

**SCHOOL DISTRICT  
OF  
TOWNSHIP OF MAURICE RIVER**

**COMPREHENSIVE ANNUAL  
Financial Report**

**of the**

**Township of Maurice River Board of Education**

**Port Elizabeth, New Jersey**

**or the Fiscal Year Ended June 30, 2021**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**of the**

**Township of Maurice River Board of Education**

**Port Elizabeth, New Jersey**

**For the Fiscal Year Ended June 30, 2021**

**Prepared by**

**Maurice River Township Board of Education**

**Finance Department**

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OF THE MAURICE RIVER TOWNSHIP SCHOOL DISTRICT  
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**INTRODUCTORY SECTION**



## MAURICE RIVER TOWNSHIP SCHOOL DISTRICT

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January 27, 2022

Honorable President and  
Members of the Board of Education  
Maurice River Township School District  
Cumberland County, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report of the Maurice River Township Public School District for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), "Audits of States, Local Governments, and Non-Profit Organizations" and the State Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

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

The Maurice River Township Public 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 Maurice River Township Board of Education and its school constitute the District's reporting entity.

The District is limited in its ability to fund a full range of educational services appropriate to grade levels PK through 8. These limitations in programs and services apply to both regular as well as special education for handicapped children. The District completed the 2020-2021 fiscal year with a June enrollment of 393 students, which is 27 students less than the previous year. The following details the changes in the student enrollment of the district over the last ten years.



Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>	<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2020-21	393.0	(6.43)%	2015-16	408.0	(3.77)%
2019-20	420.0	2.94%	2014-15	424.0	.24%
2018-19	408.0	1.26%	2013-14	423.0	(2.34)%
2017-18	398.0	(4.10)%	2012-13	436.2	11.64%
2016-17	415.0	1.71%	2011-12	393.4	5.72%

**2. ECONOMIC CONDITION AND OUTLOOK:**

Maurice River Township is not experiencing any measurable growth in development or expansion. There are no large businesses located in the Township, but the small industry stores, restaurants, and antique stores continue to thrive. There is some potential for growth at the major intersections drawing traffic to the shore areas. The Township is seeking clean industry in harmony with the environmentally sensitive areas. It is significant to note that the Township is approximately 95 square miles, with about 50% of the land either state-owned or state-managed. This helps promote the appeal for water related activities, conservation activities with the bay area and pristine river ecosystem, and preserves the ruralness and proviciality unique to the Township. There are three prison sites located in the Township, which provide major employment for local residents. A state prison in nearby Fairfield Township provides employment opportunities at that site. The net valuation taxable of Maurice River Township for 2020 is \$294,534,595, which is less than the prior year by \$1,143,000.

Sand mining was a major industry in the Township through the 1970's, but because of the shift from glass bottles to plastic, the need for sand in glass manufacturing has been in steady decline since that time. Rail service connected to this industry has also declined. Other industry includes several marinas, one shipyard industry, and several cottage stores and restaurants. Developers who are interested in sites in the Township must seek state approval from various regulatory agencies, such as Pinelands, Wetlands, and/or the Department of Environmental Protection.

However, the District continues it's "Choice" District status and will receive additional funding for students who choose to participate in this program. The District is hopeful that it will continue to attract choice students, thereby increasing its enrollment and state aid. The school district receives nearly \$2.00 in state aid for every \$1.00 levied by local taxes.

**3. MAJOR INITIATIVES:**

Maurice River Township School District prepares all students for success at the high school level. Technology, Professional Staff Development, and Inter-district Collaboration play a major role in this initiative. Technology plays an increasingly important role in the curriculum, with the use of Smartboard Technology for grades PK-8, and professional development training for all teachers; an influx of chromebooks at the elementary and middle school grade levels; a wireless network, and IPAD and IPOD Programs. The district continues to implement a "bring your own device" program. Students may conduct research through controlled access to the Internet, enhancing research and writing skills.

In addition to Smartboard Technology, each classroom at the Maurice River Township Elementary School has its own communications system to enhance the curriculum in areas, such as, distance learning, science, geography, and foreign language. The students broadcast daily on the MRT-TV station which is streamed to the classrooms.

The school district continues to implement "The Marzano Teaching Evaluation Method", a web-based teacher evaluation program required by the State of New Jersey; as well as the Aims web student assessment program in combination with the "RTI" program for struggling students. Several math and language arts software programs are used to supplement classroom curriculum. The District is continually updating its curriculum and has purchased new math and science texts.

The Board of Education has succeeded in allocating resources to positively improve student achievement by focusing upon improvements in the delivery of instruction, professional development programs, and providing the most current instructional materials, technology and other resources for its teachers. The district has also begun to move in the direction of facility improvement to maintain the functionality of its current facility. With maintenance reserve monies, the district continued to re-tile classrooms and abate asbestos in the school building. Roof repair continues each year to negate leaks throughout the building. The exterior lighting around the school building was upgraded to LED. New carpet was installed in the library and the adjacent office. New flexible seating was purchased for the library. All classroom doors and several exterior doors were replaced. Finally, additional landscaping was completed to improve the look of the front of the school. The District hopes to continue these facility/grounds improvements, with a renovation of the tennis/basketball court area to occur during the 21-22 school year.

In order to conduct in person learning during COVID, many facility upgrades and supplies were purchased with the use of federal funding. HVAC controls were upgraded to reduce humidity and promote fresh air circulation in the building. Air filters were upgraded to surgical grade air filters. Air purifiers with HEPA filters were purchased for every classroom and office. Masks were purchased for all staff and students. Hand sanitizer was purchased for every classroom and hand sanitizing stations were installed in every classroom, lobby and office. A mobile hand sanitizing station was purchased for the playground area. Sanitizing sprayers were purchased so that classrooms, bathrooms and buses could be easily sanitized in minutes. These purchases were successful in allowing for the reopening of school and in preventing transmission of COVID within the school.

The district also provides adequate medical and student services, including guidance and counseling programs for at-risk, special education and Title I students. Special education services are provided through self-contained settings and in class support. The district has trained two staff members in the FAST hands-on science program, for grades five through eight. Grades K-4 use a hands-on program. Peer mediation and conflict resolution are taught through leadership training activities in an on-going manner throughout the school year.

The Board of Education has established a mission and philosophy for the district and promotes a global, multi-curriculum. The mission includes the concept of community as it relates to students. The Board of Education attempts to plan budgets in a prudent fiscal manner, but the unknown variables are the future of school funding from the State of New Jersey and the payments of tuition to both the Millville School District and Cumberland County Vocational School.

The District's "Choice" status has partially offset the effect of these variables. The limitations placed on Choice continues to be concerning.

In summary, the district, despite economic constraints, has succeeded in providing a state of the art innovative, integrated curriculum, with current technology and resources. The provision of these resources has positively and beneficially impacted student achievement. The district looks forward to continuing its "Choice District" status to increase enrollment and ensure its future existence.

#### **4. INTERNAL ACCOUNTING CONTROLS:**

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

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

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

## **5. BUDGETARY CONTROLS:**

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Year-end open encumbrances are either cancelled or included as reappropriations of fund balance in the subsequent year and are reported as reservations of fund balance at June 30, 2021.

## **6. ACCOUNTING SYSTEM AND REPORTS:**

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements," Note 2.

## **7. DEBT ADMINISTRATION:**

On January 1, 1998 the District incurred bond indebtedness for \$1,950,000 for a facility project to be amortized over the next 15 years. There was a Refunding of Bonds on January 1, 2007. The balance in bonds payable at June 30, 2021 is \$140,000. The amount of unvoted debt available is \$8,174,981, as shown on Exhibit J-13.

## **8. RISK MANAGEMENT:**

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

## **9. CASH MANAGEMENT:**

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

## **10. OTHER INFORMATION:**

**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nightlinger, Colavita and Volpa, Pa. was appointed by the Board. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Title 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Treasury Circular 15-08 OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's report, related specifically to the single audit, is included in the single audit section of this report.

**11. ACKNOWLEDGMENTS:**

We would like to express our appreciation to the members of the Maurice River Township School Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the public 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,

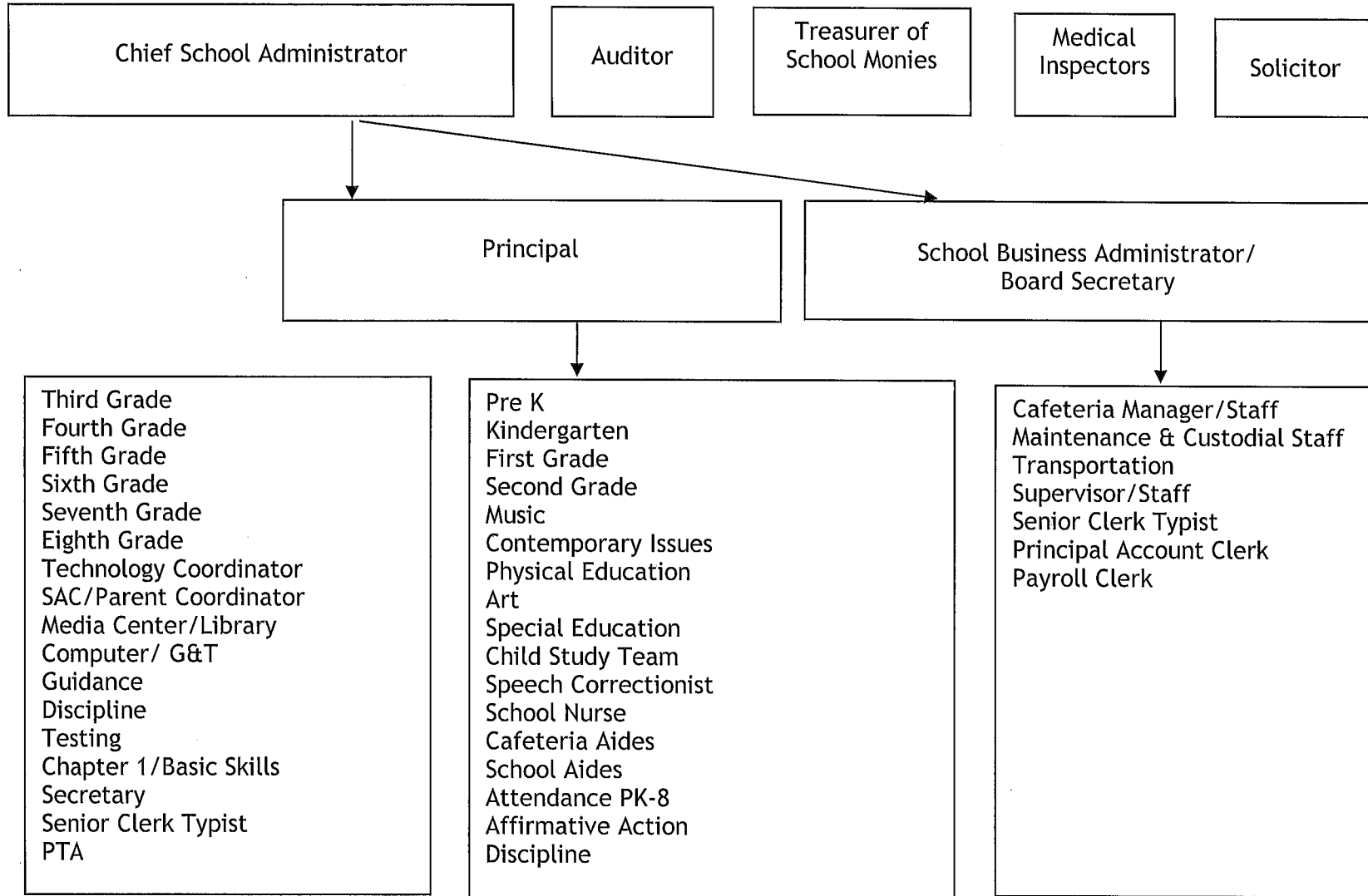
*Dr. Jeremy Cohen*

Dr. Jeremy Cohen, Superintendent of Schools

*Patricia Powell*

Patricia Powell, School Business Administrator/Board Secretary

Township of Maurice River School District  
Organizational Chart



TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
PORT ELIZABETH, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2021

