\$ 826,617	1,134,117	1,771,773	\$ (637,656)
Total - local sources	88,672,091	826,617	89,498,708	90,158,714	(660,006)
State sources:					
Special Education Categorical Aid	7,000,658		7,000,658	7,000,658	
Equalization Aid	43,652,869		43,652,869	43,652,869	
Extraordinary aid	1,750,000		1,750,000	2,697,764	(947,764)
Security Aid	2,153,497		2,153,497	2,153,497	
Transportation Aid	3,334,413		3,334,413	3,334,413	
Non Public Transportation Aid				138,699	(138,699)
On behalf - TPAF - Pension Contribution (Non-budgeted)				19,482,110	(19,482,110)
On behalf - TPAF - Post Retirement Medical (Non-budgeted)				5,692,688	(5,692,688)
On behalf - TPAF - Non-Contributory Insurance (Non-budgeted)				10,119	(10,119)
Reimbursed TPAF social security contributions (Non-budgeted)				4,365,283	(4,365,283)
Total - state sources	57,891,437		57,891,437	88,528,100	(30,636,663)
Federal sources:					
Medical Assistance Program	261,788		261,788	150,932	110,856
Total - federal sources	261,788		261,788	150,932	110,856
TOTAL REVENUES	\$ 146,825,316	\$ 826,617	\$ 147,651,933	\$ 178,837,746	\$ (31,185,813)

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Regular programs - instruction:					
Salaries of teachers:					
Kindergarten	\$ 1,676,787	12,476	\$ 1,689,263	\$ 1,686,057	\$ 3,206
Grades 1 - 5	12,026,346	(109,430)	11,916,916	11,911,001	5,915
Grades 6 - 8	7,286,440	(120,018)	7,166,422	7,165,337	1,085
Grades 9 - 12	10,694,541	410,725	11,105,266	11,105,263	3
	31,684,114	193,752	31,877,866	31,867,658	10,208
Regular programs - home instruction:					
Purchased professional - education services	100,000	24,012	124,012	118,937	5,076
Total regular programs - home instruction	100,000	24,012	124,012	118,937	5,076
Regular programs - undistributed instruction:					
Other salaries for instruction	259,346	(102,588)	156,758	156,335	423
Purchased professional - educational services	1,064,400	259,552	1,323,952	1,323,952	
Other purchased services (400-500 Series)	1,065,168		1,065,168	1,056,678	8,490
General supplies	605,354	(1,021)	604,333	533,784	70,549
Textbooks	608,588	(57,000)	551,588	455,258	96,330
Other objects	30,579	2,106	32,685	23,757	8,928
Total regular programs - undistributed instruction	3,633,435	101,049	3,734,484	3,549,764	184,720
Total regular programs - instructions	35,417,549	318,813	35,736,362	35,536,358	200,004
Special education instruction:					
Learning and/or language disabilities:					
Salaries of teachers	1,698,670	(61,041)	1,637,629	1,625,261	12,368
Other salaries for instruction	773,588	(62,868)	710,720	708,888	1,832
General supplies	23,850	(1,100)	22,750	21,663	1,087
Total learning and/or language disabilities	2,496,108	(125,009)	2,371,099	2,355,812	15,287
Emotional Regulation Impairment:					
Salaries of teachers	354,882	(58,397)	296,485	263,431	33,054
Other salaries for instruction	76,665	(24,575)	52,090	51,963	127
General Supplies	10,995	1,150	12,145	12,145	
Total Emotional Regulation Impairment	442,542	(81,822)	360,720	327,539	33,181

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Multiple Disabilities:					
Salaries of teachers	\$ 857,418	\$ (79,534)	\$ 777,884	\$ 726,977	\$ 50,907
Other salaries for instruction	428,487	56,179	484,666	476,144	8,522
General supplies	19,285	17,550	36,835	36,835	
Total Multiple Disabilities	1,305,190	(5,805)	1,299,385	1,239,956	59,429
Resource room/resource center:					
Salaries of teachers	5,794,391	(113,906)	5,680,485	5,574,079	106,406
Other salaries for instruction	508,695	(588)	508,107	506,162	1,945
General supplies	19,749	3,881	23,630	23,478	152
Total resource room/resource center	6,322,835	(110,613)	6,212,222	6,103,719	108,503
Autism:					
Salaries of teachers	1,242,511	(194,983)	1,047,528	1,027,009	20,519
Other salaries for instruction	642,703	60,791	703,494	700,887	2,607
General Supplies	16,195	17,619	33,814	33,814	
Total Autism	1,901,409	(116,573)	1,784,836	1,761,710	23,126
Preschool disabilities - full time					
Salaries of teachers	1,054,886	38,745	1,093,631	1,093,085	546
Other salaries for instruction	662,368	57,197	719,565	717,343	2,222
General supplies	13,650	1,700	15,350	15,350	
Total preschool disabilities-full-time	1,730,904	97,642	1,828,546	1,825,778	2,768
Home Instruction:					
Purchased professional-educational services	150,000	41,060	191,060	163,236	27,824
Total home instruction	150,000	41,060	191,060	163,236	27,824
Total special education - instruction	14,348,988	(301,121)	14,047,867	13,777,750	270,118
Basic skills/remedial - Instruction:					
Salaries of teachers	3,230,403	(132,426)	3,097,978	2,893,988	203,990
General supplies	2,640		2,640	2,455	185
Total basic skills/remedial - Instruction	3,233,043	(132,426)	3,100,618	2,896,443	204,174

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Bilingual education - Instruction:					
Salaries of teachers	\$ 1,600,337	1,335	\$ 1,601,672	\$ 1,601,576	\$ 96
Other salaries for instruction	93,415	65,365	158,780	153,181	5,599
Purchased Professional-Educational Services	1,500	(1,238)	262	105	157
General supplies	4,505	(1,362)	3,143	2,597	546
Total bilingual education - Instruction	1,699,757	64,100	1,763,857	1,757,459	6,398
School sponsored co/extra - curricular activities - Instructions:					
Salaries	473,994	1,414	475,408	469,859	5,549
Supplies and materials	70,750	(12,206)	58,544	48,137	10,407
Other objects		2,700	2,700	2,700	
Total school sponsored co/extra - curricular activities - Instruction	544,744	(8,092)	536,652	520,696	15,956
School sponsored athletics - Instruction:					
Salaries	860,836	(4,500)	856,336	838,621	17,715
Purchased services (300-500 Series)	111,475	(33,735)	77,740	61,722	16,018
Supplies and materials	206,850	(1,533)	205,318	190,332	14,985
Other objects	94,649	26,500	121,149	118,757	2,392
Total school sponsored athletic activities	1,273,810	(13,268)	1,260,543	1,209,433	51,109
Before/After School programs:					
Salaries	112,000	(32,976)	79,024	67,565	11,459
Total Before/After School Programs	112,000	(32,976)	79,024	67,565	11,459
Total special programs	6,863,354	(122,661)	6,740,693	6,451,596	289,097
Total instructional programs	56,629,891	(104,969)	56,524,922	55,765,704	759,219
Undistributed expenditures:					
Instruction:					
Tuition to other LEAs within the state - regular	258,450	(32,480)	225,970	77,933	148,037
Tuition to other LEAs within the state - special	1,698,620	(147,000)	1,551,620	1,324,564	227,056
Tuition to CSSD and regular day schools	75,000		75,000		75,000
Tuition to private schools-disabled within the state	1,892,749		1,892,749	1,173,186	719,563
Tuition - state facilities	75,000		75,000	9,000	66,000
Tuition - other	226,150	(79,552)	146,598	101,510	45,088
Total undistributed expenditures - instruction	4,225,969	(259,032)	3,966,937	2,686,193	1,280,743

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Attendance and social work:					
Salaries	\$ 173,876		\$ 173,876	\$ 152,990	\$ 20,886
Total attendance and Social Work	173,876		173,876	152,990	20,886
Health services:					
Salaries	1,019,124	(17,025)	1,002,099	958,170	43,929
Purchased professional and technical services	69,000	29,877	98,877	41,442	57,435
Other purchased services (400-500 Series)	9,000	(5,589)	3,411	1,710	1,701
Supplies and materials	73,300	(5,711)	67,589	50,895	16,694
Other objects	17,400	(11,500)	5,900	1,723	4,177
Total health services	1,187,824	(9,948)	1,177,876	1,053,940	123,935
Other support services - student-related services:					
Salaries	779,358	(7,837)	771,521	763,946	7,574
Purchased professional - educational services	1,901,640	(290,110)	1,611,530	1,457,883	153,647
Supplies and materials	11,200	(2,500)	8,700	8,459	241
Total other support services - student-related services	2,692,198	(300,447)	2,391,751	2,230,288	161,462
Other support services - student extra services					
Salaries	347,936	(23,527)	324,409	301,309	23,100
Purchased professional - educational services	1,752,350	93,029	1,845,379	1,622,034	223,345
Supplies and Materials	7,200	(3,950)	3,250	2,789	461
Total other support services - student-extra services	2,107,486	65,552	2,173,038	1,926,133	246,905
Other support services - students - regular:					
Salaries of other professional staff	1,662,871	(6,920)	1,655,951	1,655,250	702
Salaries of secretarial & clerical assistants	109,843	670	110,513	110,513	
Other purchased services (400-500 Series)	161,308	5,000	166,308	134,492	31,816
Supplies and materials	7,147	(170)	6,977	6,035	942
Other Objects	20,150		20,150	3,445	16,705
Total other support services - students - regular	1,961,319	(1,420)	1,959,899	1,909,734	50,165

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other support services - students - special:					
Salaries of other professional staff	\$ 3,047,383	(6,358)	\$ 3,041,025	\$ 3,003,884	\$ 37,141
Salaries of secretarial & clerical assistants	267,043	5,686	272,729	269,252	3,477
Purchased professional - educational services other than Residential Costs)	885,000	809,855	1,694,855	1,551,840	143,015
Supplies and materials	5,000	(2,600)	2,400	2,372	28
Other Objects	40,200	(10,956)	29,244	28,206	1,038
	30,500	(24,858)	5,642	5,206	436
Total other support services - students - special	4,275,126	770,769	5,045,895	4,860,760	185,135
Improvement of instructional services:					
Salaries of supervisors of instruction	3,726,223	(49,991)	3,676,232	3,655,553	20,679
Salaries of other professional staff	55,000	45,000	100,000	71,763	28,237
Salaries of secretarial & clerical assistants	69,272	(174)	69,098	69,098	0
Total improvement of instructional services	3,850,495	(5,165)	3,845,330	3,796,414	48,916
Educational media services/school library:					
Salaries	715,027	19,224	734,251	732,381	1,871
Supplies and materials	29,044	(1,000)	28,044	26,320	1,724
Total educational media services/school library	744,071	18,224	762,295	758,700	3,595
Instructional staff training services:					
Salaries of other professional staff	81,000	1,000	82,000	70,290	11,710
Purchased professional - educational services	114,415	(10,200)	104,215	82,280	21,935
Other purchased prof. and tech. services	400		400		400
Other purchased services (400-500 Series)	99,500	6,100	105,600	96,597	9,003
Supplies and materials	5,000		5,000	2,953	2,047
Other Objects	1,000		1,000		1,000
Total instructional staff training services	301,315	(3,100)	298,215	252,120	46,095

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Support services - general administration:					
Salaries	\$ 863,580	\$ 8,528	\$ 872,108	\$ 863,804	\$ 8,304
Legal services	180,000	(9,400)	170,600	134,345	36,255
Audit fee	64,500	57,850	122,350	62,650	59,700
Architects/Engineering services	18,000	65,013	83,013	66,316	16,697
Other purchased professional services	32,465	(22,000)	10,465	8,802	1,663
Purchased technical services	87,029	(5,600)	81,429	60,786	20,643
Communications/telephone	348,709	(7,200)	341,509	302,509	39,000
BOE other purchased services	25,000	(21,000)	4,000	2,724	1,276
Other purchased services (400-500)	689,416	(9,750)	679,666	660,904	18,762
General supplies	29,900		29,900	22,564	7,336
Miscellaneous expenditures	27,000	(2,945)	24,055	20,358	3,697
BOE membership dues and fees	39,000	22,695	61,695	61,672	23
Total support services - general administration	2,404,599	76,191	2,480,790	2,267,435	213,355
Support services - school administration:					
Salaries of principals/assistant principals	2,574,118	(5,002)	2,569,116	2,569,115	1
Salaries of other professional staff	181,952	(1,952)	180,000	180,000	
Salaries of secretarial and clerical assistants	1,294,147	31,233	1,325,380	1,324,601	779
Other purchased services (400-500 Series)	4,050		4,050	152	3,898
Supplies and materials	84,014	10,350	94,364	90,090	4,274
Total support services - school administration	4,138,281	34,629	4,172,910	4,163,958	8,952
Central services:					
Salaries	736,483	(112,064)	624,419	598,915	25,504
Purchased professional services	7,500	43,500	51,000	1,350	49,650
Purchased technical services	22,911		22,911	19,621	3,290
Miscellaneous purchased services (400-500 Series)	3,000		3,000	1,090	1,910
Supplies and materials	10,000	(2,500)	7,500	5,023	2,477
Interest on lease purchase agreements	18,178	1,331	19,509	19,507	2
Other Objects	40,484	5,000	45,484	39,159	6,325
Total central services	838,556	(64,733)	773,823	684,665	89,158

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Admin. Info. technology:					
Salaries	\$ 1,121,452	\$ (11,592)	\$ 1,109,860	\$ 1,109,825	\$ 35
Purchased technical services	689,282	8,100	697,382	697,361	21
Other purchased services (400-500 Series)	4,000	(1,000)	3,000		3,000
Supplies and materials	92,000	(100)	91,900	71,642	20,258
Total admin. Info. technology	1,906,734	(4,592)	1,902,142	1,878,827	23,315
Required maintenance for school facilities:					
Salaries	1,201,398	(170,000)	1,031,398	959,325	72,073
Cleaning, repair and maintenance services	2,569,691	(99,717)	2,469,974	1,661,005	808,969
Lead Testing of Drinking Water					
General supplies	401,825	44,950	446,775	320,613	126,162
Other objects	44,000	292	44,292	703	43,590
Total required maintenance for school facilities	4,216,914	(224,474)	3,992,440	2,941,646	1,050,793
Other operation and maintenance of plant:					
Salaries	3,114,075	(91,310)	3,022,765	2,979,048	43,716
Salaries of non-instructional aids	773,982	(38,479)	735,503	715,008	20,495
Purchased Professional and Technical Services		49,000	49,000	44,310	4,690
Cleaning, repair and maintenance services	175,500		175,500	105,285	70,215
Other purchased property services	175,000	(21,500)	153,500	151,031	2,469
Insurance	363,317	(26,000)	337,317	336,686	631
Travel		50	50	22	28
General supplies	649,025	(56,687)	592,338	435,368	156,969
Energy (Natural Gas)	585,640	(32,508)	553,132	538,552	14,580
Energy (Electricity)	1,195,735	250,055	1,445,790	1,390,248	55,541
Other Objects	60,000		10,000		10,000
Interest on ESIP	322,571	(50,000)	322,571	322,564	7
Total other operation and maintenance of plant	7,414,845	(17,380)	7,397,465	7,018,124	379,342
Care and upkeep of grounds					
Salaries	208,932	20,000	228,932	227,028	1,904
General supplies	600		600		600
Total care and upkeep of grounds	209,532	20,000	229,532	227,028	2,504

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Security:					
Salaries	\$ 610,299	\$ 25,397	\$ 635,696	\$ 635,696	
Purch Prof & Tech Svcs	528,416		528,416	495,053	\$ 33,363
Cln, RPR, & Mnt Svcs					
General Supplies	76,329	1,505	77,834	69,314	8,520
Total security	1,215,044	26,902	1,241,946	1,200,063	41,883
Total operation and maintenance of plant services	13,056,335	(194,952)	12,861,383	11,386,861	1,474,521
Student transportation services:					
Salaries of Pupil transportation (between home and school) - regular	618,827	169,773	788,600	780,699	7,900
Salaries of Pupil transportation (between home and school) - special education	968,041	(301,969)	666,072	666,072	
Salaries of Pupil transportation (other than between home and school)		75,696	75,696	70,870	4,826
Other purchased professional and technical services	19,200		19,200	17,811	1,389
Cleaning, repair and maintenance services	25,000		25,000	6,776	18,224
Contracted services - aid in lieu of payments - nonpublic schools	419,400	553,130	972,530	909,006	63,524
Contracted services (between home and school) - vendors	4,542,820	(47,875)	4,494,945	4,464,491	30,454
Contracted services (other than between home and school) - vendors	614,530	(1,305)	613,225	511,972	101,253
Contracted services (between home and school) - joint agreements	816,743	(814,281)	2,462		2,462
Contracted services (special education students) - vendors	1,833,462	21,831	1,855,293	1,797,389	57,904
Supplies and Materials	224,087		224,087	127,828	96,259
Miscellaneous expenditures	10,000		10,000	8,554	1,446
Total student transportation services	10,092,110	(345,000)	9,747,110	9,361,469	385,641
Unallocated benefits - Employee benefits:					
Social security contribution	1,493,554	90,000	1,583,554	1,556,818	26,736
Other retirement contributions - regular	2,316,608	(268,579)	2,048,029	2,006,815	41,214
Unemployment compensation	275,000	52,269	327,269	283,089	44,180
Workmen's compensation	618,095	(60,590)	557,505	557,505	
Health benefits	20,170,918	2,298,136	22,469,054	22,247,835	221,219
Tuition reimbursement	166,000	(81,286)	84,714	81,441	3,273
Other employee benefits	288,000	52,973	340,973	337,231	3,742
Total unallocated benefits	25,328,175	2,082,923	27,411,098	27,070,734	340,365