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Penny Wells, President	2021
Stephen Kudia, Vice President	2021
Robert Chard	2023
Ashley Hughes	2023
Danna Phillips	2021
Robert Canup	2022
Melissa Creamer	2022

OTHER OFFICIALS

Mr. Walter Kappeler, Jr., Chief School Administrator

Patricia A. Powell, School Business Administrator/Board Secretary

Lynn Burshtin, Custodian of School Monies

Frank DiDomenico, Esq., Solicitor

**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT**  
**CONSULTANTS AND ADVISORS**

**AUDIT FIRM**

**Raymond Colavita, C.P.A., R.M.A.**  
**Nightlinger, Colavita and Volpa**  
Certified Public Accountants  
991 S. Black Horse Pike  
P.O. Box 799  
Williamstown, NJ 08094

**ATTORNEY**

**Frank DiDomenico, Esquire**  
8 LaSalle Drive  
Vineland, NJ 08360

**OFFICIAL DEPOSITORY**

**Bank of America**  
Commerce and Laurel Streets  
Bridgeton, NJ 08302

Branch Offices in Millville, NJ 08332

**INSURANCE AGENT**

**Conner Strong & Buckelew Companies, Inc.**  
40 Lake Center Executive Park  
401 Rt. 73 North, Suite 300  
Marlton, New Jersey 08053

**FINANCIAL SECTION**



# NIGHTLINGER, COLAVITA & VOLPA

*A Professional Association*

*Certified Public Accountants*

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## INDEPENDENT AUDITOR'S REPORT

The Honorable President and  
Members of the Board of Education  
Maurice River Township School District  
County of Cumberland, New Jersey 08348

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Maurice River Township School District in the County of Cumberland, State of New Jersey, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Maurice River Township School District's basic financial statements as listed in the table of contents.

### 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 Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Maurice River Township Board of Education in the County of Cumberland, State of New Jersey, as of June 30, 2021, 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.

## Emphasis of Matter

As discussed in Note 22 to the basic financial statements, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities, during the fiscal year ended June 30, 2021. Our opinions are not modified with respect to this matter.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedules related to accounting and reporting for pensions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 Maurice River Township School Board of Education's basic financial statements. The introductory section, combining and individual non-major fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subject 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 them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated January 27, 2022 on our consideration of the Maurice River Township Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Maurice River Township Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governments Auditing Standards* in considering Maurice River Township Board of Education's internal control over financial reporting and compliance.

Respectfully submitted,

**NIGHTLINGER, COLAVITA & VOLPA, P.A.**



Raymond Colavita, C.P.A., R.M.A.  
Licensed Public School Accountant  
No. 915  
January 27, 2022

**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT  
MAURICE RIVER TOWNSHIP**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**UNAUDITED**

The discussion and analysis of Maurice River Township Public School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for 2021 are as follows:

- ❖ General revenues accounted for \$9,136,827 in revenue or 79% percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$2,440,919 or 21% percent to total revenues of \$11,577,746.
- ❖ Total net position of governmental activities increased by a net amount of \$434,740 in various asset areas.
- ❖ The School District had \$11,145,375 in expenses, of which \$2,440,919 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes and Federal and State Aid not restricted) were adequate to provide for these programs.
- ❖ The General Governmental Fund had \$9,147,732 in revenues, \$8,859,904 in expenditures and \$25,000 in transfers to the Food Service Fund. The General Fund's balance increased by \$262,828 over 2020. There was also a prior period adjustment to recognize GASB #84. This increase was anticipated by the Board of Education.

**Using this Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Maurice River 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 Assets 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. In the case of Maurice River Township School District, the General Fund is by far the most significant fund.

## **Reporting the School District as a Whole**

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

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, “How did we do financially during 2021?” The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the School District’s net position and changes in those assets. This change in net position is important because it tells the reader that, for the school district as a whole, the financial positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. 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 Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- ❖ **Governmental Activities** - All of the School District’s programs and services are reported here including, but not limited to, 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 expense of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

## **Reporting the School District’s Most Significant Funds**

### **Fund Financial Statements**

The analysis of the School District’s major (all) funds begins on page 23. Fund financial reports provide detailed information about the School District’s major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District’s most significant funds. The School District’s major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

### **Governmental Funds**

The School District’s activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School district’s general government operations and the basic services it provides.

Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**Enterprise Fund**

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

**The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole, which includes the Business-type Activities.

Table 1 provides a summary of the School District’s net position for the years ended in 2021 and 2020.

Table 1  
Net Position

	2021	2020
<b>Assets</b>		
Current and Other Assets	\$ 1,972,283	\$ 1,485,962
Capital Assets, Net	2,463,302	2,542,809
Total Assets	4,435,585	4,028,771
<b>Deferred Outflows of Resources</b>		
Deferred Pension Outflows	243,034	340,105
<b>Liabilities</b>		
Long-term Liabilities	1,331,514	1,796,519
Other Liabilities	125,912	155,425
Total Liabilities	1,457,426	1,951,944
<b>Deferred Outflows of Resources</b>		
Deferred Pension Inflows	703,192	601,532
<b>Net Position</b>		
Invested in Capital Assets, Net of Debt	2,323,302	2,257,809
Restricted	1,509,614	957,743
Unrestricted (Deficit)	(1,314,915)	(1,400,152)
Total Net Position	\$ 2,518,001	\$ 1,815,400

Table 2 shows the changes in net position from fiscal year's 2021 and 2020.

Table 2  
Changes in Net Position

	2021	2020
<b>Revenues</b>		
Programs Revenues		
Charges for Services	\$ 5,959	\$ 51,414
Operating Grants and Contributions	2,434,960	2,086,130
General Revenues		
Property Taxes	3,165,727	3,095,747
Grants and Entitlements	5,890,773	4,866,443
Other	80,327	28,588
<b>Total Revenues</b>	<b>11,577,746</b>	<b>10,128,322</b>
<b>Program Expenses</b>		
Instruction	2,593,866	2,356,021
Support Services		
Tuition	2,148,218	2,218,715
Pupils and Instructional Staff	1,037,949	759,445
General Administration, School		
Administration, Business	551,440	552,604
Operations and Maintenance of		
Facilities	1,010,979	673,151
Pupil Transportation	287,843	412,167
Employee Benefits	3,151,675	2,527,316
Interest on Debt	11,756	14,747
Food Service	232,296	208,046
Other	119,353	115,210
<b>Total Expenses</b>	<b>11,145,375</b>	<b>9,837,422</b>
<b>Increase in Net Position</b>	<b>\$ 432,371</b>	<b>\$ 290,900</b>



**Governmental Activities**

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. The District’s total revenues from governmental activities were \$9,136,827 for the fiscal year ended June 30, 2021 and property taxes made up 35% percent of revenues for governmental activities for the Maurice River Township School District for fiscal year 2021. Federal, state and local grants accounted for another 64%. Miscellaneous revenues made up the remainder. The net cost of all Governmental Activity programs and services was \$8,677,087. Instruction of \$2,018,541 comprises 23% of these expenses.

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

Table 3

	<u>Total Cost of Services 2021</u>	<u>Net Cost of Services 2021</u>	<u>Total Cost of Services 2020</u>	<u>Net Cost of Services 2020</u>
Instruction	\$ 2,593,866	\$ 2,018,541	\$ 2,356,021	\$ 1,956,303
Support Services				
Tuition	2,148,218	2,148,218	2,218,715	2,218,715
Pupils and Instructional Staff	1,037,949	504,173	759,445	525,199
General Administration, School				
Administration, Business	551,440	551,440	552,604	552,604
Operation and Maintenance of Facilities	1,010,979	1,010,979	673,151	673,151
Pupil Transportation	287,843	287,843	412,167	412,167
Employee Benefits	3,151,675	2,024,784	2,527,316	1,183,052
Interest and Fiscal Charges	11,756	11,756	14,747	14,747
Other	119,353	119,353	115,210	115,210
	<u>\$ 10,913,079</u>	<u>\$ 8,677,087</u>	<u>\$ 9,629,376</u>	<u>\$ 7,651,148</u>

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 include expenses associated with administrative and financial supervision of the District.

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

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

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

Extracurricular activities includes expenses related to student activities provided by the School District which are designated to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

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

Other includes unallocated depreciation and amortization.

### **Business-Type Activities**

Revenues for the District's business-type activities (food service program) were comprised of charges for services and federal and state reimbursements.

- ❖ Food service expenses of \$232,296 exceeded revenues by \$27,369. This decrease in net position resulted in an ending balance of \$72,739, which includes a transfer \$25,000 from the general fund.
- ❖ Charges for services represent \$5,959 of revenue. This represents the total amount paid by patrons for daily food services.
- ❖ Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities were \$198,968.

### **The School District's Funds**

Information about the School District's major funds starts on page 23. These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of \$10,441,507 and expenditures of \$10,173,792. The net positive/negative change in fund balance was \$242,715. There was also a board contribution to the Food Service Fund, in the amount of \$25,000 and a prior period adjustment of \$270,230, related to the recognition of GASB #84 for Student Activity and Unemployment Compensation. The School District is, therefore, able to meet current operating costs with no urgent need for additional funds. Availability of surplus funds in the future will be an important factor in budgeting.

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 summary of the revenues of the governmental funds (excluding capital projects) for the fiscal year ended June 30, 2021, and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent Increase/ (Decrease)</u>
Local Sources	\$ 3,246,054	31.0%	\$ 121,719	4.1%
State Sources	6,782,914	65.0%	420,906	7.2%
Federal Sources	412,539	4.0%	136,973	47.6%
<b>Total</b>	<b>\$ 10,441,507</b>	<b>100.0%</b>	<b>\$ 679,598</b>	<b>7.4%</b>

The increase in Local Sources is attributed to increases in the local tax levy of \$69,980 and \$52,714 in miscellaneous with interest earnings, offset by decreases of \$975 in transportation charges.

The increase in State Sources is attributed to increases in general fund state aid of \$247,286 and special projects grants of \$176,533, offset by a decrease in debt service of \$2,913.

The increase in Federal Sources is attributed to various net decreases in special revenue awards of \$136,973.

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2021.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent Increase/ (Decrease)</u>
<b>Current:</b>				
Instruction	\$ 2,593,866	25.5%	\$ 237,845	10.2%
Undistributed Expenditures	7,377,972	72.6%	423,544	6.5%
Capital Outlay	45,198	0.4%	(27,504)	-28.8%
<b>Debt Service:</b>				
Principal	145,000	1.4%	-	0.0%
Interest	11,756	0.1%	(5,982)	-16.7%
<b>Total</b>	<b>\$ 10,173,792</b>	<b>100.0%</b>	<b>\$ 627,903</b>	<b>7.0%</b>

The increase in instruction is attributed to increases in regular instruction \$211,996 and other special education costs of \$93,391, offset by decreases in other special instruction costs of \$67,542.

The increase in Undistributed Expenditures is attributed to increases in student & instruction related services of \$139,129, plant operations \$337,828 and employee benefits of \$142,572, offset by decreases in transportation of \$70,497, school administration services of \$1,164, and transportation of \$124,324.

The decrease in Capital Outlay expenditures is attributed to a decrease in expenditures for various equipment of \$27,504.

The decrease in Debt Service of \$5,982 is attributed to a reduction in interest and principal payments on the bond issue.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent Increase/ (Decrease)</u>
Local Sources	\$ 3,246,054	31.0%	\$ 121,719	4.1%
State Sources	6,782,914	65.0%	420,906	7.2%
Federal Sources	412,539	4.0%	136,973	47.6%
<b>Total</b>	<b>\$ 10,441,507</b>	<b>100.0%</b>	<b>\$ 679,598</b>	<b>7.4%</b>

The increase in Local Sources is attributed to increases in the local tax levy of \$69,980 and \$52,714 in miscellaneous with interest earnings, offset by decreases of \$975 in transportation charges.

The increase in State Sources is attributed to increases in general fund state aid of \$247,286 and special projects grants of \$176,533, offset by a decrease in debt service of \$2,913.

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The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2021.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent Increase/ (Decrease)</u>
<b>Current:</b>				
Instruction	\$ 2,593,866	25.5%	\$ 237,845	10.2%
Undistributed Expenditures	7,377,972	72.6%	423,544	6.5%
Capital Outlay	45,198	0.4%	(27,504)	-28.8%
<b>Debt Service:</b>				
Principal	145,000	1.4%	-	0.0%
Interest	11,756	0.1%	(5,982)	-16.7%
<b>Total</b>	<b>\$ 10,173,792</b>	<b>100.0%</b>	<b>\$ 627,903</b>	<b>7.0%</b>

The increase in instruction is attributed to increases in regular instruction \$211,996 and other special education costs of \$93,391, offset by decreases in other special instruction costs of \$67,542.

The increase in Undistributed Expenditures is attributed to increases in student & instruction related services of \$139,129, plant operations \$337,828 and employee benefits of \$142,572, offset by decreases in transportation of \$70,497, school administration services of \$1,164, and transportation of \$124,324.

The decrease in Capital Outlay expenditures is attributed to a decrease in expenditures for various equipment of \$27,504.

The decrease in Debt Service of \$5,982 is attributed to a reduction in interest and principal payments on the bond issue.

### Debt Administration

At June 30, 2021, the School District had \$1,331,514 as outstanding debt. Of this amount, \$36,888 is for compensated absences, net pension liability is \$1,151,170 and the balance of \$140,000 for bonds related to school construction, along with \$3,456 in compensated absences in the Food Service Fund.

At June 30, 2021, the School District's overall legal debt margin was \$8,314,981 and the unvoted debt margin was \$8,174,981 or 98.32%.

	<u>Issue</u>	<u>Issue</u>	<u>2020</u>
Addition to the Elementary School Building Refunding Issue	1/1/2007	\$ 1,950,000	\$ 140,000

### For the Future

The Maurice River Township School District hopes to continue its "Choice" status to increase its student enrollment and Choice Aid funding. Through the use of Choice Aid funding, the district hopes to upgrade its facility and expand the services provided to students.

In conclusion, the Maurice River Township School District has committed itself to excellence in education for many years despite its financial struggle to survive. The School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

### Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, please contact Patricia A. Powell, School Business Administrator/Board Secretary at Maurice River Township Board of Education, P.O. Box 464, 3593 S. Delsea Drive, Port Elizabeth, NJ 08348.

## BASIC FINANCIAL STATEMENTS

## DISTRICT WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District.

These statements include the financial activities of the overall District, except for fiduciary activities.

Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,810,453	\$ 6,770	\$ 1,817,223
Receivables, Net	121,399	29,912	151,311
Inventory		3,749	3,749
Capital Assets, Net (Note 6):	2,409,774	53,528	2,463,302
Total Assets	<u>4,341,626</u>	<u>93,959</u>	<u>4,435,585</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred Pension Outflows	243,034		243,034
<b>LIABILITIES</b>			
Accounts Payable	77,466	14,793	92,259
Accrued Interest	2,888		2,888
Unearned Revenue	27,794	2,971	30,765
Non-current Liabilities (Note 7):			
Due Within One Year	140,000		140,000
Due Beyond One Year	1,188,058	3,456	1,191,514
Total Liabilities	<u>1,436,206</u>	<u>21,220</u>	<u>1,457,426</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Pension Inflows	703,192		703,192
<b>NET POSITION</b>			
Invested in Capital Assets, Net of Related Debt	2,269,774	53,528	2,323,302
Restricted For:			
Excess Surplus	-		-
Capital Reserve	143,453		143,453
Maintenance Reserve	355,292		355,292
Emergency Reserve	250,000		250,000
Tuition Reserve	470,000		470,000
Unemployment Compensation	249,718		249,718
Student Activities	39,701		39,701
Unrestricted (Deficit)	(1,332,676)	19,211	(1,313,465)
Total Net Position	<u>\$ 2,445,262</u>	<u>\$ 72,739</u>	<u>\$ 2,518,001</u>

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



**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 2,121,340	\$	\$ 575,325	\$ (1,546,015)	\$	\$ (1,546,015)
Special Education	447,508			(447,508)		(447,508)
Other Special Instruction	25,018			(25,018)		(25,018)
Support Services:						
Tuition	2,148,218			(2,148,218)		(2,148,218)
Student & Instruction Related Services	1,037,949		533,776	(504,173)		(504,173)
General and Business Administrative Services	172,818			(172,818)		(172,818)
School Administrative Services	140,852			(140,852)		(140,852)
Central Services	237,770			(237,770)		(237,770)
Plant Operations and Maintenance	1,010,979			(1,010,979)		(1,010,979)
Pupil Transportation	287,843			(287,843)		(287,843)
Employee Benefits	3,151,675		1,126,891	(2,024,784)		(2,024,784)
Interest on Long-term Debt	11,756			(11,756)		(11,756)
Unallocated Depreciation	119,353			(119,353)		(119,353)
Total Governmental Activities	10,913,079		2,235,992	(8,677,087)		(8,677,087)
Business-type Activities:						
Food Service	232,296	5,959	198,968		(27,369)	(27,369)
Total Business-type Activities	232,296	5,959	198,968		(27,369)	(27,369)
Total Primary Government	\$ 11,145,375	\$ 5,959	\$ 2,434,960	(8,677,087)	(27,369)	(8,704,456)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				3,085,302		3,085,302
Taxes Levied for Debt Service				80,425		80,425
Federal and State Aid Not Restricted				5,890,773		5,890,773
Transportation Charges				12,416		12,416
Investment Earnings				49		49
Miscellaneous Income				67,862		67,862
Transfers				(25,000)	25,000	
Total General Revenues, Special Items, Extraordinary Items and Transfers				9,111,827	25,000	9,136,827
Change in Net Position				434,740	(2,369)	432,371
Net Position—Beginning				1,740,292	75,108	1,815,400
Prior Period Adjustment				270,230		270,230
Net Position—Beginning (Restated)				2,010,522	75,108	2,085,630
Net Position—Ending				\$ 2,445,262	\$ 72,739	\$ 2,518,001

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

## FUND FINANCIAL STATEMENTS

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

**GOVERNMENTAL FUNDS**

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,770,751	\$ 39,701	\$ 1	\$ 1,810,453
Receivables from Other Governments	32,434			32,434
Interfunds Receivable	68,912			68,912
Federal Aid Receivable		66,146		66,146
State Aid Receivable	22,819			22,819
	\$ 1,894,916	\$ 105,847	\$ 1	\$ 2,000,764
<b>Total Assets</b>				
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$	\$ 42,417	\$	\$ 42,417
Deferred Revenue		27,794		27,794
Interfunds Payable		68,912		68,912
Payroll Deductions and Withholdings Payable	35,048			35,048
	35,048	139,123		174,171
<b>Total Liabilities</b>				
Fund Balances:				
Restricted for:				
Capital Reserve - Designated for Subsequent Year's Expenditures	53,453			53,453
Maintenance Reserve	355,292			355,292
Emergency Reserve	200,000			200,000
Tuition Reserve - Designated for Subsequent Year's Expenditures	270,000			270,000
Unemployment Compensation	249,718			249,718
Student Activities		39,701		39,701
Assigned:				
Year-end Encumbrances	249,745			249,745
Capital Reserve - Designated for Subsequent Year's Expenditures	90,000			90,000
Emergency Reserve - Designated for Subsequent Year's Expenditures	50,000			50,000
Tuition Reserve - Designated for Subsequent Year's Expenditures	200,000			200,000
Designated for Subsequent Year's Expenditures	275,667			275,667
Debt Service			1	1
Unassigned, Reported In:				
General Fund (Deficit)	(134,007)			(134,007)
Special Revenue Fund (Deficit)		(72,977)		(72,977)
	1,859,868	(33,276)	1	1,826,593
<b>Total Fund Balances</b>				
<b>Total Liabilities and Fund Balances</b>	\$ 1,894,916	\$ 105,847	\$ 1	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$6,561,124 and the accumulated depreciation is \$4,151,350 (Note 6).	2,409,774
Accrued interest is not due and payable in the current period and are therefore not reported as liabilities.	(2,888)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (Note 7).	(176,888)
Deferred Outflow of Resources - Deferred Pension Contribution.	243,034
Deferred Inflows of Resources - Pension Actuarial Gains.	(703,192)
Long Term Net Pension Liability	(1,151,171)
Net position of governmental activities	\$ 2,445,262

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

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Local Sources:				
Local Tax Levy	\$ 3,085,302	\$	\$ 80,425	\$ 3,165,727
Transportation Charges	12,416			12,416
Interest Earned	49			49
Miscellaneous	27,469	40,393		67,862
Total - Local Sources	3,125,236	40,393	80,425	3,246,054
State Sources	5,995,884	710,698	76,332	6,782,914
Federal Sources	26,612	385,927		412,539
Total Revenues	9,147,732	1,137,018	156,757	10,441,507
<b>EXPENDITURES</b>				
Current:				
Regular Instruction	1,546,015	575,325		2,121,340
Special Education Instruction	447,508			447,508
Other Special Instruction	25,018			25,018
Support Services:				
Tuition	2,148,218			2,148,218
Student & Instruction Related Services	504,173	533,776		1,037,949
General Administrative Services	172,818			172,818
School Administrative Services	140,852			140,852
Central Services	237,770			237,770
Plant Operations and Maintenance	1,010,979			1,010,979
Pupil Transportation	287,843			287,843
Employee Benefits	2,293,512	48,031		2,341,543
Capital Outlay	45,198			45,198
Debt Service:				
Principal			145,000	145,000
Interest and Other Charges			11,756	11,756
Total Expenditures	8,859,904	1,157,132	156,756	10,173,792
Excess (Deficiency) of Revenues Over Expenditures	287,828	(20,114)		267,715
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out - Food Service Deficit	(25,000)			(25,000)
Total Other Financing Sources and Uses	(25,000)			(25,000)
Net Change in Fund Balances	262,828	(20,114)	1	242,715
Fund Balance, July 1 (Deficit)	1,367,776	(54,128)		1,313,648
Prior Period Adjustment	229,264	40,966		270,230
Fund Balance, July 1 (Restated) (Deficit)	1,597,040	(13,162)		1,583,878
Fund Balance, June 30	\$ 1,859,868	\$ (33,276)	\$ 1	\$ 1,826,593

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

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 242,715

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

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

Depreciation Expense	\$ (119,353)	
Capital Outlays	45,198	(74,155)

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. 145,000

Payment of capital leases is an expenditure in the governmental funds but the payment reduces long-term liabilities in the Statement of Net Position and is not reported in the Statement of Activities.