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
On behalf - TPAF - Pension Contribution (Non-budgeted)				\$ 19,482,110	\$ (19,482,110)
On behalf - TPAF - Post Retirement Medical (Non-budgeted)				5,692,688	(5,692,688)
On behalf - TPAF - Non-Contributory Insurance (Non-budgeted)				10,119	(10,119)
Reimbursed TPAF Social Security Contributions (Non-budgeted)				4,365,283	(4,365,283)
Total on behalf - Contributions				29,550,200	(29,550,200)
Total personal services - employee benefits	\$ 25,328,175	\$ 2,082,923	\$ 27,411,098	\$ 56,620,934	\$ (29,209,835)
Total undistributed expenditures	79,284,469	1,859,897	81,144,366	105,991,421	(24,847,054)
TOTAL EXPENDITURES - CURRENT EXPENSE	\$ 135,914,360	\$ 1,754,928	\$ 137,669,288	\$ 161,757,125	\$ (24,087,836)
CAPITAL OUTLAY:					
Undistributed expenditures:					
Instruction	773,121	22,550	795,671	732,553	63,118
Technology	177,992	2,750	180,742	180,714	28
Furniture	49,738	28,670	78,408	78,388	20
Required Maint for School Fac.	35,800	(794)	35,006	35,410	(404)
School administration	10,600	(900)	9,700	9,540	161
School buses - regular	260,712	(3,000)	257,712	257,621	91
	1,307,963	49,276	1,357,239	1,294,225	63,014
Facilities acquisition and construction services:					
Construction services	124,500	2,825,377	2,949,877	2,944,241	5,636
Lease purchase agreements - principal	1,337,706	102,391	1,440,097	1,440,093	3
Assessment for Debt Service on SDA Funding	263,945		263,945	263,945	
Total facilities acquisition and construction services	1,726,151	2,927,768	4,653,919	4,648,279	5,639
TOTAL EXPENDITURES - CAPITAL OUTLAY	\$ 3,034,114	\$ 2,977,044	\$ 6,011,158	\$ 5,942,505	\$ 68,653
Transfer of funds to charter schools	9,125,842	(660,000)	8,465,842	8,314,280	151,562
TOTAL GENERAL FUND EXPENDITURES	\$ 148,074,316	\$ 4,071,972	\$ 152,146,288	\$ 176,013,909	\$ (23,867,621)

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess/(deficiency) of revenues over/(under) expenditures	\$ (1,249,000)	\$ (3,245,355)	\$ (4,494,355)	\$ 2,823,837	\$ 7,318,192
Other financing sources/(uses):					
Write off Prior Year AR				(148,285)	
Prior Year Expense				5,324	
Total other financing sources/(uses)				\$ (142,961)	\$
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing sources/(uses)	\$ (1,249,000)	\$ (3,245,355)	\$ (4,494,355)	\$ 2,680,876	\$ 7,175,231
Fund balance, July 1	17,023,258		17,023,258	17,023,258	
Fund balance, June 30	\$ 15,774,258	\$ (3,245,355)	\$ 12,528,903	\$ 19,704,134	\$ 7,175,231
Maintenance Reserve appropriated per Budget	\$ 1,250,000				
Less: Interest Earned on Capital Reserve	(500)				
Less: Interest Earned on Maintenance Reserve	(500)				
	\$ 1,249,000				
Detail of budget transfers:					
Prior year-end encumbrances	\$ 3,245,355			\$ 831,229	
Miscellaneous	826,617				
	\$ 4,071,972				
Recapitulation of fund balance:					
Committed for year-end encumbrances				\$	
Restricted:					
Capital Reserve	\$ 8,812,013				
Capital Reserve - Designated for subsequent years expenditures	282,550			9,094,563	
Maintenance Reserve - Unassigned	\$ 5,821,750				
Maintenance Reserve - Designated for subsequent years expenditures	1,000,000			6,821,750	
Reserve for FFCRA-Semi Designated for Subsequent Year Expenditure				27,318	
Unassigned Fund Balance (2%)				2,929,274	
				19,704,134	
Reconciliation to governmental funds statements (GAAP):					
Less: Last Two (2) State Aid Payments not recognized on GAAP basis				5,561,071	
Fund balance per governmental funds (GAAP)				\$ 14,143,063	

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Final <u>Budget</u>	Actual	Variance <u>Final to Actual</u>
REVENUES:			
State Sources	\$ 7,836,362	\$ 7,729,218	\$ 4,791,516
Federal Sources	3,689,632	3,044,846	(4,039,586)
Local Sources	<u>213,098</u>	<u>802,105</u>	<u>(589,007)</u>
Total Revenues	\$ <u>11,739,092</u>	\$ <u>11,576,169</u>	\$ <u>162,923</u>
EXPENDITURES:			
Instruction:			
Salaries of teachers	\$ 2,408,249	2,373,815	\$ 34,434
Salaries of other professional staff	525,124	520,162	4,962
Purchased professional and technical services	497,069	449,814	47,255
Other purchased services	663,348	612,244	51,104
General supplies	433,322	340,227	93,095
Textbooks	<u>2,352</u>	<u>1,841</u>	<u>511</u>
Total Instruction	<u>4,529,464</u>	<u>4,298,103</u>	<u>231,361</u>
Support Services:			
Salaries of teachers	431,729	392,263	39,466
Salaries of program director	186,921	180,916	6,005
Salaries of supervisors of Instruction	224,791	224,790	1
Salaries of other professional staff	325,770	325,769	1
Salaries of secretarial and clerical assistants	135,819	135,818	1
Other salaries	119,165	119,165	
Salaries of parents liaison	15,832	15,832	
Salaries of master teacher	313,303	313,303	
Personal services-employee benefits	1,654,662	1,556,654	98,008
Purchased Educational Services:			
Contracted Pre-K	1,896,750	1,896,750	
Head Start	577,980	577,980	
Purchased Professional	8,504	8,504	
Purchased professional/technical services	713,462	510,497	202,965
Contracted Services:			
Transportation	2,828	2,828	
Travel	2,528	2,528	
Other Purchased Professional Services	400	400	
Other Purchased Services (400-500)	64,329	28,011	36,318
Supplies and materials	396,855	146,361	250,494
Leases/ Rentals	85,000		85,000
Other objects	<u>7,500</u>	<u>705,195</u>	<u>(697,695)</u>
Total Support Services	<u>7,164,128</u>	<u>7,143,564</u>	<u>20,564</u>
Facilities Acquisition and Construction Services:			
Instructional Equipment	25,700	33,579	(7,879)
Noninstructional Equipment	<u>19,800</u>	<u>11,762</u>	<u>8,038</u>
Total Facilities Acquisition and Construction Services	<u>45,500</u>	<u>45,341</u>	<u>8,038</u>
Total Expenditures	\$ <u>11,739,092</u>	\$ <u>11,487,008</u>	\$ <u>259,963</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	\$ -	\$ 89,161	
Beginning - Fund Balance	<u>609,713</u>	<u>394,873</u>	
Ending - Fund Balance	\$ <u>609,713</u>	\$ <u>484,034</u>	

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

	<u>General Fund</u>		<u>Special Revenue Fund</u>	
Sources/Inflows of Resources:				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	C-1	\$ 178,837,746	C-2	\$ 11,576,169
Difference - Budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				
June 30, 2024		None		93,061
June 30, 2025		None		(40,837)
State aid payments recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		(5,561,071)		(702,807)
State aid payments recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		4,614,674		596,508
PY Preschool Carryover				(188,653)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	B-2	\$ <u>177,891,349</u>	B-2	\$ <u>11,333,441</u>
Uses/Outflows of Resources:				
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule.	C-1	\$ 176,013,909	C-2	\$ 11,487,008
Difference - Budget to GAAP:				
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.				
June 30, 2024		None		93,061
June 30, 2025		None		(40,837)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	B-2	\$ <u>176,013,909</u>	B-2	\$ <u>11,539,232</u>

REQUIRED SUPPLEMENTARY INFORMATION – PART III

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING
FOR PENSIONS AND OPEB**

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)
LAST TEN (10) FISCAL YEARS

Year	District's Proportion of Net Pension Liability	District's Proportionate Share of Net Pension Liability (asset)		District's Covered-Employee Payroll		District's Proportionate Share of Net Pension Liability (asset) as Percentage of Covered-Employee Payroll		Plan Fiduciary Net Position as Percentage of Total Pension Liability
		\$	%	\$	%		%	
2025	0.1479430965	\$	20,102,576	\$	12,779,829	157.30	68.22	68.22 %
2024	0.1462070442		21,177,175		12,050,211	175.74	65.23	65.23
2023	0.1369265064		20,664,095		11,354,561	181.99	62.91	62.91
2022	0.1353620560		16,035,812		10,626,603	150.90	70.33	70.33
2021	0.1340935679		21,867,154		9,922,835	220.37	58.32	58.32
2020	0.1292993699		23,297,785		9,802,714	237.67	56.27	56.27
2019	0.1291616400		25,431,283		9,382,043	271.06	46.40	46.40
2018	0.1231599065		28,669,658		8,947,809	320.41	48.09	48.09
2017	0.1175406110		34,812,158		8,820,428	394.68	40.14	40.14
2016	0.1169371652		26,250,050		8,296,804	316.39	47.92	47.92

Notes to Required Supplementary Information:

Benefit Changes - there were none.

Changes of Assumptions - the discount rate as of June 30, 2024 and as of June 30, 2023 was 7 %.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE DISTRICT'S CONTRIBUTION
PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)
LAST TEN (10) FISCAL YEARS

Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered-Employee Payroll	Contributions as Percentage of Covered-Employee Payroll
2025	\$ 2,013,113	\$ 2,013,113	None	\$ 12,779,829	15.75 %
2024	1,954,097	1,954,097	None	12,050,211	16.22
2023	1,726,709	1,726,709	None	11,354,561	15.21
2022	1,611,321	1,611,321	None	10,626,603	15.16
2021	1,585,247	1,585,247	None	9,922,835	15.98
2020	1,466,917	1,466,917	None	9,802,714	14.96
2019	1,284,741	1,284,741	None	9,382,043	13.69
2018	1,140,945	1,140,945	None	8,947,809	12.75
2017	1,087,258	1,087,258	None	8,820,428	12.33
2016	954,254	954,254	None	8,296,804	11.50

Notes to Required Supplementary Information:

Benefit Changes - There were none.

Changes of Assumptions - the discount rate as of June 30, 2024 and as of June 30, 2023 was 7 %.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF DISTRICT CONTRIBUTIONS
TEACHERS PENSION AND ANNUITY FUND (TPAF)
LAST TEN (10) FISCAL YEARS

Year	District's Proportion of Net Pension Liability	Proportionate Share of Net Pension Liability (Asset)			District's Covered-Employee Payroll	District's Proportionate Share of Net Pension Liability (asset) as Percentage of Covered-Employee Payroll	Plan Fiduciary Net Position as Percentage of Total Pension Liability
		District	State	Total			
2025	0.4562711897	\$ None	\$ 225,512,526	\$ 225,512,526	\$ 59,212,247	None	37.99 %
2024	0.4368546034	None	222,938,566	222,938,566	57,389,067	None	34.68
2023	0.4143839848	None	213,798,996	213,798,996	54,986,897	None	32.29
2022	0.4170850878	None	200,514,443	200,514,443	52,650,620	None	35.52
2021	0.4082925768	None	268,855,749	268,855,749	49,458,253	None	24.60
2020	0.3907325290	None	239,796,241	239,796,241	46,585,768	None	26.95
2019	0.3883126563	None	247,036,169	247,036,169	45,318,619	None	26.49
2018	0.3764293042	None	253,802,214	253,802,214	38,611,684	None	25.41
2017	0.3796856640	None	298,684,842	298,684,842	41,186,013	None	22.33
2016	0.3664226574	None	231,594,767	231,594,767	38,953,673	None	28.71

Notes to Required Supplementary Information:

Benefit Changes - there were none.
Changes of Assumptions - the discount rate as of June 30, 2024 and as of June 30, 2023 was 7 %.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S
TOTAL OPEB LIABILITY FOR PERS AND TPAF AND RELATED RATIOS

LAST EIGHT (8) FISCAL YEARS *

	2025	2024	2023	2022	2021	2020	2019	2018
<u>Total OPEB Liability</u>								
Service cost	\$ 9,888,690	\$ 9,398,432	\$ 12,469,606	\$ 14,055,615	\$ 7,652,253	\$ 7,138,702	\$ 7,979,278	\$ 9,644,737
Interest	7,762,530	7,290,885	5,179,172	6,049,738	5,694,178	6,783,817	7,297,528	6,293,116
Differences between expected and actual experience	(768,283)	(25,388)	1,964,612	(40,191,391)	44,622,586	(24,859,702)	(18,884,008)	(26,836,209)
Changes of assumptions or other inputs	17,642,232	417,261	(52,426,475)	230,080	47,114,213	2,343,819	(19,562,598)	-
Change in Benefits Terms		-	-	(248,225)				
Benefit payments	(5,928,370)	(5,683,364)	(5,130,123)	(4,765,499)	(4,490,279)	(4,825,477)	(4,558,380)	(4,587,105)
Contributions from members	202,993	186,840	164,577	154,662	136,100	143,041	157,545	168,909
Net changes in total OPEB liability	28,799,792	11,584,666	(37,778,631)	(24,715,020)	100,729,051	(13,275,800)	(27,570,635)	(15,316,552)
Total OPEB liability - beginning	207,016,992	195,432,326	233,210,957	257,925,977	157,196,926	170,472,726	198,043,361	213,359,913
Total OPEB liability - ending	<u>\$ 235,816,784</u>	<u>\$ 207,016,992</u>	<u>\$ 195,432,326</u>	<u>\$ 233,210,957</u>	<u>\$ 257,925,977</u>	<u>\$ 157,196,926</u>	<u>\$ 170,472,726</u>	<u>\$ 198,043,361</u>
Covered-employee payroll (PERS and TPAF)	<u>\$ 71,992,076</u>	<u>\$ 69,437,278</u>	<u>\$ 66,341,458</u>	<u>\$ 63,277,223</u>	<u>\$ 59,381,087</u>	<u>\$ 56,388,482</u>	<u>\$ 54,700,622</u>	<u>\$ 47,559,493</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>

Note: Only the last nine (9) years of information are presented as GASB 75 was implemented during fiscal year ended June 30, 2018. Eventually a full ten (10) years schedule will be compiled.