In the Statement of Activities, interest on long-term debt in the Statement of Activities is accrued, regardless of when due. In the government funds, interest is reported when due. 2,990

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period. 107,241

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

Compensated Absences		10,949

Change in Net Position of Governmental Activities (A-2) \$ 434,740

**PROPRIETARY FUNDS**

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2021

	Business-Type Activities - Enterprise Fund Food Service	Totals
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 6,770	\$ 6,770
Accounts Receivable	29,912	29,912
Inventories	3,749	3,749
Total Current Assets	<u>40,431</u>	<u>40,431</u>
Fixed Assets:		
Equipment	104,116	104,116
Accumulated Depreciation	(50,588)	(50,588)
Total Fixed Assets	<u>53,528</u>	<u>53,528</u>
Total Assets	<u>\$ 93,959</u>	<u>\$ 93,959</u>
<b>LIABILITIES AND FUND EQUITY:</b>		
Current Liabilities:		
Unearned Revenue	\$ 2,971	\$ 2,971
Compensated Absences	3,456	3,456
Accounts Payable	14,793	14,793
Total Current Liabilities	<u>21,220</u>	<u>21,220</u>
Net Position:		
Investment in Fixed Assets	53,528	53,528
Unrestricted	19,211	19,211
Total Fund Equity	<u>72,739</u>	<u>72,739</u>
Total Liabilities and Net Position	<u>\$ 93,959</u>	<u>\$ 93,959</u>

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



**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<b>Business-Type Activities - Enterprise Fund</b>	<b>Total Enterprise</b>
	<u>Food Service</u>	<u>Enterprise</u>
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	\$	\$
Daily Sales - Non-reimbursable Programs	5,959	5,959
	<hr/>	<hr/>
Total Operating Revenue:	5,959	5,959
	<hr/>	<hr/>
Operating Expenses:		
Cost of Sales - Reimbursable Programs	92,066	92,066
Cost of Sales - Non Reimbursable Programs	2,201	2,201
Salaries	109,994	109,994
Employee Benefits	12,308	12,308
Repairs & Other Expenses	3,421	3,421
General Supplies	6,954	6,954
Depreciation	5,352	5,352
	<hr/>	<hr/>
Total Operating Expenses	232,296	232,296
	<hr/>	<hr/>
Operating Income (Loss)	(226,337)	(226,337)
	<hr/>	<hr/>
Non-operating Revenues (Expenses):		
State Sources:		
State School Lunch Program	5,801	5,801
Federal Sources:		
National School Breakfast Program	72,530	72,530
National School Lunch Program	111,406	111,406
Food Distribution Program	9,231	9,231
	<hr/>	<hr/>
Total Non-Operating Revenues (Expenses)	198,968	198,968
	<hr/>	<hr/>
Income (Loss) Before Contributions & Transfers	(27,369)	(27,369)
	<hr/>	<hr/>
Transfers In (Out)	25,000	25,000
	<hr/>	<hr/>
Change in Net Position	(2,369)	(2,369)
	<hr/>	<hr/>
Total Net Position—Beginning	75,108	75,108
	<hr/>	<hr/>
Total Net Position—Ending	\$ 72,739	\$ 72,739
	<hr/> <hr/>	<hr/> <hr/>

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

**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<b>Business-Type Activities - Enterprise Fund Food Service</b>	<b>Total Enterprise</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers	\$ 5,959	\$ 5,959
Payments to Employees	(109,994)	(109,994)
Payments for Employee Benefits	(12,308)	(12,308)
Payments to Suppliers	(104,604)	(104,604)
	(220,947)	(220,947)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State Sources	5,801	5,801
Federal Sources	183,936	183,936
Operating Subsidies and Transfers to Other Funds	25,000	25,000
	214,737	214,737
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchases of Capital Assets		
Net Cash Provided by (used for) Capital and Related Financing Activities		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest and Dividends		
Net Cash Provided by (used for) Investing Activities		
Net Increase (Decrease) in Cash and Cash Equivalents	(6,210)	(6,210)
Balances—Beginning of Year	12,980	12,980
Balances—End of Year	\$ 6,770	\$ 6,770
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:</b>		
Operating Income (Loss)	\$ (226,337)	\$ (226,337)
Provided by		
(used for) Operating Activities		
Food Distribution Program	9,231	9,231
Depreciation and Net Amortization	5,352	5,352
(Increase) Decrease in Accounts Receivable	(21,425)	(21,425)
(Increase) Decrease in Interfund Receivable		
(Increase) Decrease in Inventory	3,904	3,904
Increase (Decrease) in Unearned Revenue	716	716
Increase (Decrease) in Compensated Absences	(3,084)	(3,084)
Increase (Decrease) in Accounts Payable	10,696	10,696
	5,390	5,390
Total Adjustments		
Net Cash Provided by (used for) Operating Activities	\$ (220,947)	\$ (220,947)

Noncash Noncapital Financing Activities:

During the Year, the District Received \$9,704 of Food Commodities from the U. S. Department of Agriculture

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

**FIDUCIARY FUNDS**

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

Maurice River Township School District (District) is organized under the Constitution of the State of New Jersey. It is located in Cumberland County and provides educational services for all of Maurice River Township's grades K through 8 as authorized by state and federal guidelines.

The District serves an area of approximately seventy square miles. The District currently operates one instructional building and an administrative building. The Maurice River Township School District had an approximate enrollment at June 30, 2021 of 393 students.

**A. Reporting Entity:**

The Maurice River Township School District is a Type II District as provided by statute of the State of New Jersey. As a Type II District, it functions independently and operates under a locally elected Board form of government consisting of nine members elected to three-year terms, which are staggered.

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

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

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

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**New Accounting Standards:**

The School District has adopted the following GASB statements:

- GASB No. 84 - *Fiduciary Activities*: The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of Statement will be effective for reporting periods beginning after December 15, 2019. The adoption of GASB 84 will impact the financial statements of the School District.
- GASB Statement - No. 90 - *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*: The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The adoption of GASB 90 did not impact the financial statements of the School District.

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**New Accounting Standards (CONT'D):**

Other accounting standards that the School District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB No. 87 - *Leases*: The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The requirements of Statement will be effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 87 on the School District's financial statements.
- GASB No. 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*: The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Management is evaluating the potential impact of the adoption of GASB 89 on the School District's financial statements.
- GASB Statement - No. 91 – *Conduit Debt Obligations*: The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Management is evaluating the potential impact of the adoption of GASB 91 on the School District's financial statements.
- GASB Statement - No. 92 – *Omnibus 2020*: The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 92 on the School District's financial statements.
- GASB Statement - No. 93 – *Replacement of Interbank Offered Rates*: The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 93 on the School District's financial statements.
- GASB Statement - No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*: The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management is evaluating the potential impact of the adoption of GASB 94 on the School District's financial statements.
- GASB Statement - No. 96 – *Subscription-Based Information Technology Arrangements*: This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management is evaluating the potential impact of the adoption of GASB 96 on the School District's financial statements.

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**New Accounting Standards (CONT'D):**

- GASB Statement - No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*: The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans); and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans). The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 97 on the School District's financial statements.

**A. Basis of Presentation**

The District's basic financial statements consist of District-wide statements, including a statement of Net Position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

District-wide Statements: The statement of Net Position and the statements of activities display information about the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of Net Position presents the financial condition of the governmental and business-type activities of the District at the fiscal year end while the statement of activities presents a comparison between direct expenses and program revenues for each different business-type activity of the District and for each function of the District's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses-expenses of the District related to the administration and support of the District's programs, such as personnel and accounting-are not allocated to programs.
- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state formula aid, are presented as general revenues.

Fund Financial Statements: During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - *governmental*, *proprietary*, and *fiduciary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting.

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**B. Fund Accounting:**

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements in this report as follows:

**GOVERNMENTAL FUND TYPE**

**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 non-instructional equipment which are classified in the Capital Outlay sub-fund.

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

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

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

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

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

**PROPRIETARY FUND TYPE**

The focus of Proprietary Fund measurement is on determination of net income, financial position and cash flows. The applicable generally accepted accounting principles are similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**B. Fund Accounting (CONT'D)**

**Enterprise (Food Service) Funds** - The Enterprise Funds are 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 Food Service Fund.

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 non-current, associated with their activity are included on their balance sheets. 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 balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Food Service Fund Equipment	7 - 20 Years
-----------------------------	--------------

**Internal Service Fund**

The Maurice River Township School District does not maintain an Internal Service whereby services would be provided on a cost-reimbursement basis.

**FIDUCIARY FUND TYPE**

Fiduciary Funds include Expendable Trust, Nonexpendable Trust and Agency Funds. The measurement focus of the Expendable Trust Funds is the same as for governmental funds. The measurement focus of the Nonexpendable Trust Funds is similar to Proprietary Funds. Agency Funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. The following is a description of the Fiduciary Funds of the School District:

**Trust and Agency Funds** - The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

**Expendable Trust Fund** - An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. Expendable Trust Funds include Unemployment Compensation Insurance and a scholarship fund.

**Nonexpendable Trust Fund** - A Nonexpendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal. The District does not maintain a Nonexpendable Trust Fund.



**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**B. Fund Accounting (Cont'd):**

**FIDUCIARY FUND TYPE (Cont'd):**

**Agency Funds** - Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds include payroll and student activities funds.

**C. Basis of Accounting and Measurement Focus:**

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

*District-wide, Proprietary and Fiduciary Fund Financial Statements:* The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under the 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 monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

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.

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**D. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds, which are submitted to the county office. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012 and to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. 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. 6A:23A-16.2 (f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

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

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

A reconciliation of the special revenue funds 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 is shown on Exhibit C-2.

**E. Encumbrance Accounting:**

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

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

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

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**F. 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.

**G. Tuition Payable:**

Tuition charges for the fiscal years 2020-2021, 2019-2020, and 2018-2019 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

**H. Inventories and Prepaid Expenses:**

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund are recorded as expenditure during the year of purchase.

On District-wide financial statements and in the enterprise fund inventories 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, 2021.

**I. Short -Term Interfund Receivables/Payables:**

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

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

Transactions - 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.

Inventories

On District-wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method and is expended when used. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2021.

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1986, as revised) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

Capital Assets

General fixed assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed prior to June 30, 2021 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. General fixed assets are reflected as expenditures in the applicable governmental funds, and the related assets are reported in the general fixed assets. Expenditures that enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the fixed asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized. Assets in general fixed assets are not depreciated.

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**J. Assets, Liabilities and Equity (Cont'd):**

**Capital Assets**

Capital assets are depreciated in the District-wide financial statements using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
School Building	50
Building Improvements	20
Vehicles	8
Office and Computer Equipment	5-10
Instructional Equipment	10
Grounds Equipment	15

**K. 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.

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as expenditure and fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the Statement of Net Position. In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

**L. Unearned Revenue:**

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned.

**M. Operating Revenues and Expenses:**

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

**N. Extraordinary and Special Items:**

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

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**O. Allocation of Indirect Expenses:**

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

**P. 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.

**Q. Comparative Data/Reclassifications:**

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain immaterial amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**R. Management Estimates:**

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

**S. Accrued Liabilities and Long-term Obligations:**

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the Statement of Net Position.

**T. Fund Balance Reserves:**

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

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**U. Net Position:**

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

**V. Revenues - Exchange and Non-exchange Transactions:**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned.

Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or for the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year end: property taxes available as an advance, interest, and tuition.

**W. Lease Acquisition Costs:**

As part of any long-term lease agreement, providing for the use of school buildings, payments constituting professional lease acquisition and other related professional fees will be expensed when incurred in accordance with GASB Statement No. 65. There were no such leases for the year ended June 30, 2020.

**NOTE 3. CASH AND 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 plus accrued interest. 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. Investments are stated at cost, or amortized cost, which approximates market.

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)**

The amortized cost method involves valuing a security at its cost on the date of purchase and thereafter assuming a constant amortization to maturity for any discount or premium. The Board classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

**Deposits:**

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

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

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

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

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

**Investments:**

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

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives, which have a maturity date no greater than twelve months from the date of purchase.
- c. Bonds of other obligations of the school district

As of June 30, 2021, cash and cash equivalents in the fund financial statements of the District consisted of the following:

		<b><u>Cash and Cash Equivalents</u></b>
Checking accounts	\$	1,737,025.50
N.J. Cash Management Fund		80,097.82
Total	\$	<u>1,817,223.32</u>

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)**

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 t seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies. The program is administered by the Commissioner of the NJ Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. As of June 30, 2021, \$2,006,358 of the School Districts bank balance of \$2,256,358 was uninsured and exposed to custodial credit risk.

**New Jersey Cash Management Fund** - All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

As of June 30, 2021, the District had \$80,098 of funds on deposit with the New Jersey Cash Management Fund.

**NOTE 4. CAPITAL RESERVE ACCOUNT**

Capital reserve accounts may be established by New Jersey School Districts for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. A capital reserve account is maintained in the General Fund and its activity is included in the general fund annual budget. Funds placed in the capital reserve account are restricted to capital projects in the District's Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP. The LRFP balance of local support costs of uncompleted capital projects at June 30, 2021 is \$423,728. Of the ending balance of \$143,453, as of June 30, 2021,\$90,000 was appropriated as revenue in the 2021-2022 budget.

Beginning Balance July 1, 2020	\$ 90,000
Withdrawn	(90,000)
Added	<u>143,453</u>
Ending Balance June 30, 2021	<u><u>\$ 143,453</u></u>

**NOTE 5. LITIGATION**

The District is from time to time involved in claims and lawsuits incidental to its operations. Per confirmation by the District's Solicitor, there are currently no claims.



**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 6. CAPITAL ASSETS**

Capital Asset Activity for the Year Ended June 30, 2021 was as Follows:

	Beginning Balance 7/1/20	Additions	Retirements	Ending Balance 6/30/21
Governmental Activities:				
Capital Assets that are not Being Depreciated:				
Land	\$ 62,441	\$	\$	\$ 62,441
Total Capital Assets not Being Depreciated	62,441			62,441
Land Improvements	376,205			376,205
Building and Building Improvements	4,473,281			4,473,281
Machinery and Equipment	1,606,499	45,198	(2,500)	1,649,197
Totals at Historical Cost	6,455,985	45,198	(2,500)	6,498,683
Less Accumulated Depreciation for :				
Land Improvements	(313,474)	(3,797)		(317,271)
Building and Improvements	(2,434,699)	(83,406)		(2,518,105)
Equipment	(1,286,324)	(32,150)	2,500	(1,315,974)
Total Accumulated Depreciation	(4,034,497)	(119,353)	2,500	(4,151,350)
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	2,421,488	(74,155)	-	2,347,333
<b>Government Activities Capital Assets, Net</b>	<b>\$ 2,483,929</b>	<b>\$ (74,155)</b>	<b>\$ -</b>	<b>\$ 2,409,774</b>
	To A-1			To A-1
Business-type Activities:				
Equipment	\$ 104,116	\$ -	\$ -	\$ 104,116
Work in Progress				
Less Accumulated Depreciation	(45,236)	(5,352)		(50,588)
<b>Business-type Activities Capital Assets, Net</b>	<b>\$ 58,880</b>	<b>\$ (5,352)</b>	<b>\$ -</b>	<b>\$ 53,528</b>

Depreciation Expense was Charged to Governmental Functions  
as Follows:

Unallocated	To A-2	\$ 119,353
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**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 7. LONG-TERM OBLIGATIONS**

During the fiscal year ended June 30, 2021, the following changes occurred in long-term obligations:

	Beginning Balance <u>7/1/2020</u>	Additions	Reductions	Ending Balance <u>6/30/2021</u>	Amounts Due within One Year	Long-term Portion
<b>Governmental Activities:</b>						
<b>Bonds Payable:</b>						
General Obligation Debt	\$ 285,000	\$ -	\$ 145,000	\$ 140,000	\$ 140,000	\$ -
Total Bonds Payable	<u>285,000</u>		<u>145,000</u>	<u>140,000</u>	<u>140,000</u>	<u>-</u>
<b>Other Liabilities:</b>						
Net Pension Liability	1,457,142		305,972	1,151,170		1,151,170
Compensated Absences Payable	47,837		10,949	36,888		36,888
Total Other Liabilities	<u>\$ 1,789,979</u>	<u>\$ -</u>	<u>\$ 461,921</u>	<u>\$ 1,328,058</u>	<u>\$ 140,000</u>	<u>\$ 1,188,058</u>
					To A-1	
<b>Business-Type Activities:</b>						
Compensated Absences Payable	<u>\$ 6,540</u>	<u>\$ -</u>	<u>\$ 3,084</u>	<u>\$ 3,456</u>	<u>\$ -</u>	<u>\$ 3,456</u>

**A. Bonds Payable** - Bonds are authorized in accordance with State law by the voters of the District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds.

Principal and interest due on bonds outstanding is as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 140,000	\$ 5,775	\$ 145,775
	<u>\$ 140,000</u>	<u>\$ 5,775</u>	<u>\$ 145,775</u>

**B. Bonds Authorized But Not Issued** - As of June 30, 2021, the District had no authorized but not issued bonds.

**NOTE 8. OPERATING LEASES**

The District had commitments to lease a mailing system under operating leases that expires in 2024. The future minimum lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 1,740
2023	1,740
2024	1,740
2025	1,682
	<u>\$ 6,902</u>

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 9. PENSION PLANS**

**Description of Plans** - Eligible employees of the School District can be covered by Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), or Defined Contribution Retirement Program (DCRP). PERS and TPAF are administered by the New Jersey Division of Pension and Benefits (NJDPB) and the DCRP is jointly administered by Prudential and NJDPB. The NJDPB issues publicly available financial reports that include financial statements and required supplementary information for the systems. These reports may be obtained online at <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

**Public Employees' Retirement System**

The PERS is a cost sharing multiple-employer defined benefit pension plan that was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under the disability provisions of PERS.

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 years or more of service credit before age 62, and tier 5 with 30 years or more of service credit before age 65. Benefits are reduced by a fraction of a percent 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.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who are 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.

**Contributions** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The PERS member total contribution rate as of July 1, 2019 was 7.5% of base salary. The District employees' contributions for the year ended June 30, 2021 were 44,191. Employers in PERS are required to contribute at an actuarially determined rate which includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The PERS employer rate due in 2021 is 15.11% of covered payroll. The District is billed annually for its normal contribution plus any accrued liability. These contributions were paid by the District and equal to the required contributions for each year. The District's contributions to PERS for the years ended June 30, 2021, and 2020, were \$77,224 and \$79,021 respectively.

The total payroll for the year ended June 30, 2021 was \$3,700,520. Payroll covered by PERS was \$568,489 for fiscal year 2021.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021

**NOTE 9. PENSION PLANS (CONT'D)**

**Public Employees' Retirement System (Cont'd)**

**Components of Net Pension Liability** - At June 30, 2021, the District's proportionate share of the PERS net pension liability was \$1,151,170. The net pension liability was measured as of June 30, 2020. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2020. The District's proportion measured as of June 30, 2020 was 0.007059% which was a decrease of 0.00103% from its proportion measured as of June 30, 2019.

**Pension Expense and Deferred Outflows/Inflows of Resources** - The District's 2021 PERS pension expense, with respect to GASB 68, was \$(31,199). The District's 2021 deferred outflows of resources and deferred inflows of resources were from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 20,961	\$ 4,071
Changes of assumptions	37,345	482,006
Net difference between projected and actual earnings on pension plan investments	39,348	
Changes in proportion	68,156	217,115
Contributions subsequent to the measurement date	77,224	
<b>Total</b>	<u>\$ 243,034</u>	<u>\$ 703,192</u>

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

<u>Year</u>		<u>PERS</u>
2021	\$	(224,851)
2022		(150,749)
2023		(80,298)
2024		(68,102)
2025		(13,382)
Thereafter		
<b>Total</b>	<b>\$</b>	<u><u>(537,382)</u></u>

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 9. PENSION PLANS (CONT'D)**

**Public Employees' Retirement System (Cont'd)**

**Additional Information** - Collective Balances at June 30, 2021 and 2020 are as follows:

<u>Year</u>		<u>2021</u>		<u>2020</u>
Collective deferred outflows of resources	\$	243,034	\$	340,105
Collective deferred inflows of resources	\$	703,192	\$	601,532
Collective Net Pension Liability	\$	1,151,170	\$	1,457,142
District's Proportion		0.007059%		0.008087%

**Actuarial Assumptions** - The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<b><u>PERS</u></b>
Investment Rate of Return	7.00%
Salary Scale (Based on Age):	
Through 2026	2.00% - 6.00%
Thereafter	3.00% - 7.00%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

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-2019.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 9. PENSION PLANS (CONT'D)**

**Public Employees' Retirement System (Cont'd)**

**Long-Term Expected Rate of Return** – In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	PERS Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
Total	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. 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 78% 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.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021

**NOTE 9. PENSION PLANS (CONT'D)**

**Public Employees' Retirement System (Cont'd)**

**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, 2020, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u> <u>(6.00%)</u>	<u>Current</u> <u>Discount</u> <u>(7.00%)</u>	<u>1% Increase</u> <u>(8.00%)</u>
District's Proportionate Share of the Net Pension Liability	\$ <u>1,460,526</u>	\$ <u>1,151,170</u>	\$ <u>905,406</u>

**Teachers' Pension and Annuity Fund**

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 that was established in 1955. As under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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. 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:

<u>Tier</u>	<u>Definition</u>
1	Members who are 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.

**Special Funding Situation** - The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a 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. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 9. PENSION PLANS (CONT'D)**

**Teachers' Pension and Annuity Fund (Cont'd)**

**Contributions** - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The member contribution rate was 7.5% in as of July 1, 2019. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount. Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, Accounting and Financial Reporting for Pensions. The District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2021 because of the 100% special funding situation with the State of New Jersey.

During the fiscal year ended June 30, 2021, the State of New Jersey contributed \$675,047 to the TPAF for pension contributions, \$211,549 for post-retirement benefits on behalf of the School, and \$435 for long-term disability. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$191,829 during the year ended June 30, 2021 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**Components of Net Pension Liability** - At June 30, 2021, the District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the District.

**Pension Expense** - For the year ended June 30, 2021, the District recognized pension expense of \$950,795 and revenue of \$950,795 for support provided by the State.