Notes to Required Supplementary Information:

For pre-Medicare medical benefits, the trend rate is initially 7.5% and decreases to a 4.5% long-term trend rate after nine (9) years. For post-65 medical benefits, PPO. For prescription drug benefits, the initial trend rate is 12.25% and decreases to 1 4.5% long-term trend rate after nine (9) years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Changes of Assumptions - The discount rate utilized was 3.65% for June 30, 2023 and 3.93% as of June 30, 2024.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

**BOARD OF EDUCATION
NORTH BRUNSWICK SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
SPECIAL REVENUE FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Exhibit E-1

	Total Brought Forward (Exh. E-1a)	Title I		I.D.E.A. Part B			Title II	Totals 2023
		Part A	SIA	Part D	Regular Program	Preschool	Part A	
REVENUES:								
State sources	\$ 7,729,218							\$ 7,729,218
Federal sources	304,463	\$ 920,581	\$ 43,506	\$ 247,088	\$ 1,358,545	\$ 25,350	\$ 145,313	3,044,946
Local sources	802,105							802,105
Total revenues	\$ 8,835,786	\$ 920,581	\$ 43,506	\$ 247,088	\$ 1,358,545	\$ 25,350	\$ 145,313	\$ 11,576,169
EXPENDITURES:								
Instruction:								
Salaries of teachers	\$ 1,760,548	\$ 419,406	\$ 20,551		\$ 173,309			\$ 2,373,815
Other salaries for instructors	520,162							520,162
Purchased professional and technical services	445,975	3,839						449,814
Other purchased services(400-500 series)	8,444				603,800			612,244
General supplies	235,435	35,400	6,561	\$ 40,661	17,314	\$ 4,857		340,227
Textbooks	1,841							1,841
Total instruction	2,972,405	458,645	27,112	40,661	794,423	4,857		4,298,103
Support services:								
Salaries of teachers	101,901	161,247			129,114			392,263
Salaries of program director	148,262	19,983		7,801			\$ 4,860	180,916
Salaries of supervisors of instruction	154,415						70,375	224,790
Salaries of other professional staff	321,116						4,653	325,769
Salaries of secretarial and clerical assistants	113,534				22,284			135,818
Other salaries	119,165							119,165
Salaries of parents liaison	15,832							15,832
Salaries of master teacher	313,303							313,303
Personal services-employee benefits	1,134,869	265,037	7,246	4,103	104,513		40,887	1,556,654
Purchased educational services:								
Contracted Pre-K	1,896,750							1,896,750
Head Start	577,980							577,980
Purchased Professional	8,504							8,504
Other Services	400							400
Purchased professional/technical services	20,103	12,104	6,950	190,048	257,736	1,036	22,521	510,497
Contracted Services- Transportation (Field Trips)	2,828							2,828
Travel	2,528							2,528
Other Purchased Services (400-500 series)	19,227	2,999	410	4,475			900	28,011
Supplies and materials	72,968	556	1,789		50,474	19,458	1,116	146,361
Other objects	705,195							705,195
Total support services	5,728,879	461,936	16,394	206,427	564,121	20,493	145,313	7,143,563
Facilities acquisition and construction services:								
Instructional equipment	33,579							33,579
Noninstructional equipment	11,762							11,762
Total facilities acquisition and Construction Services	45,341							45,341
Total expenditures	\$ 8,746,624	\$ 920,581	43,506	\$ 247,088	\$ 1,358,545	\$ 25,350	\$ 145,313	\$ 11,487,007
Excess/(Deficit) of Revenues Over/(Under) Expenditures	89,161							89,162
Fund Balance, July 1	394,873							394,873
Transfers								
Fund Balance, June 30	\$ 484,034							\$ 484,034

**BOARD OF EDUCATION
NORTH BRUNSWICK SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
SPECIAL REVENUE FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Exhibit E-1a

	Total Brought Forward (Exh. E-1b)	Title III Regular	Title III Immigrant	Title IV	Perkins Grant	Teacher Climate	High Impact	Totals Carried Forward 2025
REVENUES:								
State sources	\$ 7,330,984							
Federal sources	86,594	\$ 83,646	\$ 19,249	\$ 73,553	\$ 41,421	\$ 82,865	\$ 315,369	\$ 7,729,218
Local sources	802,105							304,463
								802,105
Total revenues	\$ 8,219,683	\$ 83,646	\$ 19,249	\$ 73,553	\$ 41,421	\$ 82,865	\$ 315,369	\$ 8,835,786
EXPENDITURES:								
Instruction:								
Salaries of teachers	\$ 1,694,654	\$ 14,990			\$ 5,047	\$ 1,450	\$ 44,407	\$ 1,760,548
Other salaries for instructors	520,162							520,162
Purchased professional and technical services	219,595						226,380	445,975
Other purchased services(400-500 series)	8,444							8,444
General supplies	113,195	50,825	\$ 19,249	\$ 28,970	8,936	4,962	9,297	235,435
Textbooks	1,841							1,841
Total Instruction	2,557,891	65,815	19,249	28,970	13,983	6,412	280,084	2,972,405
Support services:								
Salaries of teachers	4,824	4,462				70,000	22,615	101,901
Salaries of program director	121,774	937		25,551				148,262
Salaries of supervisors of instruction	154,415							154,415
Salaries of other professional staff	321,116							321,116
Salaries of secretarial and clerical assistants	113,534							113,534
Other salaries	119,165							119,165
Salaries of parents liaison	15,832							15,832
Salaries of master teacher	313,303							313,303
Personal services-employee benefits	1,119,791	1,736		2,319	386	5,466	5,170	1,134,869
Purchased educational services:								
Contracted Pre-K	1,896,750							1,896,750
Head Start	577,980							577,980
Purchased Professional	8,504							8,504
Other Services	400							400
Purchased professional/technical services	10,457	2,146		7,500				20,103
Contracted Services- Transportation (Field Trips)	2,828							2,828
Travel	2,528							2,528
Other Purchased Services (400-500 series)	2,971	7,245			1,511		7,500	19,227
Supplies and materials	61,463	1,305		9,213		987		72,968
Other objects	705,195							705,195
Total support services	5,552,830	17,831		44,582	1,897	76,453	35,285	5,728,879
Facilities acquisition and construction services:								
Instructional equipment	8,038				25,540			33,579
Noninstructional equipment	11,762							11,762
Total facilities acquisition and Construction Services	19,800				25,540			45,341
Total expenditures	\$ 8,130,522	\$ 83,646	\$ 19,249	\$ 73,553	\$ 41,421	\$ 82,865	\$ 315,369	\$ 8,746,624
Excess/(Deficit) of Revenues Over/(Under) Expenditures								
	89,161							89,161
Fund Balance, July 1	394,873							394,873
Transfers								
Fund Balance, June 30	\$ 484,034							\$ 484,034

**BOARD OF EDUCATION
NORTH BRUNSWICK SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
SPECIAL REVENUE FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Exhibit E-1b

	Total Brought Forward (Excl. E-1c)	CRF GRANT	ESSER III	ARP ESSER Acc Learning	ESSER Comprehensive	ARP ESSER NJ TSS Mental Health	Totals Carried Forward 2023
REVENUES:							
State sources	\$ 7,328,550	2,434					\$ 7,330,984
Federal sources	11,762		\$ 18,997	\$ 50,193	\$ 2,471	\$ 3,171	86,594
Local sources	802,105						802,105
Total revenues	\$ 8,142,417	\$ 2,434	\$ 18,997	\$ 50,193	\$ 2,471	\$ 3,171	\$ 8,219,683
EXPENDITURES:							
Instruction:							
Salaries of teachers	\$ 1,670,498		\$ 3,249	\$ 20,908			\$ 1,694,654
Other salaries for instructors	520,162						520,162
Purchased professional and technical services	219,595						219,595
Other purchased services(400-500 series)	8,444	2,434		23,205			8,444
General supplies	87,556						113,195
Textbooks	1,841						1,841
Total Instruction	2,508,096	2,434	3,249	44,113			2,557,891
Support services:							
Salaries of teachers	121,774			4,015		\$ 809	4,824
Salaries of program director	154,415						121,774
Salaries of supervisors of instruction	321,116						154,415
Salaries of other professional staff	113,534						321,116
Salaries of secretarial and clerical assistants	119,165						113,534
Other salaries	15,832						119,165
Salaries of parents liaison	313,303						15,832
Salaries of master teacher	1,117,417		249	2,065		62	313,303
Personal services-employee benefits							1,119,791
Purchased educational services:							
Contracted Pre-K	1,896,750						1,896,750
Head Start	577,980						577,980
Purchased Professional	8,504						8,504
Other Services	400						400
Purchased professional/technical services	6,157	\$	2,500			1,800	10,457
Contracted Services- Transportation (Field Trips)	2,828						2,828
Travel	2,528						2,528
Other Purchased Services (400-500 series)	48,463		13,000		\$ 2,471	500	2,971
Supplies and materials	705,195						61,463
Other objects							705,195
Total support services	5,525,360		15,749	6,080	2,471	3,171	5,552,830
Facilities acquisition and construction services:							
Instructional equipment	8,038						8,038
Noninstructional equipment	11,762						11,762
Total facilities acquisition and Construction Services	19,800						19,800
Total expenditures	\$ 8,053,256	\$ 2,434	\$ 18,997	\$ 50,193	\$ 2,471	\$ 3,171	\$ 8,130,522
Excess/(Deficit) of Revenues Over/(Under) Expenditures							89,161
Fund Balance, July 1	89,161						394,873
Transfers	394,873						
Fund Balance, June 30	484,034						\$ 484,034

**BOARD OF EDUCATION
NORTH BRUNSWICK SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
SPECIAL REVENUE FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Exhibit E-1c

	Total Brought Forward (Exh. E-1d)	USDA Grant	NonPublic Textbooks	NonPublic Nursing	NonPublic Security	NonPublic Technology	Pre-School Education Expansion Aid	Totals Carried Forward 2023
REVENUES:								
State sources	\$ 24,982	\$ 11,762	\$ 1,841	\$ 6,157	\$ 8,130	\$ 1,784	\$ 7,285,656	\$ 7,328,550
Federal sources	802,105							11,762
Local sources								802,105
Total revenues	\$ 827,087	\$ 11,762	\$ 1,841	\$ 6,157	\$ 8,130	\$ 1,784	\$ 7,285,656	\$ 8,142,417
EXPENDITURES:								
Instruction:								
Salaries of teachers							\$ 1,670,498	\$ 1,670,498
Other salaries for instructors							520,162	520,162
Purchased professional and technical services	\$ 24,982				\$ 8,130	\$ 1,784	184,699	219,595
Other purchased services(400-500 series)							8,444	8,444
General supplies	5,749						81,807	87,556
Textbooks			\$ 1,841					1,841
Total Instruction	30,731		1,841		8,130	1,784	2,465,610	2,508,096
Support services:								
Salaries of teachers							121,774	121,774
Salaries of program director							154,415	154,415
Salaries of supervisors of instruction							321,116	321,116
Salaries of other professional staff							113,534	113,534
Salaries of secretarial and clerical assistants							119,165	119,165
Other salaries							15,832	15,832
Salaries of parents liaison							313,303	313,303
Salaries of master teacher							1,117,417	1,117,417
Personal services-employee benefits							1,896,750	1,896,750
Purchased educational services:							577,980	577,980
Contracted Pre-K							8,504	8,504
Head Start							400	400
Purchased Professional				\$ 6,157				6,157
Other Services							2,828	2,828
Purchased professional/technical services							2,528	2,528
Contracted Services- Transportation (Field Trips)							48,463	48,463
Travel								705,195
Other Purchased Services (400-500 series)							4,814,008	5,525,360
Supplies and materials								
Other objects	705,195							
Total support services	705,195			6,157			4,814,008	5,525,360
Facilities acquisition and construction services:								
Instructional equipment	2,000	\$ 11,762					6,038	8,038
Noninstructional equipment								11,762
Total facilities acquisition and Construction Services	2,000	11,762					6,038	19,800
Total expenditures	\$ 737,926	\$ 11,762	\$ 1,841	\$ 6,157	\$ 8,130	\$ 1,784	\$ 7,285,656	\$ 8,053,256
Excess/(Deficit) of Revenues Over/(Under) Expenditures	89,161							89,161
Fund Balance, July 1	394,873							394,873
Transfers								
Fund Balance, June 30	\$ 484,034							\$ 484,034

**BOARD OF EDUCATION
NORTH BRUNSWICK SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
SPECIAL REVENUE FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Exhibit E-1d

	NJ Chapter 192 Auxiliary Service				NJ Chapter 193 - Handicapped			Local Grants	Student Activities	Totals Carried Forward 2023
	Compensatory Education	Suppl. Inst.	Exam. and Class.	NonPublic Corrective Speech						
REVENUES:										
State sources	\$ 10,404	\$ 5,699	\$ 7,019	\$ 1,860				\$ 7,749	\$ 794,356	\$ 24,982
Federal sources										802,105
Local sources	\$ 10,404	\$ 5,699	\$ 7,019	\$ 1,860				\$ 7,749	\$ 794,356	\$ 827,087
Total revenues										
EXPENDITURES:										
Instruction:										
Salaries of teachers										
Other salaries for instructors										
Purchased professional and technical services	\$ 10,404	\$ 5,699	\$ 7,019	\$ 1,860						\$ 24,982
Other purchased services(400-500 series)								\$ 5,749		5,749
General supplies										
Textbooks										
Total Instruction	10,404	5,699	7,019	1,860				5,749		30,731
Support services:										
Salaries of teachers										
Salaries of program director										
Salaries of supervisors of instruction										
Salaries of other professional staff										
Salaries of secretarial and clerical assistants										
Other salaries										
Salaries of parents liaison										
Salaries of master teacher										
Personal services-employee benefits										
Purchased educational services:										
Contracted Pre-K										
Head Start										
Purchased Professional										
Other Services										
Purchased professional/technical services										
Contracted Services- Transportation (Field Trips)										
Travel										
Other Purchased Services (400-500 series)										
Supplies and materials										
Other objects									\$ 705,195	705,195
Total support services									705,195	705,195
Facilities acquisition and construction services:										
Instructional equipment							2,000			2,000
Noninstructional equipment										
Total facilities acquisition and Construction Services							2,000			2,000
Total expenditures	\$ 10,404	\$ 5,699	\$ 7,019	\$ 1,860			\$ 7,749	\$ 705,195	\$ 737,926	
Excess/(Deficit) of Revenues Over/(Under) Expenditures								89,161		89,161
Fund Balance, July 1								394,873		394,873
Transfers										
Fund Balance, June 30								484,034		484,034

NORTH BRUNSWICK BOARD OF EDUCATION SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID EXPENDITURES
PRESCHOOL - ALL PROGRAMS
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:				
Instruction:				
Salaries of teachers	\$ 1,695,623	\$ 1,670,498	\$ 1,670,498	
Salaries of other professional staff	481,666	520,162	520,162	
Purchased professional - education services	170,000	184,699	184,699	
Other purchased services(400-500 Series)	6,700	8,444	8,444	
General supplies	45,000	81,807	81,807	
Other objects	-	-	-	
Total instruction	<u>\$ 2,398,989</u>	<u>\$ 2,465,610</u>	<u>\$ 2,465,610</u>	
Support services:				
Salaries of program directors	\$ 118,065	\$ 121,774	\$ 121,774	
Salaries of supervisors of instruction	152,570	154,415	154,415	
Salaries of other professional staff	324,846	321,116	321,116	
Salaries of secretarial and clerical assistants	112,859	113,534	113,534	
Other salaries for instruction	130,059	119,165	119,165	
Parent liaison	16,268	15,832	15,832	
Salaries of master teachers	336,477	313,303	313,303	
Personal services-employee benefits	1,063,337	1,117,417	1,117,417	
Purchased educational services:				
'Contracted- Pre K	1,896,750	1,896,750	1,896,750	
Head start	420,000	577,980	577,980	
Purchased professional services- Education	4,984	8,504	8,504	
Other Purchased professional services	1,000	400	400	
Cleaning, Repair and Maintenance				
Contracted Services:				
Transportation	23,271	-	-	
Field Trips	-	2,828	2,828	
Travel	500	2,528	2,528	
Supplies and materials	45,000	48,463	48,463	
Total support services	<u>\$ 4,645,986</u>	<u>\$ 4,814,008</u>	<u>\$ 4,814,008</u>	
Facilities acquisition and construction services:				
Instructional equipment	<u>\$ 51,729</u>	<u>\$ 6,038</u>	<u>\$ 6,038</u>	
Total facilities acquisition and construction services	<u>\$ 51,729</u>	<u>\$ 6,038</u>	<u>\$ 6,038</u>	
Total expenditures	<u>\$ 7,096,704</u>	<u>\$ 7,285,656</u>	<u>\$ 7,285,656</u>	

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2024-2025 PreK Aid Allocation	\$ 7,096,704
Add: Actual ECPA/PEA Carryover June 30, 2024	<u>192,258</u>
Total Preschool Education Aid Funds Available for 2024-2025 Budget	7,288,962
Less: 2024-2025 Budgeted PreK Education Aid(Including prior year budgeted carryover)	<u>7,285,656</u>
Available & Unbudgeted Funds as of June 30, 2025	<u>\$ 3,306</u>
**2024-2025 Carryover- Preschool Education Aid Programs	<u>\$ 3,306</u>
2024-2025 Preschool Education Aid Carryover Budgeted for Preschool Programs 2025-2026	

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Balance July 1, <u>2024</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance June 30, <u>2025</u>
Elementary Schools:				
Judd	\$ 30,239	\$ 32,708	\$ 34,399	\$ 28,548
John Adams	10,491	17,894	17,921	10,464
Livingston Park	12,781	24,217	25,270	11,728
Parsons	9,164	13,716	11,651	11,229
Early Childhood Center	2,888	1,412	897	3,403
Linwood	<u>4,277</u>	<u>3,099</u>	<u>4,154</u>	<u>3,222</u>
Total Elementary Schools	\$ <u>69,840</u>	\$ <u>93,046</u>	\$ <u>94,291</u>	\$ <u>68,595</u>
Middle School:				
Middle School Account	\$ 18,887	\$ 31,481	\$ 34,078	\$ 16,290
Athletic Account	<u>3,263</u>	<u>9,111</u>	<u>11,541</u>	<u>833</u>
Total Middle School	\$ <u>22,150</u>	\$ <u>40,592</u>	\$ <u>45,619</u>	\$ <u>17,123</u>
Senior High School:				
High School	\$ 302,860	\$ 593,154	\$ 499,146	\$ 396,868
Athletic Account	<u>23</u>	<u>67,563</u>	<u>66,139</u>	<u>1,447</u>
Total Senior High School	\$ <u>302,883</u>	\$ <u>660,717</u>	\$ <u>565,285</u>	\$ <u>398,315</u>
Total All Schools	\$ <u><u>394,873</u></u>	\$ <u><u>794,355</u></u>	\$ <u><u>705,196</u></u>	\$ <u><u>484,033</u></u>