**Actuarial Assumptions** - The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<b><u>TPAF</u></b>
Investment Rate of Return	7.00%
Salary Scale (Based on Age):	
Through 2026	1.55% - 4.45%
Thereafter	2.75% - 5.65%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%



**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 9. PENSION PLANS (CONT'D)**

**Teachers' Pension and Annuity Fund (Cont'd)**

**Long-Term Expected Rate of Return** - Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 are summarized in the following table:

	TPAF	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
Total	100.00%	

**Discount Rate** - The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of June 30, 2020 based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 9. PENSION PLANS (CONTINUED)**

**Teachers' Pension and Annuity Fund (Cont'd)**

**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, 2020, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (4.40%)	Current Discount (5.40%)	1% Increase (6.40%)
State's Share of the Net Pension Liability associated with the District	\$ 17,999,328	\$ 15,289,971	\$ 13,101,803
State's Share of the Net Pension Liability	\$ 77,517,093,055	\$ 65,993,498,688	\$ 56,425,087,777

**Defined Contribution Retirement Program (DCRP)**

The Defined Contribution Retirement Program (DCRP) is a multiple-employer defined contribution pension fund that was established in 2007 under the provisions of N.J.S.A 43:15C-1. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and long-term disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et seq.

The following represents the individuals eligible for membership in the DCRP:

Eligibility

1. State or Local Officials who are elected or appointed on or after July 1, 2007
2. Employees enrolled in the PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits
3. Employees enrolled in the PFRS or SPRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits
4. Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually
5. Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually

**Contributions** – The contribution policy is set by N.J.S.A 43:15C-3 and requires contributions by active members and contributing employers. Plan members are required to contribute 5.5% of their base salary and the District's employer match is an additional 3% contribution. For the year ended June 30, 2021, employee contributions totaled \$11,677 and the District's employer contribution, recognized in pension expense, was \$6,369. There were no forfeitures during the fiscal year.

**Pension Plan Fiduciary Net Position** - Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

**General Information about the OPEB Plan**

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

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

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.

**Special Funding Situation**

The participating local education employer allocations included in the supplemental Schedule of special funding amounts by employer are provided as each local education employer 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 and to include their respective amount of total OPEB liability in their notes to their financial statements. The total OPEB liability and service cost for each employer was determined separately based on actual data for each employer's participants.

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**

**Total OPEB Liability**

The State of New Jersey's total OPEB liability, as of the measurement date of June 30, 2020, was \$67,809,962,608. Of this amount, the total OPEB liability attributable to the School District was \$22,271,504. The State of New Jersey's proportionate share of the total OPEB liability is 100%, including the proportion attributable to the School District of 0.03284%. The total OPEB liability for the School District measured as of June 30, 2020 is zero as a result of the Special Funding Situation with the State of New Jersey. The School District's proportionate share of the total OPEB liability measured as of June 30, 2020 is 0.00%. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. 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:

	<b><u>TPAF/ABP</u></b>	<b><u>PERS</u></b>	<b><u>PFRS</u></b>
Inflation Rate	2.50%	2.50%	2.50%
	Based on	Based on	Based on
Salary Increases:	Service Years	Service Years	Service Years
Through 2026	1.55% - 4.45%	2.00% - 6.00%	3.25% - 15.25%
Thereafter	1.55% - 4.45%	3.00% - 7.00%	Applied to all future years

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. 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-2020. 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-2020.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**

**Discount rate**

The discount rate for June 30, 2020 was 2.21%. 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.

**Changes in the Total OPEB Liability**

	<b><u>Total OPEB Liability</u></b>
State of New Jersey	
<b>Balance as of June 30, 2019 Measurement Date</b>	<b>\$ <u>41,729,081,045</u></b>
Changes for the year:	
Service Cost	1,790,973,822
Interest	1,503,341,357
Changes of Benefit Terms	
Differences between Expected and Actual	11,544,750,637
Changes of Assumptions	12,386,549,981
Benefit Payments	35,781,384
Contributions from Members	<u>(1,180,515,618)</u>
<b>Net Changes</b>	<b><u>26,080,881,563</u></b>
<b>Balance as of June 30, 2020 Measurement Date</b>	<b>\$ <u>67,809,962,608</u></b>

**Sensitivity of Total Nonemployer OPEB Liability to changes in the discount rate:**

The following presents the total nonemployer OPEB liability as of June 30, 2020, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b><u>June 30, 2020</u></b>		
	<u>At 1.00% Decrease</u>	<u>At Discount Rate</u>	<u>At 1.00% Increase</u>
	2.50%	3.50%	4.50%
\$	81,748,410,002	67,809,962,608	56,911,439,160

**Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:**

The following presents the total nonemployer OPEB liability as of June 30, 2020, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	<b><u>June 30, 2020</u></b>		
	<u>1.00% Decrease</u>	<u>Healthcare Cost</u>	<u>1.00% Increase</u>
		<u>Trend Rate</u>	
\$	54,738,488,540	67,809,962,608	83,375,182,975

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**

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

For the year ended June 30, 2021, the School District recognized OPEB expense of \$867,113. The School District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences Between Expected and Actual Experience	\$ 3,381,394	\$ 3,012,026
Changes of Assumptions	3,788,309	2,541,305
Net difference Between Projected and Actual Earnings on OPEB Plan Investments		
Changes in Proportion	172,958	1,296,363
Contributions Subsequent to the Measurement Date		
Total	\$ 7,342,661	\$ 6,849,694

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows.

Measurement Period Ending June 30,		OPEB
2021	\$	(154,069)
2022		(154,069)
2023		(154,069)
2024		(154,069)
2025		(154,069)
Thereafter		1,263,312
Total	\$	492,967

**NOTE 11. COMPENSATED ABSENCES**

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

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

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 11. COMPENSATED ABSENCES (CONT'D)**

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2021, a liability existed for compensated absences in the General Fund of \$36,888 and \$3,456 in the Food Service Fund.

**NOTE 12. DEFERRED COMPENSATION**

The Board 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 during the year ended June 30, 2020 were AXA Equitable, Metlife, VOYA, Lincoln Investment and State of NJ - SACT through employee pension. The district also converted from a pre-taxed disability plan to a post-tax plan with AFLAC under Section 125 of the Internal Revenue Service.

**NOTE 13. RISK MANAGEMENT**

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

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

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020-2021	\$ 0	\$ 21,604	\$ 1,150	\$ 249,718
2019-2020	0	13,491	18,727	229,264
2018-2019	0	10,992	20,426	234,500

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 14. INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances remained on the balance sheet at June 30, 2021:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 68,912	\$
Special Revenue Fund		68,912
Total	<u>\$ 68,912</u>	<u>\$ 68,912</u>

**NOTE 15. INVENTORY**

Inventory in the Food Service Fund at June 30, 2021 consisted of the following:

Food	\$ 2,728
Supplies	<u>1,021</u>
	<u>\$ 3,749</u>

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements. There was no ending commodity inventory value as of June 30, 2021.

**NOTE 16. MAINTENANCE RESERVE ACCOUNT**

New Jersey Statute 18A:7G-9 permits school districts to accumulate funds for the required maintenance of a facility in accordance with EFCFA. The balance may only be increased through an appropriation in the annual general fund budget certified for taxes. Upon completion of a school facilities projects, districts are required to submit a plan for maintenance of that facility. The activity of the maintenance reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning Balance July 1, 2020	\$ 219,860
Withdrawn	(219,860)
Added	<u>355,292</u>
Ending Balance June 30, 2021	<u>\$ 355,292</u>



**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 17. FUND BALANCE APPROPRIATED**

**General Fund** - Of the \$1,859,868, Fund balance at June 30, 2021, \$249,745 is Assigned for encumbrances; There is nothing restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7 and none appropriated and included as anticipated revenue for the year ending June 30, 2022; \$355,292 is restricted for Maintenance Reserve; \$250,000 is restricted for Emergency Reserve, of which \$50,000 has been appropriated as anticipated revenue for the year ending June 30, 2022; \$143,453 is assigned for Capital Reserve, of which \$90,000 has been appropriated and also included as anticipated revenue for the year ending June 30, 2022; \$249,718 is reserved for Unemployment Compensation; \$470,000 is restricted for Tuition Reserve, of which \$200,000 has been appropriated also included as anticipated revenue for the year ending June 30, 2022; \$275,667 has been assigned as fund balance appropriated and also included as anticipated revenue for the year ending June 30, 2021 and (\$134,007) represents an unrestricted and undesignated deficit in fund balance.

**Debt Service Fund** - The Debt Service Fund balance at June 30, 2021 is \$0.

**NOTE 18. DEFICIT FUND BALANCES**

The District has an Unrestricted and Undesignated deficit in the General Fund of \$134,007 and a deficit in the Special Revenue Fund of \$72,977, as of June 30, 2021 as reported in the fund statements (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 year, Districts must record the delayed one or more June state aid payments as revenue, for budgeted purposes only, in the current 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 as asset, the other government recognizes a liability.

Since the state is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General and 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 June payment(s) 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. While the District had an unassigned, undesignated deficit in the GAAP fund statements of the current fund in the amount of \$134,007, this deficit was less than the amount of delayed payments and the \$72,977 deficit in the Special Revenue Fund is equal to the last state payment(s).

**NOTE 19. CALCULATION OF EXCESS SURPLUS**

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2005, c.73 (S1701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey School Funding Reform Act of 2008 (SFRA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. There was no excess fund balance at June 30, 2021 to be restricted and budgeted in the 2021-2022 or 2022-2023 fiscal years.

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 20. TAX ABATEMENT**

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

**NOTE 21. RECEIVABLES**

Receivables at June 30, 2021 consisted of intergovernmental grants and other items. All receivables are considered collectible in full.

Receivables as of year-end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

Receivables:	General Fund	Special Revenue Fund	Proprietary Funds	Total
Intergovernmental	\$ 55,253	\$ 66,146	\$ 29,912	\$ 151,311
Other	68,912			68,912
Totals	<u>\$ 124,165</u>	<u>\$ 66,146</u>	<u>\$ 29,912</u>	<u>\$ 220,223</u>

**NOTE 22. PRIOR YEAR ADJUSTMENT**

GASB 84, Fiduciary Activities, was implemented during the fiscal year June 30, 2021. As part of this implementation, the activity for the Unemployment Compensation Insurance Trust Fund, which had previously been reported in the Fiduciary Funds, is now reported in the General Fund. The Student Activities Fund is now reported in the Special Revenue Fund. The ending balances as of June 30, 2020 were restated due to the implementation as follows:

**MAURICE RIVER TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 22. PRIOR YEAR ADJUSTMENT (CONT'D)**

	Balance June 30, 2020 as Previously Reported	Retroactive Adjustments	Balance June 30, 2020 Restated
Statement of Net Activities - Governmental Activities			
Net Position	\$ 1,740,292	\$ 270,230	\$ 2,010,522
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds:			
General Fund	1,367,776	229,264	1,597,040
Special Revenue	(54,128)	40,966	(13,162)
Statement of Changes in Fiduciary Net Position - Fiduciary Funds:			
Unemployment Compensation Trust	229,264	(229,264)	
Student Activities	40,966	(40,966)	

**NOTE 23. SUBSEQUENT EVENTS**

There were no other events noted, between the year-end and the date of the audit report, requiring disclosure.