CAPITAL PROJECTS FUND

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

<u>Project Title/Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2024</u>
			<u>Prior Years</u>	<u>Current Year</u>	
ESIP	04/01/19	\$ 14,426,939	\$ 13,896,661		\$ 530,278
HVAC CONTROL UPGRADES:					
John Adams	06/30/24	1,028,500	2,950	\$ 852,626	172,924
Judd	06/30/24	1,083,500	3,098	693,272	387,130
Livingston Park	06/30/24	1,175,900	3,371	940,597	231,932
Parsons	06/30/24	986,700	2,751	630,803	353,146
Linwood	06/30/24	2,406,500	6,916	599,140	1,800,444
North Brunswick High School	06/30/24	1,980,000	5,701	1,619,989	354,310
District Wide Improvements	03/11/25	<u>63,794,000</u>		<u>169,222</u>	<u>63,624,778</u>
		<u>\$ 86,882,039</u>	<u>\$ 13,921,448</u>	<u>\$ 5,505,649</u>	<u>\$ 67,454,942</u>

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Revenues

Bond Proceeds	\$ 63,794,000
Miscellaneous - Rebate	290,561
Interest on investments	<u>186,139</u>
Total revenues	<u>64,270,700</u>

Expenditures

Architect Fees	\$ 203,478
Purchase Professional Technical Services	153,517
Construction	<u>5,148,654</u>
Total expenditures	<u>5,505,649</u>

Net before Transfer In/(Out)	\$ 58,765,051
Transfer In/(Out)	
Due to Debt Service Fund	<u>(186,139)</u>
Net change in fund balance	\$ 58,578,912
Fund balance, beginning	<u>8,876,030</u>
Fund balance, ending	<u><u>\$ 67,454,942</u></u>

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
DISTRICT WIDE ENERGY PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Lease Proceeds	\$ 13,500,000		\$ 13,500,000	\$ 13,500,000
Interest Earnings	70,539		70,539	70,539
Rebates	<u>565,839</u>	<u>\$ 290,561</u>	<u>856,400</u>	<u>856,400</u>
Total revenues	<u>\$ 14,136,378</u>	<u>\$ 290,561</u>	<u>\$ 14,426,939</u>	<u>\$ 14,426,939</u>
Expenditures and Other Financing Uses				
Salaries				
Employee Benefits				
Legal Fees				
Purchase Professional/Technical Services				
Other Purchased Services				
Construction Services				
Equipment	<u>\$ 13,896,661</u>	<u></u>	<u>\$ 13,896,661</u>	<u>\$ 13,896,661</u>
Total expenditures	<u>\$ 13,896,661</u>	<u></u>	<u>\$ 13,896,661</u>	<u>\$ 13,896,661</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>\$ 239,717</u>	<u>\$ 290,561</u>	<u>\$ 530,278</u>	<u>\$ 530,278</u>

Additional project information:

Project Number	
Grant Date	
Lease Authorization Date	3/15/2019
Leases Authorized	\$ 13,500,000
Leases Issued	\$ 13,500,000
Original Authorized Cost	\$ -
Additional Authorized Cost	\$ 290,561
Revised Authorized Cost	\$ 14,426,939

Percentage Increase over Original Authorized Cost	
Percentage completion	96.32%
Original target completion date	9/15/2020
Revised target completion date	9/15/2026

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
HVAC CONTROL UPGRADES- JOHN ADAMS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Grant	\$ 411,400	\$	\$ 411,400	\$ 411,400
Local	617,100		617,100	617,100
Total revenues	\$ 1,028,500	\$	\$ 1,028,500	\$ 1,028,500
Expenditures and Other Financing Uses				
Legal Fees				
Purchase Professional/Technical Services				\$ 18,750
Architect Fees	\$ 2,950	\$ 22,346	\$ 25,296	28,000
Land and Land Improvements				
Supplies and Material				
Construction		830,280	830,280	981,750
Equipment				
Total expenditures	\$ 2,950	\$ 852,626	\$ 855,576	\$ 1,028,500
Excess (deficiency) of revenues over/(under) expenditures	\$ 1,025,550	\$ (852,626)	\$ 172,924	

Additional project information:

Project Number	3620-060-23-GOI
Grant Date	6/30/2024
Project Authorization Date	6/30/2024
Project Amount Authorized	\$ 1,028,500
Original Authorized Cost	\$ 1,028,500
Additional Authorized Cost	
Revised Authorized Cost	\$ 1,028,500
Percentage Increase over Original Authorized Cost	
Percentage completion	83.19%
Original target completion date	6/30/2026

Allocation:

	Prior Periods	Current Year	Total
Grants	\$ 1,180	\$ 341,050	\$ 342,230
Local	1,770	511,576	513,346
	\$ 2,950	\$ 852,626	\$ 855,576

Expenditures allocation:

Grants	40%
Local	60%
	100%

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
HVAC CONTROL UPGRADES- JUDD
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Grant	\$ 433,400		\$ 433,400	\$ 433,400
Local	650,100		650,100	650,100
Total revenues	\$ 1,083,500		\$ 1,083,500	\$ 1,083,500
Expenditures and Other Financing Uses				
Legal Fees				
Purchase Professional/Technical Services				\$ 19,750
Architect Fees	\$ 3,098	\$ 23,472	\$ 26,570	29,500
Land and Land Improvements				
Supplies and Material				
Construction		669,800	669,800	1,034,250
Equipment				
Total expenditures	\$ 3,098	\$ 693,272	\$ 696,370	\$ 1,083,500
Excess (deficiency) of revenues over/(under) expenditures	\$ 1,080,402	\$ (693,272)	\$ 387,130	\$

Transfer to Debt Service Fund

Additional project information:

Project Number	3620-055-23-G5OH
Grant Date	6/30/2024
Project Authorization Date	6/30/2024
Project Amount Authorized	\$ 1,083,500
Original Authorized Cost	\$ 1,083,500
Additional Authorized Cost	
Revised Authorized Cost	\$ 1,083,500
Percentage Increase over Original Authorized Cost	0
Percentage completion	64.27%
Original target completion date	6/30/2026

Allocation:

	Prior Periods	Current Year	Total
Grants	\$ 1,239	\$ 277,309	\$ 278,548
Local	1,859	415,963	417,822
	\$ 3,098	\$ 693,272	\$ 696,370

Expenditures allocation:

Grants	40%
Local	60%
	100%

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
HVAC CONTROL UPGRADES- LIVINGSTON PARK
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Grant	\$ 470,360	\$	\$ 470,360	\$ 470,360
Local	705,540		705,540	705,540
Total revenues	\$ 1,175,900	\$	\$ 1,175,900	\$ 1,175,900
Expenditures and Other Financing Uses				
Legal Fees				
Purchase Professional/Technical Services				\$ 21,450
Architect Fees	\$ 3,371	\$ 25,533	\$ 28,904	32,000
Land and Land Improvements				
Supplies and Material				
Construction		915,064	915,064	1,122,450
Equipment				
Total expenditures	\$ 3,371	\$ 940,597	\$ 943,968	\$ 1,175,900
Excess (deficiency) of revenues over/(under) expenditures	\$ 1,172,529	\$ (940,597)	\$ 231,932	\$

Transfer to Debt Service Fund

Additional project information:

Project Number	3620-070-23-G5OK
Grant Date	6/30/2024
Project Authorization Date	6/30/2024
Project Amount Authorized	\$ 1,175,900
Original Authorized Cost	\$ 1,175,900
Additional Authorized Cost	
Revised Authorized Cost	\$ 1,175,900
Percentage Increase over Original Authorized Cost	
Percentage completion	80.28%
Original target completion date	6/30/2026

Allocation:

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>
Grants	\$ 1,348	\$ 376,239	\$ 377,587
Local	2,023	564,358	566,381
	\$ 3,371	\$ 940,597	\$ 943,968

Expenditures allocation:

Grants	40%
Local	60%
	100%

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
HVAC CONTROL UPGRADES- PARSONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Grant	\$ 394,680		\$ 394,680	\$ 394,680
Local	<u>592,020</u>		<u>592,020</u>	<u>592,020</u>
Total revenues	<u>\$ 986,700</u>		<u>\$ 986,700</u>	<u>\$ 986,700</u>
Expenditures and Other Financing Uses				
Legal Fees				
Purchase Professional/Technical Services				\$ 18,850
Architect Fees	\$ 2,751	\$ 20,843	\$ 23,594	26,000
Land and Land Improvements				
Supplies and Material				
Construction		609,960	609,960	941,850
Equipment				
Total expenditures	<u>\$ 2,751</u>	<u>\$ 630,803</u>	<u>\$ 633,554</u>	<u>\$ 986,700</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>\$ 983,949</u>	<u>\$ (630,803)</u>	<u>\$ 353,146</u>	
Transfer to Debt Service Fund				
Additional project information:				
Project Number		3620-090-23-G5OL		
Grant Date		6/30/2024		
Project Authorization Date		6/30/2024		
Project Amount Authorized		\$ 980,700		
Original Authorized Cost		\$ 980,700		
Additional Authorized Cost				
Revised Authorized Cost		\$ 980,700		
Percentage Increase over Original Authorized Cost				
Percentage completion		64.21%		
Original target completion date		6/30/2026		
Allocation:	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	
Grants	\$ 1,100	\$ 252,321	\$ 253,422	
Local	<u>1,651</u>	<u>378,482</u>	<u>380,132</u>	
	<u>\$ 2,751</u>	<u>\$ 630,803</u>	<u>\$ 633,554</u>	
Expenditures allocation:				
Grants		40%		
Local		<u>60%</u>		
		<u>100%</u>		

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
HVAC CONTROL UPGRADES- LINWOOD
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Year	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Grant	\$ 962,600		\$ 962,600	\$ 962,600
Local	1,443,900		1,443,900	1,443,900
Total revenues	\$ 2,406,500		\$ 2,406,500	\$ 2,406,500
Expenditures and Other Financing Uses				
Legal Fees				
Purchase Professional/Technical Services				\$ 44,570
Architect Fees	\$ 6,916	52,390	\$ 59,306	65,580
Land and Land Improvements				
Supplies and Material				
Construction		546,750	546,750	2,296,350
Equipment				
Total expenditures	\$ 6,916	599,140	\$ 606,056	\$ 2,406,500
Excess (deficiency) of revenues over/(under) expenditures	\$ 2,399,584	\$ (599,140)	\$ 1,800,444	\$

Transfer to Debt Service Fund

Additional project information:

Project Number	3620-065-23-G5OJ
Grant Date	6/30/2024
Project Authorization Date	6/30/2024
Project Amount Authorized	\$ 2,406,500
Original Authorized Cost	\$ 2,406,500
Additional Authorized Cost	
Revised Authorized Cost	\$ 2,406,500

Percentage Increase over

Original Authorized Cost

Percentage completion

Original target completion date

25.18%

6/30/2026

Allocation:

	Prior Periods	Current Year	Total
Grants	\$ 2,766	\$ 112,702	\$ 115,469
Local	4,150	169,053	173,203
	\$ 6,916	\$ 281,755	\$ 288,671

Expenditures allocation:

Grants	40%
Local	60%
	100%

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
HVAC UPGRADES- NORTH BRUNSWICK TOWNSHIP HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Grant	\$ 792,000		\$ 792,000	\$ 792,000
Local	1,188,000		1,188,000	1,188,000
Total revenues	\$ 1,980,000		\$ 1,980,000	\$ 1,980,000
Expenditures and Other Financing Uses				
Legal Fees				
Purchase Professional/Technical Services				\$ 36,000
Architect Fees	\$ 5,701	\$ 43,189	\$ 48,890	54,000
Land and Land Improvements				
Supplies and Material				
Construction		1,576,800	1,576,800	1,890,000
Equipment				
Total expenditures	\$ 5,701	\$ 1,619,989	\$ 1,625,690	\$ 1,980,000
Excess (deficiency) of revenues over/(under) expenditures	1,974,299	\$ (1,619,989)	\$ 354,310	

Transfer to Debt Service Fund

Additional project information:

Project Number	3620-040-23-G5OG
Grant Date	6/30/2024
Project Authorization Date	6/30/2024
Project Amount Authorized	\$ 1,980,000
Original Authorized Cost	\$ 1,980,000
Additional Authorized Cost	
Revised Authorized Cost	\$ 1,980,000
Percentage Increase over Original Authorized Cost	
Percentage completion	82.11%
Original target completion date	6/30/2026

Allocation:

	Prior Periods	Current Year	Total
Grants	\$ 2,280	\$ 518,396	\$ 520,676
Local	3,421	777,593	781,014
	\$ 5,701	\$ 1,295,989.14	\$ 1,301,690

Expenditures allocation:

Grants	40%
Local	60%
	100%

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS DISTRICT WIDE IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources			
Bond Proceeds	\$ 63,794,000	\$ 63,794,000	\$ 63,794,000
Total revenues	\$ 63,794,000	\$ 63,794,000	\$ 63,794,000
Expenditures and Other Financing Uses			
Legal Fees			\$ 725,000
Purchase Professional/Technical Services	\$ 153,517	\$ 153,517	3,722,500
Architect Fees	15,705	15,705	4,099,500
Land and Land Improvements			
Supplies and Material			
Construction			55,247,000
Equipment			
Total expenditures	\$ 169,222	\$ 169,222	\$ 63,794,000
Excess (deficiency) of revenues over/(under) expenditures	\$ 63,624,778	\$ 63,624,778	\$
Transfer to Debt Service Fund			
Additional project information:			
Project Number			
Grant Date	NA		
Project Authorization Date	3/11/2025		
Project Amount Authorized	\$ 63,794,000		
Original Authorized Cost			
Additional Authorized Cost			
Revised Authorized Cost	\$ 63,794,000		
Percentage Increase over Original Authorized Cost			
Percentage completion	0.27%		
Original target completion date	6/30/2027		

NONCURRENT DEBT

**BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
NONCURRENT DEBT
SCHEDULE OF SERIAL BONDS
AS OF JUNE 30, 2025**

Issue	Date of Issue	Original Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2024	Increased by	Retired	Balance June 30, 2025
			Date	Amount					
2014 Refunding Bonds - (Refunding a Portion of 2006 Bonds)	5/23/2012	\$ 4,260,000	3/15/2026	\$ 480,000	4.000%	\$ 960,000		\$ 480,000	\$ 480,000
	9/1/2017	35,000,000	9/15/2025	1,600,000	3.000%				
School District Bonds Series 2017			9/15/2026	1,600,000	3.000%				
			9/15/2027	1,600,000	3.000%				
			9/15/2028	1,600,000	3.000%				
			9/15/2029	1,600,000	3.000%				
			9/15/2030	1,600,000	3.000%				
			9/15/2031	1,600,000	3.000%				
			9/15/2032	1,600,000	3.000%				
			9/15/2033	1,600,000	3.000%				
			9/15/2034	1,625,000	3.000%				
			9/15/2035	1,650,000	3.000%				
			9/15/2036	1,650,000	3.000%				
			9/15/2037	1,650,000	3.000%				
			9/15/2038	1,650,000	3.000%				
			9/15/2039	1,650,000	3.000%				
			9/15/2040	1,650,000	3.000%				
			9/15/2041	1,650,000	3.000%				
			9/15/2042	1,650,000	3.000%	30,050,000		825,000	29,225,000
School District Bonds Series 2019	1/24/2019	\$ 42,348,000	8/15/2025	1,980,000	3.125%				
			8/15/2026	1,980,000	3.125%				
			8/15/2027	1,980,000	3.125%				
			8/15/2028	1,980,000	3.125%				
			8/15/2029	1,980,000	3.125%				
			8/15/2030	1,980,000	3.250%				
			8/15/2031	1,980,000	3.250%				
			8/15/2032	1,980,000	3.250%				
			8/15/2033	1,980,000	3.250%				
			8/15/2034	1,980,000	3.250%				
			8/15/2035	1,980,000	3.250%				
			8/15/2036	1,980,000	3.375%				
			8/15/2037	1,980,000	3.375%				
			8/15/2038	1,980,000	3.500%				
			8/15/2039	1,980,000	3.500%				
			8/15/2040	1,980,000	3.500%				
			8/15/2041	1,915,000	3.500%				
			8/15/2042	1,900,000	3.625%	38,385,000		990,000	37,395,000
			8/15/2043	1,900,000	3.625%				

**BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
NONCURRENT DEBT
SCHEDULE OF SERIAL BONDS
AS OF JUNE 30, 2025**

Issue	Original		Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2024	Increased by	Retired	Balance June 30, 2025
	Date of Issue			Date	Amount					
Refunding School Bonds, Series 2020B (Federally Taxable) (Refunding a Portion of 2010 and 2012 Bonds)	10/7/2020		12,010,000	1/15/2025	\$ 4,740,000	0.954%	\$ 4,740,000		\$ 4,740,000	
School Bonds, Series 2025	5/15/2025	63,794,000.00		5/15/2027	3,404,000	3.000%		\$ 63,794,000		\$ 63,794,000
				5/15/2028	2,335,000	4.000%				
				5/15/2029	2,435,000	4.000%				
				5/15/2030	2,535,000	4.000%				
				5/15/2031	2,635,000	4.000%				
				5/15/2032	2,745,000	4.000%				
				5/15/2033	2,855,000	4.000%				
				5/15/2034	2,975,000	4.000%				
				5/15/2035	3,095,000	4.000%				
				5/15/2036	3,220,000	4.000%				
				5/15/2037	3,355,000	4.000%				
				5/15/2038	3,490,000	4.000%				
				5/15/2039	3,630,000	4.000%				
				5/15/2040	3,780,000	4.000%				
				5/15/2041	3,925,000	4.000%				
				5/15/2042	4,090,000	4.000%				
				5/15/2043	4,260,000	4.000%				
				5/15/2044	4,430,000	4.000%				
				5/15/2045	4,600,000	4.000%				
							\$ 74,135,000	\$ 63,794,000	\$ 7,035,000	\$ 130,894,000
Detail:										
Budget Appropriation										

BOARD OF EDUCATION
TOWNSHIP OF NORTH BRUNSWICK SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES - ESIP
AS OF JUNE 30, 2025

<u>Series</u>	<u>Interest Rate Payable</u>	<u>Amount of Original Issue</u>	<u>Balance July 1, 2024</u>	<u>Retired Current Year</u>	<u>Balance June 30, 2025</u>
ESIP	2.984%	\$ 12,860,000	\$ 10,810,000	\$ 625,000	\$ 10,185,000
		\$ 12,860,000	\$ 10,810,000	\$ 625,000	\$ 10,185,000

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES:			
Local Sources:			
Local Tax Levy	\$ 8,873,579	\$ 8,873,579	\$ 8,873,579
State Sources:			
Debt Service Aid Type II	<u>390,402</u>	<u>390,402</u>	<u>390,402</u>
Total Revenues	\$ <u>9,263,981</u>	\$ <u>9,263,981</u>	\$ <u>9,263,981</u>
EXPENDITURES:			
Regular Debt Service:			
Interest on Bonds	\$ 2,228,983	\$ 2,228,983	\$ 2,228,983
Redemption of Principal	<u>7,035,000</u>	<u>7,035,000</u>	<u>7,035,000</u>
Total Expenditures	\$ <u>9,263,983</u>	\$ <u>9,263,983</u>	\$ <u>9,263,983</u>
Excess/(Deficiency) of Revenues Over/(Under) Expendi	\$ <u>(2)</u>	\$ <u>(2)</u>	\$ <u>(2)</u>
Other Financing Sources:			
Transfer from Capital Projects Fund	<u> </u>	<u> </u>	\$ <u>186,140</u>
Fund Balance, July 1	<u>2</u>	<u>2</u>	<u>2</u>
Fund Balance, June 30	\$ <u> </u>	\$ <u> </u>	\$ <u>186,140</u>
Recapitulation of Excess of Revenues Over Expenditures:			
Budgeted Fund Balance	\$ <u> </u>	\$ <u> </u>	\$ <u>186,140</u>

**BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES - OTHER
YEAR ENDED JUNE 30, 2025**

<u>Series</u>	<u>Interest Rate Payable</u>	<u>Amount of Original Issue</u>	<u>Balance July 1, 2024</u>	<u>Retired Current Year</u>	<u>Balance June 30, 2025</u>
TD BANK 19-20		\$ 1,000,000	\$ 209,604	\$ 209,604	
TD BANK 20-21		500,000	102,391	102,391	
TD BANK 20-21	1.106%	1,000,000	406,611	202,188	\$ 204,424
TD BANK 21-22	0.9875%	1,000,000	605,442	199,834	405,608
		<u>\$ 3,500,000</u>	<u>\$ 1,324,048</u>	<u>\$ 714,016</u>	<u>\$ 610,031</u>

STATISTICAL TABLES (SECTION)
(UNAUDITED)

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
INTRODUCTION TO STATISTICAL TABLES (SECTION)
(UNAUDITED)

Contents

Exhibit

Financial Trends

J-1 to J-5

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

Revenue Capacity

J-6 to J-9

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

Debt Capacity

J-10 to J-13

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

Demographic and Economic Information

J-14 & J-15

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

Operating Information

J-16 to J-20

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

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

FINANCIAL TRENDS

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT

COUNTY OF MIDDLESEX

NET POSITION BY COMPONENT

LAST TEN (10) FISCAL YEARS

(UNAUDITED)

(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Invested in capital assets, net of related debt	\$ 62,963,514	\$ 64,422,276	\$ 48,810,376	\$ 28,217,525	\$ 60,015,522	\$ 73,856,712	\$ 78,288,063	\$ 84,605,800	\$ 91,031,808	\$ 107,243,602
Restricted	5,602,959	4,312,604	22,340,628	45,216,162	14,888,846	8,597,708	456,223	10,674,268	394,874	3,830,158
Unrestricted (Deficit)	(24,095,986)	(25,872,968)	(27,771,570)	(29,632,721)	(30,724,698)	(24,046,544)	(10,820,424)	(18,723,583)	(4,424,706)	(10,441,257)
Total governmental activities net position	\$ 44,470,487	\$ 42,861,912	\$ 41,379,434	\$ 43,800,966	\$ 44,179,670	\$ 58,407,876	\$ 67,923,862	\$ 76,556,485	\$ 87,001,976	\$ 100,632,503
Business-type activities										
Invested in capital assets, net of related debt	\$ 128,124	\$ 277,577	\$ 279,167	\$ 233,340	\$ 185,931	\$ 139,312	\$ 93,866	\$ 56,481	\$ 13,594	\$ 13,594
Unrestricted	949,518	541,785	554,993	398,626	247,496	400,393	1,364,687	1,545,105	1,638,501	1,273,501
Total business-type activities net position	\$ 1,077,642	\$ 819,362	\$ 834,160	\$ 631,966	\$ 433,427	\$ 539,705	\$ 1,458,553	\$ 1,601,586	\$ 1,652,095.00	\$ 1,287,095.00
District-wide										
Invested in capital assets, net of related debt	\$ 63,091,638	\$ 64,699,853	\$ 47,089,543	\$ 28,450,865	\$ 60,201,454	\$ 73,996,024	\$ 78,381,929	\$ 84,662,281	\$ 91,045,402	\$ 107,257,196
Restricted	5,602,959	4,312,604	22,340,628	45,216,162	14,888,845	8,597,708	456,223	10,674,268	394,874	3,830,158
Unrestricted (Deficit)	(20,537,552)	(25,331,183)	(27,216,577)	(29,234,095)	(30,477,202)	(23,646,151)	(9,455,737)	(17,178,478)	(2,786,205)	(9,167,756)
Total district net position	\$ 48,157,045	\$ 43,681,274	\$ 42,213,594	\$ 44,432,932	\$ 44,613,097	\$ 58,947,581	\$ 69,382,415	\$ 78,158,071	\$ 88,654,071	\$ 101,919,598

Source: ACFR Exhibit A-1

2017 includes OPEB expense in accordance with GASB Statement No. 75 related to post-retirement benefits other than pension amounts prior 2017 are not available.

In 2021 GASB No.84 related to fiduciary accounting was implemented.

In 2022 GASB No. 87 related to lease accounting was implemented.

In 2023 GASB No. 96 related to subscription-based information technology was implemented.

In 2025 GASB No. 101 related to compensated absences was implemented.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CHANGE IN NET POSITION
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities										
Instruction										
Regular	\$ 42,406,923	\$ 51,004,075	\$ 49,104,993	\$ 47,362,218	\$ 44,671,009	\$ 43,926,951	\$ 48,552,151	\$ 49,678,110	\$ 51,569,453	\$ 56,245,827
Special education	16,587,884	20,880,083	19,775,812	21,376,879	21,510,173	25,499,570	26,015,011	26,694,233	27,665,525	29,311,622
Other special education	4,204,642	5,523,165	6,290,261	6,614,351	6,582,676	6,195,446	6,254,339	6,345,324	6,991,155	7,366,049
Other instruction	2,002,021	2,583,783	2,513,464	2,492,554	2,272,762	2,049,955	2,396,055	2,591,497	2,730,553	2,845,333
Support Services:										
Tuition	2,684,498	2,431,882	2,367,233	1,884,450	1,294,958	761,294	1,022,112	1,590,290	2,272,721	2,686,193
Student & instruction related services	15,469,731	19,128,659	20,656,200	23,322,315	27,354,628	24,776,517	27,777,578	29,872,640	32,585,158	36,084,330
School Administrative services	7,330,606	8,876,197	8,452,595	8,167,249	8,068,967	8,243,511	13,034,110	4,536,456	10,290,141	3,987,872
General administration	2,669,144	3,304,717	3,152,880	3,433,380	2,892,276	3,230,141	3,015,039	9,982,691	5,079,976	9,199,106
Plant operations and maintenance	11,774,688	14,322,137	13,191,633	12,675,934	12,363,953	12,788,529	14,596,409	14,436,321	16,698,704	18,022,764
Pupil transportation	8,408,418	10,170,754	9,728,987	9,263,346	8,218,916	7,729,328	12,360,049	14,104,550	14,891,587	14,817,038
Charter Schools	1,213,693	1,731,185	2,293,482	3,601,674	4,247,611	5,078,028	6,231,538	7,192,831	7,866,876	8,314,280
Interest on long-term debt	2,124,370	2,126,316	2,686,674	3,281,679	4,439,058	3,652,790	3,421,528	3,132,461	2,860,418	2,574,356
Total governmental activities expenses	116,876,618	142,082,955	140,214,425	143,468,029	143,916,987	144,131,060	164,675,919	170,147,404	181,522,267	191,454,770
Business-type activities:										
Food service	3,135,363	3,384,197	3,413,001	3,514,672	2,996,342	1,771,281	3,440,529	3,866,912	3,929,958	4,357,712
School Facilities	354,943	378,595	322,255	348,591	273,417	27,312	86,665	76,905	116,240	124,347
Integrated Pre-K	418,303	344,767	258,845	168,838	66,078	12,440	12,440	15,604	85,704	43,120
After School	25,096	26,477	27,562	28,076	23,932					
Total business-type activities expense	3,933,705	4,134,036	4,021,663	4,060,177	3,359,769	1,811,033	3,539,634	3,959,421	4,131,902	4,525,179
Total district expenses	\$ 120,810,323	\$ 146,216,991	\$ 144,236,088	\$ 147,528,206	\$ 147,276,756	\$ 145,942,093	\$ 168,215,553	\$ 174,106,825	\$ 185,654,169	\$ 195,979,949

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CHANGE IN NET POSITION
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ 31,282	\$ 14,291	\$	\$ 150,672	\$ 101,753					
Pupil transportation	100,878	114,161	\$	3,928,823	5,442,615	\$ 9,309,744	\$ 11,824,178	\$ 11,515,067	\$ 11,684,338	\$ 10,257,639
Operating grants and contributions	2,391,375	2,443,869	2,807,394			\$ 9,309,744	\$ 11,824,178	\$ 11,515,067	\$ 11,684,338	\$ 10,257,639
Total governmental activities program revenues	\$ 2,523,535	\$ 2,572,321	\$ 2,936,400	\$ 4,079,495	\$ 5,544,368	\$ 9,309,744	\$ 11,824,178	\$ 11,515,067	\$ 11,684,338	\$ 10,257,639
Business-type activities:										
Charges for services:										
Food service	\$ 1,337,928	\$ 1,378,611	\$ 1,307,173	\$ 1,323,832	\$ 952,384	\$ 17,345	\$ 141,992	\$ 893,830	876,453	908,229
School Facilities	316,677	293,954	352,486	253,510	176,367	1,091	61,917	61,917	136,257	145,155
Integrated Pre-K	322,360	319,624	348,001	172,722	12,080		5,493		29,646	29,135
After School	29,400	21,677	24,791	27,125	20,499					
Operating grants and contributions	1,838,495	1,894,902	2,037,395	2,080,793	1,881,001	1,890,890	4,249,080	3,146,707	3,140,054	3,056,217
Total business type activities program revenues	3,844,860	3,908,768	4,069,846	3,857,982	3,042,331	1,909,326	4,458,482	4,102,454	4,182,410	4,138,736
Total district program revenues	\$ 6,368,395	\$ 6,481,089	\$ 7,006,246	\$ 7,937,477	\$ 8,586,699	\$ 11,219,070	\$ 16,282,660	\$ 15,617,521	\$ 15,866,748	\$ 14,396,375
Net (Expense)/Revenue										
Governmental activities	\$ (114,353,083)	\$ (139,510,634)	\$ (137,278,025)	\$ (139,386,534)	\$ (138,372,619)	\$ (134,821,316)	\$ (152,851,741)	\$ (158,632,337)	\$ (169,837,930)	\$ (181,197,131)
Business-type activities	(88,845)	(225,269)	48,183	(202,195)	(317,438)	98,293	918,848	143,033	50,508	(386,443)
Total district-wide net expense	\$ (114,441,928)	\$ (139,735,902)	\$ (137,229,842)	\$ (139,588,729)	\$ (138,690,057)	\$ (134,723,023)	\$ (151,932,893)	\$ (158,489,304)	\$ (169,787,422)	\$ (181,583,574)

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CHANGE IN NET POSITION
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Change in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 74,574,523	\$ 76,515,723	\$ 78,416,037	\$ 79,754,358	\$ 81,099,445	\$ 82,721,433	\$ 83,260,683	\$ 84,925,897	\$ 86,581,952	\$ 88,313,591
Taxes levied for debt service	5,351,035	5,331,602	5,366,247	6,189,010	7,804,774	8,441,851	8,441,017	8,653,292	8,894,305	8,873,579
Unrestricted grants and contributions	34,192,622	55,742,461	51,474,481	46,999,919	46,467,308	57,043,661	66,928,275	71,746,117	82,342,311	92,944,210
Miscellaneous income	460,339	638,032	715,577	1,406,564	1,992,788	648,008	1,846,047	1,931,104	2,464,853	3,123,929
Special and Extraordinary Items			(176,796)	7,458,215	1,387,008	(270,103)	1,891,612			1,572,349
Transfers	622,031	(325,759)								
Total governmental activities	\$ 115,200,550	\$ 137,902,059	\$ 135,795,546	\$ 141,808,066	\$ 138,751,323	\$ 148,584,850	\$ 162,367,634	\$ 167,256,410	\$ 180,283,421	\$ 194,827,658
Business-type activities:										
Prior year accounts canceled			(33,013)	-	118,878	7,985				21,444
Total business-type activities	-	-	(33,013)	-	118,878	7,985	-	-		21,444
Total district-wide	\$ 115,200,550	\$ 137,902,059	\$ 135,762,533	\$ 141,808,066	\$ 138,870,201	\$ 148,592,835	\$ 162,367,634	\$ 167,256,410	\$ 180,283,421	\$ 194,849,102
Change in Net Position										
Governmental activities	\$ 847,467	\$ (1,608,575)	\$ (1,482,479)	\$ 2,421,532	\$ 378,704	\$ 13,763,534	\$ 9,515,893	\$ 8,624,072	\$ 10,445,491	\$ 13,630,527
Business-type activities	(88,845)	(225,268)	15,170	(202,195)	(198,560)	106,278	918,848	143,033	50,508	(364,999)
Total district	\$ 758,622	\$ (1,833,843)	\$ (1,467,309)	\$ 2,219,337	\$ 180,144	\$ 13,869,812	\$ 10,434,741	\$ 8,767,105	\$ 10,495,999	\$ 13,265,528

Source: ACFR Exhibit A-2

2017 includes OPEB expense in accordance with GASB Statement No. 75 related to post-retirement benefits other than pension amounts prior 2017 are not available.

In 2021 GASB No. 84 related to fiduciary accounting was implemented.

In 2022 GASB No. 87 related to lease accounting was implemented.

In 2023 GASB No. 96 related to subscription-based information technology was implemented.

In 2025 GASB No. 101 related to compensated absences was implemented.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted	\$ 7,319,959	\$ 6,168,336	\$ 4,660,911	\$ 4,227,954	\$ 5,938,472	\$ 14,342,480	\$ 16,169,241	\$ 15,114,094	\$ 9,163,230	\$ 13,311,834
Assigned	398,602	71,608	350,199	199,913	712,188	1,469,282	1,151,762			
Unassigned	630,956	1,706,015	940,267	205,622	-	21,770		3,058,458	3,245,355	831,229
Total general fund	\$ 8,349,517	\$ 7,945,959	\$ 5,951,377	\$ 4,633,489	\$ 6,650,660	\$ 15,833,532	\$ 17,321,003	\$ 18,172,552	\$ 12,408,585	\$ 14,143,063
All Other Governmental Funds										
Restricted								\$ 18,172,552	\$ 12,408,585	\$ 14,143,063
Special revenue fund								305,283	(9,376)	(215,168)
Capital projects fund	\$ 86,572	\$ 24,575,435	\$ 18,829,519	\$ 42,038,295	\$ 9,742,711	\$ 592,646	\$ 1,210,010	224,945	8,860,777	67,454,942
Debt service fund	37,499	1	1,493,941	1,211,551	1,012,060	679,350	221,053	46,622	2	186,140
Total all other governmental funds	\$ 124,071	\$ 24,575,436	\$ 20,323,460	\$ 43,249,846	\$ 10,754,771	\$ 1,271,996	\$ 1,431,063	\$ 18,749,402	\$ 21,259,888	\$ 81,568,977

Source: ACFR Schedule B-1

In 2021 GASB No. 84 related to fiduciary accounting was implemented.

In 2022 GASB No. 87 related to lease accounting was implemented.

In 2023 GASB No. 96 related to subscription-based information technology was implemented.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax levy	\$ 79,925,558	\$ 81,947,325	\$ 83,782,284	\$ 85,943,368	\$ 88,904,219	\$ 91,163,284	\$ 91,701,700	\$ 93,579,189	\$ 95,476,257	\$ 97,187,170
Tuition charges	31,282	14,291	97,090							
Transportation charges	100,878	114,161	129,006	150,672	101,753	42,435	61,775	156,063	215,183	72,350
Interest earnings	8,053	13,097	169,064	607,267	486,753	32,284	13,400	5,587	1,000	187,140
Miscellaneous	408,997	545,852	570,139	970,936	1,657,701	1,106,044	1,770,872	1,769,454	2,233,417	2,864,439
State sources	22,030,785	24,676,744	28,692,074	36,288,627	42,283,335	50,626,571	65,003,916	72,874,103	87,431,798	95,492,085
Federal sources	2,608,803	2,752,475	2,826,985	2,819,350	2,892,344	5,450,108	6,497,633	6,861,586	5,275,393	3,162,288
Total revenue	105,114,356	109,963,945	116,266,642	126,780,220	136,326,105	148,420,726	165,049,296	175,245,982	190,633,048	198,965,472
Expenditures										
Instruction										
Regular instruction	25,213,491	25,699,997	27,181,546	28,474,219	28,829,711	26,542,467	29,628,696	31,533,329	32,500,360	35,536,358
Special education instruction	10,273,565	10,902,305	10,946,691	11,516,307	12,441,208	15,078,966	15,808,839	16,583,355	17,101,218	18,086,470
Other special instruction	2,499,916	2,783,019	3,481,907	3,976,555	4,248,318	3,743,543	3,800,646	4,038,135	4,406,001	4,853,902
Other instruction	1,190,323	1,301,920	1,391,301	1,498,526	1,466,792	1,238,667	1,426,038	1,649,217	1,720,863	1,797,694
Support Services:										
Tuition	2,684,498	2,431,882	2,367,233	1,884,450	1,294,958	761,294	1,022,112	1,590,290	2,272,721	2,686,193
Student & inst. related services	9,246,267	9,678,386	11,434,020	13,112,059	13,394,334	12,800,545	14,065,183	18,528,386	20,000,936	22,247,476
General administration	1,586,968	1,665,185	1,745,243	2,064,152	1,866,613	1,951,784	1,871,350	2,886,980	3,201,528	2,519,555
School administrative services	2,844,390	2,929,953	2,933,601	2,921,060	5,207,538	4,981,068	7,954,196	6,366,303	6,498,339	6,727,450
Central services	484,749	573,599	516,050	1,308,061	635,777	772,938	820,994			
Admin. information technology	1,029,352	968,997	1,229,193	681,038	1,374,437	1,178,846	1,533,126			
Plant operations and maintenance	7,000,767	7,216,656	7,191,380	7,620,786	7,979,430	7,727,354	7,978,853	9,852,336	11,316,645	11,386,861
Pupil transportation	4,999,315	5,124,852	5,385,377	5,563,122	5,304,312	4,670,377	7,510,972	8,976,071	9,361,469	9,361,469
Employee benefits	27,509,184	30,242,798	31,881,337	34,232,296	35,054,448	39,926,491	48,553,504	51,020,716	56,447,524	58,177,588
Charter Schools	1,213,693	1,731,185	2,293,492	3,601,674	4,247,611	5,078,028	6,231,538	7,192,831	7,866,876	8,314,280
Scholarships										
Capital outlay	1,782,061	13,296,303	6,753,243	34,948,349	35,021,825	13,011,881	4,852,068	5,960,235	6,052,605	11,563,495
Debt service:										
Principal	3,600,000	3,735,000	3,875,000	4,850,000	4,995,000	6,258,000	6,590,000	6,790,000	6,995,000	7,035,000
Interest and other charges	1,779,600	1,634,100	1,501,600	2,888,908	3,630,379	3,116,362	2,727,336	2,472,934	2,341,541	2,228,983
Total expenditures	104,938,139	121,916,137	122,108,214	161,111,562	166,992,691	148,838,611	163,475,451	175,241,118	188,107,208	202,322,774
Excess (Deficiency) of revenues over (under) expenditures	176,217	(11,952,192)	(5,841,572)	(34,331,342)	(30,666,586)	(417,885)	1,573,845	4,864	2,525,840	(3,357,302)
Other Financing sources (uses)										
Proceeds from borrowing		35,000,000								63,794,000
Capital leases (non-budgeted)		1,000,000								
Cancellation of prior years payable	56,151									(142,961)
Transfers out										
Total other financing sources (uses)	56,151	36,000,000	-	55,848,000	-	-	-	-	-	63,651,039
Net change in fund balances	\$ 232,368	\$ 24,047,808	\$ (5,841,572)	\$ 21,516,658	\$ (30,666,586)	\$ (417,885)	\$ 1,573,845	\$ 4,864	\$ 2,525,840	\$ 60,293,737
Debt service as a percentage of noncapital expenditures	5.22%	4.94%	4.66%	6.11%	6.54%	6.90%	5.87%	5.47%	5.13%	4.86%

Source: ACFR Schedule B-2

Note: Noncapital expenditures are total expenditures less capital outlay.

In 2021 GASB No.84 related to fiduciary accounting was implemented.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(modified accrual basis of accounting)

Fiscal Year Ending June 30,	Refund of Prior Years Expenditures		Tuition		Interest on Investments		Miscellaneous		Annual Totals	
2016	\$	11,562	\$	31,282	\$	16,658	\$	129,318	\$	188,820
2017		55,267		14,291		12,757		553,930		636,245
2018		69,420		97,090		137,246		363,473		667,229
2019		86,338		103,401		161,413		448,145		799,297
2020		53,321		-		111,244		1,103,910		1,268,475
2021		74,203		91,516		25,151		334,689		525,559
2022		11,446		217,175		15,932		185,271		429,824
2023		6,255		283,993		520,942		172,645		983,835
2024		58,733		467,876		1,014,004		45,454		1,586,067
2025		13,749		385,779		1,072,281		300,962		1,772,771

Source: District records

REVENUE CAPACITY

**NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN (10) FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Tax-Exempt Property	Net Valuation	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
2016	51,134,100	1,541,110,700	1,182,300	36,100	396,166,900	267,856,900	201,554,600	2,459,041,600	2,888,810	417,465,800	2,879,396,210	4,535,680,708	3.325
2017	55,505,800	1,543,724,900	1,182,300	36,100	392,856,900	264,787,200	201,554,600	2,459,647,800	2,983,967	418,226,400	2,880,858,167	4,498,276,710	3.402
2018	42,898,900	1,565,223,600	1,182,300	36,100	398,754,000	271,527,800	206,404,100	2,486,026,800	-	422,608,400	2,908,635,200	4,591,529,090	3.458
2019	43,147,500	1,578,813,800	1,182,300	36,100	394,855,200	286,815,400	201,325,800	2,506,176,100	-	428,545,100	2,934,721,200	4,653,563,648	3.548
2020	40,120,500	1,587,324,900	1,182,300	36,100	401,991,506	294,319,300	206,255,800	2,531,230,406	-	428,925,600	2,960,156,006	4,792,576,882	5.786
2021	36,537,400	1,599,201,100	1,182,300	28,300	401,907,100	289,783,800	211,605,800	2,540,245,800	-	429,658,900	2,969,904,700	5,256,353,384	5.867
2022	37,697,100	1,603,085,000	1,182,300	28,300	391,135,900	302,523,800	212,123,800	2,547,776,200	-	526,075,000	3,073,851,200	5,692,862,084	6.010
2023	35,258,300	1,602,912,900	1,182,300	28,300	393,081,000	300,699,900	228,123,800	2,561,286,500	-	527,865,400	3,089,151,900	6,313,822,763	6.222
2024	28,072,200	1,603,941,200	1,182,300	25,100	391,296,900	311,475,900	225,901,800	2,561,895,400	-	525,945,900	3,087,841,300	6,378,516,107	6.336
2025	23,912,800	1,604,812,600	1,182,300	25,100	387,982,600	324,693,500	225,743,800	2,588,352,700	-	529,510,200	3,097,862,900	7,173,444,543	6.571

Source: Municipal Tax Assessor

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

Reassessment occurs when the County Board of Taxation requests the Municipality to do so.

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

^b Tax rates are per \$100 of assessed valuation

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	North Brunswick Township School District Direct Rate				Overlapping Rates		Total Direct and Overlapping Tax Rate
	(From J-6)				Municipality of North Brunswick	County of Middlesex	
	Basic Rate ^a	General Obligation Debt Service ^b	Direct School Tax Rate ^c	Total			
2016	3.108	0.217	3.325		1.292	0.723	5.340
2017	3.184	0.218	3.402		1.322	0.730	5.454
2018	3.210	0.248	3.458		1.356	0.738	5.552
2019	3.236	0.312	3.548		1.392	0.728	5.668
2020	3.276	0.334	3.610		1.429	0.747	5.786
2021	3.276	0.334	3.610		1.435	0.822	5.867
2022	3.335	0.338	3.673		1.475	0.862	6.010
2023	3.377	0.351	3.728		1.582	0.912	6.222
2024	3.453	0.341	3.794		1.643	0.899	6.336
2025	3.541	0.337	3.878		1.725	0.968	6.571

Source: Municipal Tax Collector

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

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

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

c Tax rates are per \$100 of assessed valuation.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN (10) YEARS AGO
(UNAUDITED)

	2025				2016			
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value		Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	
ER Squibb & Sons Inc.	\$ 140,262,100	1	5.46%		\$ 148,680,300	1	6.06%	
Kimco North Brunswick 617 Inc.	33,000,000	2	1.28%		33,000,000	2	1.35%	
Ads North Village LLC	31,755,000	3	1.24%		27,900,000	3	1.14%	
Kaplan Associates LLC	26,000,000	4	1.01%		26,933,000	4	1.10%	
Maebrook at Renaissance LLC	21,000,000	5	0.82%		26,000,000	5	1.06%	
Colony Oaks Associates	17,778,000	6	0.69%		23,515,600	6	0.96%	
North Brunswick Manor LLC	19,427,800	7	0.76%		23,441,800	7	0.96%	
Brunswick Circle Developers	17,245,000	8	0.67%		19,000,000	8	0.77%	
Commerce CTR NB LLC % Perstige Inc.	25,633,000	9	1.00%		18,500,000	9	0.75%	
		10			17,245,000	10	0.70%	
Total	\$ 358,100,900		13.94%		\$ 364,215,700		14.85%	
Total Assessed Valuation	\$ 2,568,352,700			Total Assessed Valuation	\$ 2,561,895,400			

Source: Municipal Tax Assessor

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
TAX LEVIES AND COLLECTIONS
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	129,973,745	129,855,000	99.91%	62,775
2017	133,808,210	133,726,337	99.94%	149,425
2018	136,252,492	136,556,446	100.22%	513,611
2019	141,191,607	142,325,091	100.80%	231,738
2020	145,152,203	144,567,484	99.60%	836,867
2021	148,433,064	147,858,104	99.61%	638,121
2022	152,686,323	151,907,399	99.49%	927,601
2023	154,938,843	154,294,044	99.58%	728,070
2024	161,782,779	160,640,036	99.29%	671,262
2025	164,737,629	163,767,737	99.41%	1,096,284

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

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

DEBT CAPACITY

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Governmental Activities		Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Capital Leases	Capital Leases	Capital Leases			
2016	\$ 40,160,000	\$	\$	\$	40,160,000	2.96%	\$ 976
2017	36,425,000	-	-	-	36,425,000	2.69%	885
2018	67,550,000	-	-	-	67,550,000	4.98%	1,641
2019	105,048,000	13,500,000	13,500,000	13,500,000	118,548,000	8.74%	2,881
2020	100,768,000	13,500,000	13,500,000	13,500,000	114,268,000	8.43%	2,777
2021	94,510,000	12,860,000	12,860,000	12,860,000	107,370,000	7.92%	2,445
2022	87,920,000	12,200,000	12,200,000	12,200,000	100,120,000	5.57%	2,280
2023	81,130,000	11,410,000	11,410,000	11,410,000	92,540,000	5.16%	2,264
2024	74,135,000	10,810,000	10,810,000	10,810,000	84,945,000	4.73%	1,935
2025	130,894,000	10,185,000	10,185,000	10,185,000	141,079,000	7.85%	3,213

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

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

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Net General Bonded Debt Outstanding		
2016	\$ 40,160,000	\$ 40,160,000	1.63%	\$ 976
2017	36,425,000	36,425,000	1.48%	885
2018	67,550,000	67,550,000	2.71%	885
2019	105,048,000	105,048,000	4.19%	2,553
2020	100,768,000	100,768,000	3.98%	2,449
2021	94,510,000	94,510,000	3.72%	2,153
2022	87,920,000	87,920,000	3.40%	2,003
2023	81,130,000	81,130,000	3.16%	1,848
2024	74,135,000	74,135,000	2.89%	1,689
2025	130,894,000	130,894,000	5.08%	2,981

Notes:

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

a See Exhibit J-6 for property tax data.

b Population data can be found in Exhibit J-14.

Deductions are allowable for resources that are restricted to repaying the principal of debt outstanding.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2025
(UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Township of North Brunswick	\$ 95,544,000		\$ 122,533,470
County of Middlesex	26,989,470		
Subtotal, overlapping debt			\$ 122,533,470
Township of North Brunswick District Direct Debt			
Bonds Issued	\$ 130,894,000		\$ 132,094,000
Bonds and Notes Authorized but Not Issued	1,200,000		
Total direct and overlapping debt			\$ 254,627,470

Sources: Assessed value data used to estimate applicable percentages provided by the Middlesex County Board of Taxation.
Debt outstanding data provided by each governmental unit.

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

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

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
LEGAL DEBT MARGIN INFORMATION
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2025

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Debt limit	\$ 178,382,034	\$ 178,391,775	\$ 179,315,118	\$ 180,572,196	\$ 184,095,101	\$ 193,204,913	\$ 207,304,376	\$ 227,512,286	\$ 242,813,101
	Total net debt applicable to limit	41,360,000	114,973,000	111,098,000	106,248,000	101,968,000	95,710,000	89,120,000	82,330,000	75,335,000
	Legal debt margin	\$ 137,022,034	\$ 63,418,775	\$ 68,217,118	\$ 74,324,196	\$ 82,127,101	\$ 97,494,913	\$ 118,184,376	\$ 145,182,286	\$ 167,478,101
Total net debt applicable to the limit as a percentage of debt limit	23.19%	64.45%	61.96%	58.84%	55.39%	49.54%	42.99%	36.19%	31.03%	50.33%
Average equalized valuation of taxable property										
Debt limit (4 % of average equalization value)										
Total Net Debt Applicable to Limit										
Legal debt margin										
Equalized valuation basis										
2022										
2023										
2024										
\$ 19,685,933,297										
\$ 6,561,977,766										
262,479,111 ^a										
132,094,000										
\$ 130,385,111										

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

^a Limit set by NJSA 18A-24-19 for a K through 12 district; other % limits would be applicable for other district types.

DEMOGRAPHIC AND ECONOMIC INFORMATION

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2016	41,153	1,355,744,432	32,944	4.60%
2017	41,153	1,355,744,432	32,944	4.20%
2018	41,153	1,355,744,432	32,944	4.00%
2019	41,153	1,355,744,432	32,944	3.50%
2020	41,153	1,355,744,432	32,944	3.00%
2021	43,905	1,794,968,115	40,883	8.60%
2022	43,905	1,794,968,115	40,883	5.60%
2023	43,905	1,794,968,115	40,883	3.20%
2024	43,905	1,794,968,115	40,883	4.00%
2025	43,905	1,794,968,115	40,883	4.50%

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development for 2016 through 2020 and the U.S. Census Bureau for 2021-2025.

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

^c Per capita personal income by municipality estimated based upon the 2016-2025 published by the US Bureau of Economic Analysis.

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

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE (9) YEARS AGO
(UNAUDITED)

	<u>2025</u>		<u>2016</u>	
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
	N/A	1	N/A	
	N/A	2	N/A	
	N/A	3	N/A	
	N/A	4	N/A	
	N/A	5	N/A	
	N/A	6	N/A	
	N/A	7	N/A	
	N/A	8	N/A	
	N/A	9	N/A	
	N/A	10	N/A	
	<u>N/A</u>		<u>N/A</u>	

OPERATING INFORMATION

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Instruction										
Regular	428	431	430	435	446	448	449	426	487	484
Special education	185	190	191	197	196	195	195	183	186	176
Other special education										
Support Services:										
Student & instruction related services	134	141	148	160	158	148	144	156	134	148
General administration	5	5	6	6	6	6	6	6	6	7
School administrative services	28	34	42	40	41	39	41	50	41	48
Central services	8	8	9	7	8	11	11	18	13	19
Administrative Information Technology	12	13	13	11	10	12	12	11	15	12
Plant operations and maintenance	107	108	120	114	104	94 *	97	107	105	97
Pupil transportation	34	33	34	38	34	36	36	34	30	28
Other support services	-									
Total	941	963	993	1,008	1,003	989	991	991	1,017	1,019

Source: District Personnel Records

* Lunchroom/Playground Aides Reduction in Force due to COVID

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
OPERATING STATISTICS
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

Fiscal Year	Pupil/Teacher Ratio				Attendance							
	Enrollment	Operating Expenditures ^a	Cost Per Pupil ^d	Percentage Change	Teaching Staff	Elementary School	Middle School	Senior High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2016	6,245	99,543,809	15,940	6.76%	613	1:11.1	1:11.9	1:11.3	6,068.5	5,779.9	-1.28%	95.24%
2017	6,175	103,250,734	16,721	4.90%	621	1:11.2	1:12.0	1:11.4	6,044.6	5,729.1	-0.39%	94.78%
2018	6,206	109,978,371	17,721	5.98%	621	1:11.2	1:12.0	1:11.4	5,987.0	5,688.5	-0.95%	95.01%
2019	6,211	118,454,305	19,072	7.62%	632	1:11.2	1:12.0	1:11.4	5,939.1	5,627.6	-0.80%	94.76%
2020	6,081	123,345,487	20,284	6.36%	642	1:11.2	1:12.0	1:11.4	5,906.4	5,701.9	-0.55%	96.54%
2021	6,068	125,894,773	20,747	2.29%	643	1:11.2	1:12.0	1:11.4	5,716.2	5,385.5	-3.22%	94.22%
2022	6,095	148,265,765	24,326	17.25%	644	1:09	1:11	1:13	5,748.0	5,282.7	0.56%	91.91%
2023	6,042	160,027,949	26,486	8.88%	644	1:09	1:10	1:12	5,802.0	5,344.4	0.94%	92.11%
2024	5,806	172,718,062	29,748	22.29%	683	1:09	1:10	1:12	5,801.4	5,431.4	0.93%	93.62%
2025	5,725	181,495,268	31,702	19.69%	688	1:09	1:10	1:12	5,722.0	5,337.0	-1.38%	93.27%

Sources: District records

Note: Enrollment based on annual October district count as related in the Application for State School Aid (ASSA).

- ^a Operating expenditures equal total expenditures less debt service, capital outlay and scholarships.
- ^b Teaching staff includes only full-time equivalents of certificated staff.
- ^c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- ^d Cost per pupil calculated by dividing operating expenditures by enrollment; not intended to represent the statutory calculation of cost per pupil.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHOOL BUILDING INFORMATION
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>District Building</u>										
<u>Elementary</u>										
Judd (1967)										
Square Feet	88,595	88,595	88,595	88,595	88,595	88,595	88,595	88,595	88,595	88,595
Capacity (students)	709	709	709	709	709	709	709	709	709	709
Enrollment	749	714	720	720	720	600	573	601	610	610
John Adams (1961)										
Square Feet	79,257	79,257	79,257	79,257	79,257	79,257	79,257	79,257	79,257	79,257
Capacity (students)	634	634	634	634	634	634	634	634	634	634
Enrollment	649	672	650	650	650	456	479	506	518	518
Livingston Park (1930)										
Square Feet	84,573	84,573	84,573	84,573	84,573	84,573	84,573	84,573	84,573	84,573
Capacity (students)	677	677	677	677	677	677	677	677	677	677
Enrollment	646	600	593	593	593	489	482	490	503	503
Parsons (1965)										
Square Feet	84,079	84,079	84,079	84,079	84,079	84,079	84,079	84,079	84,079	84,079
Capacity (students)	673	673	673	673	673	673	673	673	673	673
Enrollment	770	769	735	735	735	548	559	577	588	588
Early Childhood Center										
Square Feet	14,340	14,340	14,340	14,340	14,340	14,340	14,340	14,340	29,062	29,062
Capacity (students)	174	174	174	174	174	174	195	195	195	195
Enrollment	174	153	154	154	154	-	108	104	128	128
<u>Intermediate & Middle School</u>										
Linwood (1951)										
Square Feet	204,557	204,557	204,557	204,557	204,557	155,921	155,921	155,921	157,555	157,555
Capacity (students)	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527
Enrollment	1,345	1,347	1,380	1,380	1,380	864	814	770	752	752
North Brunswick Twp Middle School (2020)										
Square Feet	-	-	-	-	-	176,950	176,950	176,950	176,950	176,950
Capacity (students)	-	-	-	-	-	1,100	1,100	1,100	1,100	1,100
Enrollment	-	-	-	-	-	889	854	869	822	822
High School										
North Brunswick Twp High School (1973)										
Square Feet	394,716	394,716	394,716	394,716	394,716	394,716	394,716	394,716	394,716	394,716
Capacity (students)	2,614	2,614	2,614	2,614	2,614	2,614	2,614	2,614	2,614	2,614
Enrollment	1,752	1,789	1,781	1,781	1,781	1,870	1,870	1,881	1,885	1,885
<u>Other</u>										
Athletic Building (1979)										
Square Feet	2,704	2,704	2,704	2,704	2,704	2,704	2,704	2,704	2,704	2,704
Central Administration (1927)										
Square Feet	24,642	24,642	24,642	24,642	24,642	24,642	24,642	24,642	24,642	24,642
Warehouse										
Square Feet	5,376	5,376	5,376	5,376	5,376	5,376	5,376	5,376	5,376	5,376
Linwood Campus										
Square Footage BOE/ECC						48,636	48,636	48,636	48,636	48,636
Number of Buildings at June 30, 2025										
Elementary Schools = 5										
Intermediate/Middle School = 2										

Source: District Facilities Office

Note: Enrollment is based on the average daily enrollment (ADE).

a Beacon Heights was sold during 2004.

b The warehouse was purchased in 2001 but was originally built in 1944.

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF REQUIRED MAINTENANCE
FOR SCHOOL FACILITIES
LAST TEN (10) FISCAL YEARS

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

* Project # (s)	School Facilities	Early Childhood Center	John Adams	Judd	Livingston Park	Parsons	Linwood	North Brunswick Township			Total
								Middle	High School	Other Facilities	
2016	N/A	23,268	128,603	143,755	137,229	136,428	331,917		640,471	53,096	1,594,767
2017	N/A	25,842	142,827	159,654	152,406	151,516	368,626		711,307	58,967	1,771,145
2018	N/A	21,084	116,529	130,259	124,345	123,619	300,755		580,341	48,110	1,445,042
2019	N/A	25,217	139,375	155,796	148,723	147,855	359,718		694,116	57,542	1,728,342
2020	N/A	25,291	139,784	156,253	149,159	148,288	360,772		696,151	57,711	1,733,409
2021	N/A	22,664	174,781	186,433	163,128	151,477	419,473	94,533	792,978	46,608	2,052,075
2022	N/A	33,768	191,351	213,862	205,421	202,606	495,260	96,158	984,891	56,280	2,479,597
2023	N/A	33,289	222,639	248,831	239,009	235,734	576,239	105,499	1,145,931	65,484	2,872,655
2024	N/A	42,605	241,433	269,838	259,185	255,635	624,887	93,767	1,242,672	71,012	3,101,034
2025	N/A	40,401	228,937	255,870	245,770	242,404	592,543	90,036	1,178,351	67,336	2,941,648
Total School Facilities		\$ 293,429	\$ 1,726,259	\$ 1,920,551	\$ 1,824,375	\$ 1,795,562	\$ 4,430,190	\$ 479,993	\$ 8,667,209	\$ 582,146	\$ 21,719,714

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

Source: District records

NORTH BRUNSWICK TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
INSURANCE SCHEDULE
JUNE 30, 2025
UNAUDITED

<u>Type of Policy</u>	<u>Coverage</u>	<u>Deductible</u>
Glatfelters Insurance - AIG		
Property Insurance	\$ 434,490,283	\$ 25,000
Valuable Papers	250,000	500
Extra Expense	1,000,000	25,000
Business Income	425,000	
Electronic Data Processing - Hardware/Software	Included in	500
Equipment Breakdown	150,000,000	10,000
Business Income from Equipment Breakdown	425,000	
Casualty Insurance - Glatfelters Insurance - AIG & NJUEP		
Comprehensive General Liability	31,000,000	
Automobile Liability	31,000,000	
School Leaders Errors & Omissions	31,000,000	20,000
Abuse & Molestation	31,000,000	
Law Enforcement Liability	31,000,000	
Employee Benefit Liability - Glatfelters Insurance - AIG & NJUEP	31,000,000	1,000
New Jersey Workers Compensation - PIP Insurance	Statutory	
Supplemental Indemnity - Chubb	Max 2500 per week, 100K Aggregate	
Environmental Liability - Allied World	1,000,000	10,000.00
		25,000 Mold
Cyber Liability- Travelers	2,000,000	50,000.00
Public Employees' Faithful Performance Blanket	1,000,000	1,000
Position Bond - CNA Surety		
Business Administrator	200,000	
Position Bond - CNA Surety		
Treasurer	400,000	

Source: District records.

SINGLE AUDIT SECTION

SAMUEL KLEIN AND COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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Exhibit K-1
Sheet 1 of 2

**INDEPENDENT AUDITORS 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**

Honorable President and Members
of the Board of Education
Township of North Brunswick Board of Education
County of Middlesex, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance Department, Department of Education, State of New Jersey, the financial statements of the governmental activities and the business-type activities of the Township of North Brunswick Board of Education, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Township of North Brunswick Board of Education's basic financial statements, and have issued our report thereon dated December 2, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the North Brunswick Township School 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 North Brunswick Township School 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**INDEPENDENT AUDITORS 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 (CONTINUED)**

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Gerard Stankiewicz
Certified Public Accountant
Licensed Public School Accountant #912



SAMUEL KLEIN AND COMPANY, LLP

Freehold, New Jersey
December 2, 2025

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB 15-08**

Honorable President and Members of the Board
North Brunswick Township Board of Education
County of Middlesex
North Brunswick, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Township of North Brunswick Board of Education, State of New Jersey's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement and New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Township of North Brunswick Board of Education, State of New Jersey's major federal and state programs for the year ended June 30, 2025. The Township of North Brunswick District Board of Education, State of New Jersey's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Township of North Brunswick Board of Education, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 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's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards and New Jersey's OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Township of North Brunswick Board of Education, State of New Jersey 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 Township of North Brunswick Board of Education, State of New Jersey's compliance with the compliance requirements referred to above.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB 15-08 (CONTINUED)**

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 Township of North Brunswick Board of Education, State of New Jersey's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Township of North Brunswick Board of Education, State of New Jersey's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and New Jersey OMB 15-08 will always detect material noncompliance when it exists. The risk of not detecting 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 Township of North Brunswick Board of Education, State of New Jersey's compliance with the requirements of each major federal and state program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a best basis, evidence regarding the Township of North Brunswick Board of Education, State of New Jersey'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 Township of North Brunswick Board of Education, State of New Jersey'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 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Township of North Brunswick Board of Education, State of New Jersey'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.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and New Jersey OMB 15-08.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB 15-08 (CONTINUED)**

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

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

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



Gerard Stankiewicz
Certified Public Accountant
Licensed Public School Accountant #912



SAMUEL KLEIN AND COMPANY, LLP

Freehold, New Jersey
December 2, 2025

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP, COUNTY OF MIDDLESEX
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Federal Grantor / Pass-Through Grantor / Program Title	Assistance Listing Number	Federal FAIN Number	Program or Award Amount	Grant Period		June 30, 2024			Budgetary Expenditures	Refund To Grantor	June 30, 2025		
				From	To	Due to Grantor	Deferred Revenue	(Accounts Receivable)			Cash Received	(Accounts Receivable)	Deferred Revenue
U.S. Dept of Health & Human Services:													
General Fund:													
FFCRA - SEMI	93.778	2205NJ5MAP	\$ 27,318	7/1/2022	- 6/30/2023		\$ 27,318				\$ 27,318		
Medical Assistance Program	93.778	2505NJ5MAP	150,932	7/1/2024	- 6/30/2025			\$ 150,932	(150,932)				
Total General Fund							\$ 27,318		(150,932)			\$ 27,318	
U.S. Dept of Education													
Passed - Through State Dept of Education:													
Special Revenue Fund:													
Title 1, Part A	84.010	S010A240030	\$ 1,017,698	7/1/2023	- 9/30/2024		\$ (363,152)	\$ 363,152	\$ 23			\$ 23	
Title 1, Part A	84.010	S010A250030	939,880	7/1/2024	- 9/30/2025			598,457	(920,581)			(322,124)	
Title 1, Part D	84.013	S013A240030	413,990	7/1/2023	- 9/30/2024					1			
Title 1, Part D	84.013	S013A250030	256,085	7/1/2024	- 9/30/2025			145,476	(247,088)	1		(101,611)	
Title 1, SIA	84.010	S013A250030	50,000	7/1/2024	- 9/30/2025			34,240	(43,506)			(9,266)	
Title II, Part A	84.367A	S367A240029	178,624	7/1/2023	- 9/30/2024			44,829					
Title II, Part A	84.367A	S367A250029	153,092	7/1/2024	- 9/30/2025			95,545	(145,313)			(49,768)	
Title III	84.365A	S365A240030	56,711	7/1/2023	- 9/30/2024			14,677					
Title III	84.365A	S365A250030	77,451	7/1/2024	- 9/30/2025			78,500	(83,646)			(5,146)	
Title III Immigrant	84.365	S365A250030	19,249	7/1/2024	- 9/30/2025			19,249	(19,249)				
Title IV	84.424A	S369A240031	107,234	7/1/2023	- 9/30/2024			14,255		(2)			
Title IV	84.424A	S369A250031	65,153	7/1/2024	- 9/30/2025			67,016	(73,553)			(6,537)	
I.D.E.A. Part B, Basic	84.027A	H027A240100	1,386,337	7/1/2023	- 9/30/2024	\$ 1,000		487,414					1,000
I.D.E.A. Part B, Basic	84.027A	H027A250100	1,569,728	7/1/2024	- 9/30/2025			1,108,049	(1,358,545)			(250,496)	
ARP I.D.E.A. REG	84.027X	H027X240100	296,862	7/1/2023	- 9/30/2024	6,084							6,084
I.D.E.A. Preschool	84.173	H173A240114	73,846	7/1/2023	- 9/30/2024								389
I.D.E.A. Preschool	84.173	H173A250114	43,970	7/1/2024	- 9/30/2025					389		(4,038)	
Perkins Grant	84.048A	V048A240030	35,740	7/1/2023	- 9/30/2024			7,328					
Perkins Grant	84.048A	V048A250030	46,212	7/1/2024	- 9/30/2025			21,312	(25,350)				
ARP ESSER III	84.425U	S425U240027	5,608,198	3/13/2020	- 9/30/2024			12,509				(5,192)	
ARP Acc Learning	84.425U	S425U240027	564,202	3/13/2020	- 9/30/2024			36,229	(41,421)				
ARP Comprehensive	84.425U	S425U240027	40,000	3/13/2020	- 9/30/2024			47,515	(18,997)	477			1,179
ARP Mental Health	84.425U	S425U240027	88,501	3/13/2020	- 9/30/2024			91,575	(50,193)				
ARP Summer Learning	84.425U	S425U240027	40,000	3/13/2020	- 9/30/2024			6,248	(2,471)				
ARP BSD	84.425U	S425A210027		3/13/2020	- 9/30/2024			2,744	(2,744)				
				3/13/2020	- 9/30/2024			1,623	(1,623)				
				3/13/2020	- 9/30/2024			3,171	(3,171)				

See accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP, COUNTY OF MIDDLESEX
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Federal Grantor / Pass-Through Grantor / Program Title	Assistance Listing Number	Federal FAIN Number	Program or Award Amount	Grant Period		June 30, 2024		Cash Received	Budgetary Expenditures	Refund To Grantor	June 30, 2025	
				From	To	Due to Grantor	(Accounts Receivable)				Deferred Revenue	Due to Grantor
U.S. Dept of Education Passed - Through State Dept of Education: Special Revenue Fund: (Continued)												
ACSERS	21.027	SLFRFDOE1SES	N/A	3/13/2020	9/30/2024	4,368					\$	4,368
U.S. Dept of Agriculture Passed-through State Dept of Education:												
Over Grant		Not Available	11,762	7/1/2024	- 6/30/2025			11,762	(11,762)			
Total Special Revenue Fund						\$ 11,452	\$ (1,021,504)	\$ 3,312,875	\$ (3,044,846)	\$ 889	\$ (754,178)	\$ 13,043
U.S. Dept of Agriculture Passed-through State Dept of Education:												
Enterprise Fund:												
Food Distribution Program	10.565	241NJ304N1099	\$ 177,785	7/1/2023	- 6/30/2024	\$ 880			(880)			
Food Distribution Program	10.565	251NJ304N1099	279,143	7/1/2024	- 6/30/2025		\$	279,193	(275,865)		\$ 3,328	
School Breakfast Program	10.553	251NJ304N1099	596,436	7/1/2024	- 6/30/2025			550,997	(594,436)	\$	(43,439)	
School Breakfast Program	10.553	241NJ304N1099	839,408	7/1/2023	- 6/30/2024		\$ (62,363)	62,363				
National School Lunch Program	10.555	251NJ304N1099	2,021,933	7/1/2024	- 6/30/2025			1,876,428	(2,021,933)		(145,505)	
National School Lunch Program	10.555	241NJ304N1099	1,829,522	7/1/2023	- 6/30/2024		(122,520)	122,520				
After School Snacks	10.555	241NJ304N1099	14,549	7/1/2023	- 6/30/2024		(1,017)	1,017				
After School Snacks	10.555	251NJ304N1099	15,396	7/1/2024	- 6/30/2025			14,404	(15,396)		(992)	
Total Enterprise Fund						\$ 880	\$ (185,900)	\$ 2,906,922	\$ (2,908,510)	\$	\$ 3,328	
Total Federal Awards						\$ 11,452	\$ (1,207,404)	\$ 6,370,729	\$ (6,104,288)	\$ 889	\$ (944,114)	\$ 13,043
(1) Equals inventory.												

See accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

**BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP, COUNTY OF MIDDLESEX
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

State Grantor/ Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From	To	June 30, 2024		Cash Received	Budgetary (Expenditures)	(Adjustment) Repayment of Prior Years Balances	Balance, June 30, 2025		MEMO	
					(Accounts Receivable)	Due to Grantor				(Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
General Fund:													
Categorical Special Education Aid	25-495-034-5120-089	\$ 7,000,658	7/1/2024	- 6/30/2025		\$	7,000,658	\$ (7,000,658)		\$	693,431	\$ (7,000,658)	
Equalization Aid	25-495-034-5120-078	43,652,869	7/1/2024	- 6/30/2025			43,652,869	(43,652,869)			4,323,913	(43,652,869)	
Categorical Security Aid	25-495-034-5120-084	2,153,497	7/1/2024	- 6/30/2025			2,153,497	(2,153,497)			213,309	(2,153,497)	
Transportation Aid	25-495-034-5129-014	3,334,413	7/1/2024	- 6/30/2025			3,334,413	(3,334,413)			330,821	(3,334,413)	
Extraordinary Aid	24-495-034-5120-044	2,086,644	7/1/2023	- 6/30/2024		\$ (2,086,644)	2,086,644						
Extraordinary Aid	25-495-034-5120-044	2,694,764	7/1/2024	- 6/30/2025				(2,694,764)		\$ (2,694,764)		(2,694,764)	
On Behalf TPAF -													
Non-Contributory Insurance	25-495-034-5094-004	10,119	7/1/2024	- 6/30/2025			10,119	(10,119)				(10,119)	
On-Behalf TPAF - Pension	25-495-034-5094-002	19,482,110	7/1/2024	- 6/30/2025			19,482,110	(19,482,110)				(19,482,110)	
On Behalf TPAF -													
Post Retirement Medical	25-495-034-5094-001	5,392,688	7/1/2024	- 6/30/2025			5,692,688	(5,692,688)				(5,692,688)	
On Behalf TPAF - FICA	24-495-034-5094-003	4,215,883	7/1/2023	- 6/30/2024		(206,706)	206,706			(215,432)			
On Behalf TPAF - FICA	25-495-034-5094-003	4,365,283	7/1/2024	- 6/30/2025			4,149,851	(4,365,283)				(4,365,283)	
Nonpublic Transportation	24-495-034-5120-014	154,755	7/1/2023	- 6/30/2024		(154,755)	154,755			(138,699)		(138,699)	
Nonpublic Transportation	25-495-034-5120-014	138,699	7/1/2024	- 6/30/2025				(138,699)					
Total General Fund					\$ (2,448,105)	\$	87,924,310	\$ (88,525,100)	\$	(3,048,895)	5,561,474	\$ (88,525,100)	
Special Revenue Fund:													
N.J. Nonpublic Aid:													
Textbook Aid	25-100-034-5120-064	2,352	7/1/2024	- 6/30/2025		\$	2,352	\$ (1,841)		\$	511	\$ (1,841)	
Textbook Aid	24-100-034-5120-064	2,717	7/1/2023	6/30/2024					(17)				
Nursing Services	24-100-034-5120-070	5,040	7/1/2023	- 6/30/2024		8			(8)				
Nursing Services	25-100-034-5120-070	6,500	7/1/2024	- 6/30/2025			6,500	(6,157)			343	(6,157)	
Technology	25-100-034-5120-373	2,254	7/1/2024	- 6/30/2025			2,254	(1,784)			470	(1,784)	
Technology	24-100-034-5120-509	2,303	7/1/2023	- 6/30/2024		524			(524)				
Security	24-100-034-5120-509	9,635	7/1/2023	- 6/30/2024		2,255			(2,255)				
Security	25-100-034-5120-510	10,250	7/1/2024	- 6/30/2025			10,250	(8,130)			2,120	(8,130)	
Auxiliary Services:													
Transportation	24-495-034-5120-014	741	7/1/2023	- 6/30/2024		741			(741)				
Compensatory Education	25-100-034-5120-067	10,404	7/1/2024	- 6/30/2025			10,404	(10,404)				(10,404)	
Compensatory Education	24-100-034-5120-067	8,092	7/1/2023	- 6/30/2024		881			(881)				
Handicapped Services:													
Examination & Classification	24-100-034-5120-066	8,150	7/1/2023	- 6/30/2024		1,705			(1,705)				
Examination & Classification	25-100-034-5120-066	10,811	7/1/2024	- 6/30/2025			10,811	(7,019)			3,792	(7,019)	
Supplemental Instruction	25-100-034-5120-066	5,699	7/1/2024	- 6/30/2025			5,699	(5,699)				(5,699)	
Corrective Speech	25-100-034-5121-066	1,860	7/1/2024	- 6/30/2025			1,860	(1,860)				(1,860)	
Transportation Aid	10-100-034-5121-068		7/1/2009	- 6/30/2010									
SDA Emergency Needs	24-100-034-5120-519	144,910	7/1/2023	- 6/30/2024		184					184		
Preschool Educ. Expansion Aid	24-495-034-5121-086	6,030,117	7/1/2023	- 6/30/2024		(596,508)	596,508						
Preschool Educ. Expansion Aid	25-495-034-5121-086	7,096,704	7/1/2024	- 6/30/2025			6,393,897	(7,285,656)	188,952	\$	702,807	(7,285,656)	
NJDCA - Local Recreation Grant	Not Available	70,000	7/1/2022	- 6/30/2023		(70,000)							
High Impact Learning	Not Available	315,926	3/20/2024	- 6/30/2025		(558)	253,971	(315,368)		(61,955)		(315,926)	
Teacher Climate & Culture	Not Available	82,865	5/1/2024	12/31/2024			82,865	(82,865)				(82,865)	
Menstrual	Not Available	2,434	-	-				(2,434)		(2,434)		(2,434)	
Total Special Revenue Fund					\$ (667,066)	\$ 6,315	\$ 7,377,371	\$ (7,729,217)	\$ 182,821	\$ (64,389)	\$ 7,420	\$ (7,729,775)	

See Accompanying Notes to Schedules of Financial Assistance.

**BOARD OF EDUCATION
NORTH BRUNSWICK TOWNSHIP, COUNTY OF MIDDLESEX
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

State Grantor/ Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From	To	June 30, 2024		Cash Received	Budgetary (Expenditures)	(Adjustment) Repayment of Prior Years' Balances	Balance, June 30, 2025		MEMO	
					(Accounts Receivable)	Due to Grantor				(Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
Capital Projects Fund:													
Schools Development Authority													
HVAC Control Upgrades													
Adams	3620-060-23-G50-I	\$ 411,400	6/30/2024	- 8/31/2025	\$ (411,400)			(341,050)		(411,400)			(342,230)
Judd	3620-060-23-G50-H	433,700	6/30/2024	- 8/31/2025	(433,400)			(277,309)		(433,400)			(278,548)
Livingston Park	3620-060-23-G50-K	470,360	6/30/2024	- 8/31/2025	(470,360)			(376,239)		(470,360)			(377,587)
Parsons	3620-060-23-G50-L	394,860	6/30/2024	- 8/31/2025	(394,680)			(252,321)		(394,680)			(253,422)
Linwood	3620-060-23-G50-J	962,600	6/30/2024	- 8/31/2025	(962,600)			(112,702)		(962,600)			(115,469)
North Brunswick High School	3620-060-23-G50-G	792,000	6/30/2024	- 8/31/2025	(792,000)			(518,396)		(792,000)			(520,676)
Total Capital Projects Fund					\$ (3,464,440)			(1,878,017)		(3,464,440)			(1,887,932)
Debt Service Fund:													
Debt Service Aid Type II													
25-495-034-5120-075		\$ 390,402	7/1/2024	- 6/30/2025			\$ 390,402	\$ (390,402)					\$ (390,402)
State Department of Agriculture													
Enterprise Fund:													
25-100-010-3350-023		66,578	7/1/2024	- 6/30/2025			\$ 61,833	\$ (66,578)		\$ (4,745)			\$ (66,578)
24-100-010-3350-023		74,052	7/1/2023	- 6/30/2024	(4,945)		4,945						
24-100-010-3350-023		11,863	7/1/2023	- 6/30/2024	(1,975)		1,975						
25-100-010-3350-023		50,895	7/1/2024	- 6/30/2025			46,777	(50,895)		(4,118)			(50,895)
24-100-010-3350-023		17,408	7/1/2023	- 6/30/2024	(1,298)		1,298						
25-100-010-3350-023		7,628	7/1/2024	- 6/30/2025			7,058	(7,628)		(570)			(7,628)
25-100-010-3350-023		17,045	7/1/2024	- 6/30/2025			15,594	(17,045)		(1,450)			(17,045)
24-100-010-3350-023		25,945	7/1/2023	- 6/30/2024	(1,168)		1,168						
Total Enterprise Fund					\$ (9,386)		\$ 140,647	\$ (142,146)		\$ (10,884)			\$ (142,146)
Total State Financial Assistance					\$ (3,124,557)	\$ 6,315	\$ 95,832,730	\$ (98,664,882)	\$ 182,821	\$ (6,588,608)	\$ 7,420	\$ 6,264,281	\$ (96,787,423)
Less On-behalf TPAF:													
Pension	25-495-034-5094-002	\$ 19,482,110	7/1/2024	- 6/30/2025				\$ (19,482,110)					
Post-Retirement Medical	25-495-034-5094-001	5,692,688	7/1/2024	- 6/30/2025				(5,692,688)					
Non-Contributory Insurance	25-495-034-5094-004	9,543	7/1/2024	- 6/30/2025				(10,119)					
												\$ (73,479,965)	

See Accompanying Notes to Schedules of Financial Assistance.

BOARD OF EDUCATION
TOWNSHIP OF NORTH BRUNSWICK SCHOOL DISTRICT
COUNTY OF MIDDLESEX
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

1. GENERAL

The accompanying schedules of state financial assistance include federal and state award activity of the Board of Education, Township of North Brunswick School District. The information in this Schedule is presented in accordance with the requirements of Title 2, *US Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and NJOMB 15-08. The Board of Education is defined in Note 1 (A) to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedules of expenditures of federal awards and state financial assistance.

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this Schedule is presented in accordance with the requirements of Title 2, *US Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and NJOMB 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A.18A:22-4.2. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last two (2) (of twenty (20)) 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 payment in the current budget year, consistent with N.J.S.A.18A:22-4.2.

BOARD OF EDUCATION
TOWNSHIP OF NORTH BRUNSWICK SCHOOL DISTRICT
COUNTY OF MIDDLESEX
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$946,397 for the general fund and an decrease of \$242,728 in the special revenue fund. See *Note 1* (the Notes to Required Supplementary Information) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented are as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Governmental Funds:			
General	\$ 150,932	\$ 87,581,703	\$ 87,732,635
Special Revenue	3,011,356	7,519,980	10,531,336
Debt Service	<u>390,402</u>	<u>390,402</u>	<u>390,402</u>
	3,162,288	95,492,085	98,654,373
Proprietary Fund:			
Food Service	<u>2,914,071</u>	<u>142,146</u>	<u>3,056,217</u>
Total Awards and Assistance	<u>\$ 6,076,359</u>	<u>\$ 95,634,231</u>	<u>\$ 101,710,590</u>

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

5. FEDERAL AND STATE LOANS OUTSTANDING

The District had no federal or state loans outstanding.

6. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contribution and Post-Retirement Medical Contributions represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2025. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2025.

The State of New Jersey also makes TPAF post-retirement medical, pension contribution and long-term disability insurance expenditures on-behalf of the District. These expenditures are not subject to New Jersey OMB Circular 15-08 because the contributions are made by the State directly and do not have any compliance related requirements, and therefore have not been included on the Schedule of State Financial Assistance, as directed by the funding agency.

7. INDIRECT COSTS

The District did not use the 10% di minimus indirect cost rate.

BOARD OF EDUCATION
TOWNSHIP OF NORTH BRUNSWICK SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified, dated
December 2, 2025

Internal control over financial reporting:

1. Material weakness(es) identified? yes X no
2. Significant deficiency(ies) identified that are not considered to be material weaknesses? yes X none reported
- Noncompliance material to basic financial statements noted? yes X no

Federal Awards

Internal control over major programs:

1. Material weakness(es) identified? yes X no
2. Significant deficiency(ies) identified that are not considered to be material weaknesses? yes X none reported

Type of auditor's report issued on compliance for major programs: Unmodified, dated
December 2, 2025

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of the Uniform Guidance? yes X no

Identification of major programs:

<u>Assistance Listing #</u>	<u>FAIN</u>	<u>Name of Federal Program or Cluster</u>
<u>84.010</u>	<u>S010A240030</u>	Cluster: <u>Title I Part A</u>
<u>84.027</u>	<u>H027A240100</u>	Cluster: <u>IDEA Part B Regular,</u>
<u>84.173</u>	<u>H173A240114</u>	<u>IDEA Preschool</u>
<u>10.553 & 10.555</u>	<u>241NJ304N1099</u>	Cluster: Child Nutrituion Project - <u>National School Lunch/Breakfast</u>

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

Auditee qualified as low-risk auditee? X yes no

BOARD OF EDUCATION
TOWNSHIP OF NORTH BRUNSWICK SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditor's Results (Continued)

State Financial Assistance

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

1. Auditee qualified as low-risk auditee? X yes no

Type of auditor's report issued on compliance for major programs: Unmodified, dated
December 2, 2025

Internal Control over major programs:

1. Material weakness(es) identified? Yes X no

2. Significant deficiency(ies) identified that are not considered
to be material weakness(es): yes X none reported

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

Identification of major programs:

<u>State Grant/Project Number</u>	<u>Name of State Program</u>
<u>25-495-034-5120-089</u>	Cluster: <u>Categorical Special Education Aid</u>
<u>25-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>25-495-034-5120-014</u>	<u>Categorical Transportation Aid</u>
<u>25-495-034-5120-044</u>	<u>Extraordinary Aid</u>
<u>25-495-034-5120-086</u>	<u>Pre-School Education Expansion Aid</u>
<u>25-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contribution</u>
<u>3620-070-23</u>	<u>SDA ROD Grants</u>

Section II - Schedule of Financial Statement Findings

None

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

None

BOARD OF EDUCATION
TOWNSHIP OF NORTH BRUNSWICK SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

FOR THE YEAR ENDED JUNE 30, 2024:

There were no findings for the year ended June 30, 2024.