End of Notes to Financial Statements

**BUDGETARY COMPARISON SCHEDULES**

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 3,085,302	\$	\$ 3,085,302	\$ 3,085,302	\$
Transportation Fees from other LEAs	17,500		17,500	12,416	(5,084)
Interest Earned				49	49
Miscellaneous	5,500		5,500	27,469	21,969
<b>Total - Local Sources</b>	<b>3,108,302</b>		<b>3,108,302</b>	<b>3,125,236</b>	<b>16,934</b>
State Sources:					
Equalization Aid	3,666,256		3,666,256	3,597,796	(68,460)
Categorical Special Education Aid	332,611		332,611	332,611	
Categorical Security Aid	123,438		123,438	123,438	
Categorical Transportation Aid	345,391		345,391	345,391	
School Choice Aid	492,345		492,345	500,661	8,316
Other State Aids:					
Extraordinary Aid				11,908	11,908
Non-Public Transportation Aid				1,450	1,450
On-behalf TPAF Pension Contrib. (non-budgeted)				675,047	675,047
On-behalf TPAF Post Retirement Med'l Contrib. (non-budgeted)				211,549	211,549
On-behalf TPAFLong-term Disability Contrib. (non-budgeted)				435	435
Reimbursement TPAF Social Security Contrib. (non-budgeted)				191,829	191,829
<b>Total - State Sources</b>	<b>4,960,041</b>		<b>4,960,041</b>	<b>5,992,115</b>	<b>1,032,074</b>
Federal Sources:					
SEMI					
FEMA				26,612	26,612
<b>TOTAL REVENUES</b>	<b>8,068,343</b>		<b>8,068,343</b>	<b>9,143,963</b>	<b>1,075,620</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool	3,700		3,700		3,700
Kindergarten	174,716	(5,312)	169,404	169,291	113
Grades 1-5	705,363	11,924	717,287	717,198	89
Grades 6-8	509,642	(7,432)	502,210	500,484	1,726
Regular Programs - Home Instruction:					
Salaries of Teachers	15,000	(12,819)	2,181	499	1,682
Other Purchased Services	1,600		1,600		1,600
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	26,132	(5,000)	21,132	17,157	3,975
Purchased Professional - Educational Services	1,000		1,000		1,000
Purchased Technical Services	1,000		1,000		1,000
Other Purchased Services	19,100	(9,172)	9,928	7,805	2,123
General Supplies	73,050	186,137	259,187	128,787	130,400
Textbooks	28,900	16,562	45,462	4,794	40,668
Other Objects	300		300		300
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<b>1,559,503</b>	<b>174,888</b>	<b>1,734,391</b>	<b>1,546,015</b>	<b>188,376</b>

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Expenditures	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
SPECIAL EDUCATION - INSTRUCTION:					
Learning/Language Disabilities					
Salaries of Teachers	\$ 133,474	\$ (14,903)	\$ 118,571	\$ 101,625	\$ 16,946
Other Salaries for Instruction	125,434	(5,501)	119,933	93,300	26,633
General Supplies	1,500	20	1,520	261	1,259
Textbooks	1,000	5,501	6,501		6,501
Total Learning/Language Disabilities	261,408	(14,883)	246,525	195,186	51,339
Resource Room/Resource Center					
Salaries of Teachers	156,928	98,490	255,418	252,202	3,216
General Supplies	2,500		2,500	120	2,380
Textbooks	1,000		1,000		1,000
Total Resource Room	160,428	98,490	258,918	252,322	6,596
TOTAL SPECIAL EDUCATION - INSTRUCTION	421,836	83,607	505,443	447,508	57,935
Basic Skills/Remedial - Instruction					
Salaries of Teachers	85,087	(83,587)	1,500		1,500
General Supplies	4,000		4,000	2,600	1,400
Textbooks	2,500		2,500		2,500
Total Basic Skills	91,587	(83,587)	8,000	2,600	5,400
School Sponsored Co-curricular Activities:					
Salaries of Teachers	36,000	(3,700)	32,300	12,949	19,351
Purchased Services	1,500	(1,000)	500		500
Supplies and Materials	5,500	5,559	11,059	9,469	1,590
Other Objects	200		200		200
Total School Sponsored Co-curricular Activities	43,200	859	44,059	22,418	21,641
Total Instruction	2,116,126	175,767	2,291,893	2,018,541	273,352
UNDISTRIBUTED EXPENDITURES:					
Instruction:					
Tuition - Regular - LEAs in State	1,202,277	15,874	1,218,151	1,213,365	4,786
Tuition to Other LEAs within State-Special	628,030	(3,370)	624,660	541,714	82,946
Tuition to CSSC & Regional Day Schools	402,152	(69,136)	333,016	283,771	49,245
Tuition to Private School for the Disabled within State	96,902		96,902	51,443	45,459
Tuition - State Facilities	57,925		57,925	57,925	
Total Undistributed Expenditures - Instruction	2,387,286	(56,632)	2,330,654	2,148,218	182,436
Attendance and Social Work Services:					
Salaries	8,000		8,000	8,000	
Other Purchased Services	13,540	363	13,903	13,903	
Total Attendance and Social Work Services	21,540	363	21,903	21,903	

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Expenditures	Variance Final to Actual Favorable (Unfavorable)
<b>EXPENDITURES: (Continued)</b>					
<b>CURRENT EXPENSES: (Continued)</b>					
UNDISTRIBUTED EXPENDITURES (Continued):					
Health Services:					
Salaries	\$ 78,554	\$ 784	\$ 79,338	\$ 77,824	\$ 1,514
Purchased Professional and Technical Services	3,500		3,500	2,500	1,000
Other Purchased Services	300		300		300
Supplies and Materials	2,718	505	3,223	2,617	606
Other Objects	300		300		300
<b>Total Health Services</b>	<b>85,372</b>	<b>1,289</b>	<b>86,661</b>	<b>82,941</b>	<b>3,720</b>
Speech, OT, PT and Related Services:					
Purchased Professional- Educational Services	70,000		70,000	42,945	27,055
Supplies and Materials	500		500		500
<b>Total Undistributed Expenditures - Speech, OT, PT &amp; Related Services</b>	<b>70,500</b>		<b>70,500</b>	<b>42,945</b>	<b>27,555</b>
Other Support Services - Students - Extraordinary Services:					
Purchased Professional - Educational Services	14,371	1,664	16,035	4,188	11,847
<b>Total Undistributed Expenditures Other Support Services-Students-Extraordinary Services</b>	<b>14,371</b>	<b>1,664</b>	<b>16,035</b>	<b>4,188</b>	<b>11,847</b>
Guidance					
Salaries of Other Professional Staff	118,829	(2,380)	116,449	113,012	3,437
Other Salaries		2,380	2,380	2,380	
Supplies and Materials	1,000		1,000		1,000
Other Objects	500		500		500
<b>Total Other Support Services-Students-Regular</b>	<b>120,329</b>		<b>120,329</b>	<b>115,392</b>	<b>4,937</b>
Child Study Team					
Salaries of Other Professional Staff	2,500	(1,147)	1,353	185	1,168
Purchased Professional - Educational Services	116,317		116,317	116,317	
Miscellaneous Purchased Services	600		600		600
Supplies and Materials	500		500	268	232
<b>Total Other Support Services - Students - Special Services</b>	<b>119,917</b>	<b>(1,147)</b>	<b>118,770</b>	<b>116,770</b>	<b>2,000</b>
Improvement of Instruction Services - Other Support					
Salaries of Supervisors of Instruction	77,400		77,400	77,400	
Salaries of Secretarial and Clerical Assistants	26,912		26,912	26,912	
Purchased Professional-Educational Services	3,000		3,000		3,000
<b>Total Improvement of Instruction Services</b>	<b>107,312</b>		<b>107,312</b>	<b>104,312</b>	<b>3,000</b>
Educational Media Services/School Library:					
Purchased Professional and Technical Services	300		300		300
Other Purchased Services	4,750	1,685	6,435	6,434	1
Supplies and Materials	500	(263)	237		237
<b>Total Educational Media Services/School Library</b>	<b>5,550</b>	<b>1,422</b>	<b>6,972</b>	<b>6,434</b>	<b>538</b>

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Expenditures	Variance Final to Actual Favorable (Unfavorable)
<b>EXPENDITURES: (Continued)</b>					
<b>CURRENT EXPENSES: (Continued)</b>					
<b>UNDISTRIBUTED EXPENDITURES: (Continued)</b>					
Instructional Staff Training Services:					
Salaries of Other Professional Staff	\$ 16,000	\$ (2,178)	\$ 13,822	\$ 3,028	\$ 10,794
Other Salaries	300		300		300
Purchased Professional - Educational Services	6,500	2,178	8,678	6,078	2,600
Other Purchased Services	8,600	680	9,280	182	9,098
Supplies and Materials	1,000		1,000		1,000
<b>Total Instructional Staff Training</b>	<b>32,400</b>	<b>680</b>	<b>33,080</b>	<b>9,288</b>	<b>23,792</b>
Support Services General Administration:					
Salaries	93,155		93,155	93,155	
Legal Services	4,000		4,000	3,324	676
Audit Fees	13,069	(89)	12,980	12,850	130
Other Purchased Professional Services	8,165	(1,000)	7,165	6,734	431
Communication/Telephone	30,000	1,777	31,777	30,861	916
BOE Other Purchased Services	1,000		1,000		1,000
Other Purchased Services	21,363	(3,348)	18,015	17,575	440
General Supplies	300	150	450	311	139
BOE In-House Training/Meeting Supplies	50		50		50
Miscellaneous Expenditures	3,000	8,510	11,510	8,008	3,502
BOE Membership Dues and Fees	6,000	(6,000)			
<b>Total Support Services General Administration</b>	<b>180,102</b>		<b>180,102</b>	<b>172,818</b>	<b>7,284</b>
Support Services School Administration:					
Salaries of Principals/Assistant Principals	49,053		49,053	49,053	
Salaries of Secretarial and Clerical Assistants	29,998	748	30,746	30,739	7
Purchased Professional and Technical Services	1,500	(1,500)			
Other Purchased Services	6,100	1,128	7,228	7,228	
Supplies and Materials	4,000	5,368	9,368	5,089	4,279
Other Objects	2,960	(2,115)	845	845	
<b>Total Support Services School Administration</b>	<b>93,611</b>	<b>3,629</b>	<b>97,240</b>	<b>92,954</b>	<b>4,286</b>
Undistributed Services - Central Services					
Salaries	196,422		196,422	195,197	1,225
Purchased Professional Services	40,172	8,095	48,267	22,690	25,577
Purchased Technical Services	1,000		1,000	630	370
Miscellaneous Purchased Services	16,200	5,185	21,385	12,616	8,769
Supplies and Materials	5,000	3,321	8,321	5,647	2,674
Miscellaneous Expenditures	1,165		1,165	990	175
<b>Total Central Services</b>	<b>259,959</b>	<b>16,601</b>	<b>276,560</b>	<b>237,770</b>	<b>38,790</b>
Admin. Info. Technology					
Salaries	44,698		44,698	44,698	
Purchased Technical Services	500		500		500
Other Purchased Services	2,000	1,450	3,450	3,200	250
Supplies and Materials	1,500	(1,500)			
<b>Total Admin. Info. Technology</b>	<b>48,698</b>	<b>(50)</b>	<b>48,648</b>	<b>47,898</b>	<b>750</b>



TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Expenditures	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
UNDISTRIBUTED EXPENDITURES: (Continued)					
Required Maintenance for School Facilities					
Increase in Maintenance Reserve	\$	\$	\$	\$	\$
Cleaning, Repair and Maintenance Services	14,765	398,283	413,048	347,544	65,504
General Supplies	2,000	10,000	12,000	6,729	5,271
Other Objects	1,000		1,000	182	818
Total Required Maintenance for School Facilities	17,765	408,283	426,048	354,455	71,593
Custodial Services					
Salaries	310,887	(35,782)	275,105	255,142	19,963
Purchased Professional and Tech Services	1,800	(700)	1,100	990	110
Cleaning/ Repair Maintenance	61,061	(11,600)	49,461	37,721	11,740
Insurance	72,706	54,951	127,657	127,657	
Misc. Purchased Services	2,500	(1,741)	759		759
General Supplies	37,000	20,831	57,831	48,235	9,596
Energy (Natural Gas)	31,000	29,342	60,342	50,743	9,599
Energy (Electricity)	116,500	12,658	129,158	129,158	
Other Objects	1,700		1,700	1,080	620
Total Operating/ Maintenance Plant	635,154	67,959	703,113	650,726	52,387
Security					
Purchased Professional and Tech Services	25,000	3,200	28,200	3,214	24,986
General Supplies	25,000	779	25,779	2,584	23,195
Total Security	50,000	3,979	53,979	5,798	48,181
Total Operations and Maintenance	702,919	480,221	1,183,140	1,010,979	172,161
Student Transportation Services:					
Salaries of Non-Instructional Aides	19,536		19,536	11,865	7,671
Salaries for Pupil Transportation (Between Home and School) - Regular	190,009	(27,000)	163,009	124,421	38,588
Salaries for Pupil Transportation (Between Home and School) - Special	75,845		75,845	44,923	30,922
Salaries for Pupil Transportation (Other than Between Home and School)	1,200		1,200		1,200
Salaries for Pupil Transportation (Between Home and School) - Nonpublic	1,200		1,200		1,200
Management Fee- ESC Transportation Program	4,410		4,410		4,410
Other Purchased Professional and Technical Services	1,000		1,000		1,000
Cleaning, Repair, and Maintenance Services	96,000	27,691	123,691	47,250	76,441
Lease Purchase Payments - School Buses	12,000		12,000		12,000
Contracted Services- Aid in Lieu of Payments- Non-Public	20,000		20,000	9,000	11,000
Contracted Svcs. (Other than Betwn Home/Sch) Vendors	14,346		14,346		14,346
Contracted Services (Special Ed) - Joint Agreements	203,571	(62,951)	140,620	25,241	115,379
Miscellaneous Purchased Services - Transportation	10,050		10,050		10,050
General Supplies	53,000	10,060	63,060	18,641	44,419
Other Objects	8,100	250	8,350	6,502	1,848
Total Student Transportation Services	710,267	(51,950)	658,317	287,843	370,474

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Expenditures	Variance Final to Actual Favorable (Unfavorable)
<b>EXPENDITURES: (Continued)</b>					
<b>CURRENT EXPENSES: (Continued)</b>					
UNDISTRIBUTED EXPENDITURES: (Continued)					
PERSONAL SERVICES - EMPLOYEE BENEFITS:					
Unallocated Benefits - Employee Benefits					
Social Security Contributions	\$ 88,500	\$ (3,056)	\$ 85,444	\$ 65,025	\$ 20,419
Other Retirement Contributions - PERS	98,000	27,889	125,889	103,686	22,203
Workers Compensation	95,100	67,946	163,046	153,734	9,312
Health Benefits	1,209,115	(249,544)	959,571	859,877	99,694
Tuition Reimbursement	9,000		9,000	8,010	990
Other Employee Benefits	21,600	5,000	26,600	24,320	2,280
<b>TOTAL UNALLOCATED BENEFITS</b>	<b>1,521,315</b>	<b>(151,765)</b>	<b>1,369,550</b>	<b>1,214,652</b>	<b>154,898</b>
<b>TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS</b>	<b>1,521,315</b>	<b>(151,765)</b>	<b>1,369,550</b>	<b>1,214,652</b>	<b>154,898</b>
On-behalf TPAF Pension Contribution (non-budgeted)				675,047	(675,047)
On-behalf TPAF Post Retirement Med'l Contributions (non-budgeted)				211,549	(211,549)
On-behalf TPAF Long-term Disability Contributions (non-budgeted)				435	(435)
Reimbursement TPAF Social Security Contributions (non-budgeted)				191,829	(191,829)
<b>Total Undistributed Expenditures</b>	<b>6,481,448</b>	<b>244,325</b>	<b>6,725,773</b>	<b>6,796,165</b>	<b>(70,392)</b>
<b>TOTAL EXPENDITURES - CURRENT EXPENSE</b>	<b>8,597,574</b>	<b>420,092</b>	<b>9,017,666</b>	<b>8,814,706</b>	<b>202,960</b>
<b>CAPITAL OUTLAY:</b>					
Undistributed Expenditures:					
Instruction		15,556	15,556		15,556
Admin Info		7,095	7,095	7,095	
Required Maintenance for Schools		38,103	38,103	38,103	
<b>Total Equipment</b>		<b>60,754</b>	<b>60,754</b>	<b>45,198</b>	<b>15,556</b>
FACILITIES ACQUISITION AND CONSTRUCTION SERVICES					
Land and Improvements	90,000		90,000		90,000
<b>TOTAL CAPITAL OUTLAY</b>	<b>90,000</b>	<b>60,754</b>	<b>150,754</b>	<b>45,198</b>	<b>105,556</b>
<b>TOTAL EXPENDITURES</b>	<b>8,687,574</b>	<b>480,846</b>	<b>9,168,420</b>	<b>8,859,904</b>	<b>308,516</b>

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Expenditures	Variance Final to Actual Favorable (Unfavorable)
<b>EXPENDITURES: (Continued)</b>					
<b>CAPITAL OUTLAY:</b>					
Excess (Deficiency) of Revenues Over (Under) Budget	\$ (619,231)	\$ (480,846)	\$ (1,100,077)	\$ 284,059	\$ 1,384,136
Operating Financing Sources (Uses) Operating Transfer Out - Food Service Deficit	(25,000)		(25,000)	(25,000)	
Total Other Financing Sources (Uses)	(25,000)		(25,000)	(25,000)	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(644,231)	(480,846)	(1,125,077)	259,059	1,384,136
Fund Balances, July 1	1,830,169		1,830,169	1,830,169	
Prior Period Adjustment				229,264	229,264
Fund Balance, July 1 (Restated)	1,830,169		1,830,169	2,059,433	229,264
Fund Balances, June 30	\$ 1,185,938	\$ (480,846)	\$ 705,092	\$ 2,318,492	\$ 1,613,400
<b>Recapitulation:</b>					
<b>Restricted Fund Balance:</b>					
Capital Reserve				\$ 53,453	
Maintenance Reserve				355,292	
Emergency Reserve				200,000	
Tuition Reserve				270,000	
Unemployment Compensation				249,718	
Year-end Encumbrances				249,745	
Capital Reserve - Designated for Subsequent Year's Expenditures				90,000	
Emergency Reserve - Designated for Subsequent Year's Expenditures				50,000	
Tuition Reserve - Designated for Subsequent Year's Expenditures				200,000	
Designated for Subsequent Year's Expenditures				275,667	
<b>Unassigned Fund Balance</b>				<b>324,617</b>	
				<b>2,318,492</b>	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Recognized on GAAP Basis				(458,624)	
Fund Balance per Governmental Funds (GAAP)				<b>\$ 1,859,868</b>	

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Federal Sources	\$ 236,391	\$ 177,106	\$ 413,497	\$ 332,639	\$ 80,858
State Sources	729,771	10,184	739,955	729,547	10,408
Local Sources				40,393	(40,393)
<b>Total Revenues</b>	<b>966,162</b>	<b>187,290</b>	<b>1,153,452</b>	<b>1,102,579</b>	<b>50,873</b>
<b>EXPENDITURES:</b>					
<b>Instruction</b>					
Salaries of Teachers	376,756	(19,351)	357,405	357,405	
Salaries - Other Instruction	87,320	(16,248)	71,072	71,072	
Supplies and Materials	24,792	157,274	182,066	93,560	88,506
<b>Total Instruction</b>	<b>488,868</b>	<b>121,675</b>	<b>610,543</b>	<b>522,037</b>	<b>88,506</b>
<b>Support Services</b>					
Salaries of Teachers	86,610	11,796	98,406	98,406	
Group Insurance	188,289	17,344	205,633	205,633	
Social Security Contributions	6,680	1,137	7,817	7,817	
State Share FICA	7,575	(2,141)	5,434	5,434	
TPAF Contributions	27,082	7,698	34,780	34,780	
Purchased Professional - Prof/Educational Services	142,217	26,444	168,661	168,661	
Contracted Transp Reg Ven	18,641		18,641	18,641	
Travel	200	(200)			
Supplies and Materials		3,537	3,537	777	2,760
Student Activities				41,658	(41,658)
<b>Total Support Services</b>	<b>477,294</b>	<b>65,615</b>	<b>542,909</b>	<b>581,807</b>	<b>(38,898)</b>
<b>Facilities Acquisition and Construction Services:</b>					
<b>Total Facilities Acquisition and Construction Services</b>					
<b>Total Expenditures</b>	<b>966,162</b>	<b>187,290</b>	<b>1,153,452</b>	<b>1,103,844</b>	<b>49,608</b>
<b>Other Financing Sources (Uses)</b>					
<b>Total Outflows</b>	<b>966,162</b>	<b>187,290</b>	<b>1,153,452</b>	<b>1,103,844</b>	<b>49,608</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>				<b>(1,265)</b>	<b>1,265</b>
Fund Balance, July 1					
Prior Period Adjustment				40,966	
Fund Balance, July 1, (Restated)				40,966	
Fund Balance, June 30				\$ 39,701	

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II**

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET TO GAAP RECONCILIATION  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

		<u>General Fund</u>		<u>Special Revenue Fund</u>
<b>Sources/inflows of resources</b>				
Actual amounts (budgetary basis) "revenue"				
from the budgetary comparison schedule	[C-1]	\$ 9,143,963	[C-2]	\$ 1,102,579
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				80,858
Prior Year				(27,570)
Current Year				
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		462,393		54,128
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(458,624)		(72,977)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u>\$ 9,147,732</u>	[B-2]	<u>\$ 1,137,018</u>
<b>Uses/outflows of resources</b>				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 8,859,904	[C-2]	\$ 1,103,844
Differences - budget to GAAP				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.				53,288
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.				
Net transfers (outflows) to general fund				
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	[B-2]	<u>\$ 8,859,904</u>	[B-2]	<u>\$ 1,157,132</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employees' Retirement System (PERS)**  
**Last Ten Fiscal Years\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.007059%	0.008087%	0.007603%	0.007597%	0.007967%	0.008400%	0.008619%	0.008640%
District's Proportionate Share of the Net Pension Liability	\$ 1,151,170	\$ 1,457,141	\$ 1,496,948	\$ 1,768,508	\$ 2,359,507	\$ 1,885,724	\$ 1,613,853	\$ 1,651,361
District's Covered-Employee Payroll	\$ 568,489	\$ 521,806	\$ 533,033	\$ 546,116	\$ 551,227	\$ 537,084	\$ 550,214	\$ 542,474
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	202.50%	279.25%	280.84%	323.83%	428.05%	351.10%	293.31%	304.41%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.



TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
Schedule of District Contributions  
Public Employees' Retirement System (PERS)  
Last Ten Fiscal Years\*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 77,224	\$ 79,021	\$ 75,989	\$ 71,375	\$ 71,206	\$ 72,221	\$ 71,060	\$ 65,104
Contributions in relation to the Contractually Required Contribution	(77,224)	(79,021)	(75,989)	(71,375)	(71,206)	(72,221)	(71,060)	(65,104)
Contribution Deficiency (Excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's Covered-Employee Payroll	\$ 568,489	\$ 521,806	\$ 533,033	\$ 546,116	\$ 551,227	\$ 537,084	\$ 550,214	\$ 542,474
Contributions as a Percentage of Covered-Employee Payroll	13.58%	15.14%	14.26%	13.07%	12.92%	13.45%	12.91%	12.00%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.

**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund (TPAF)**  
**Last Ten Fiscal Years\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.023220%	0.022823%	0.022530%	0.023972%	0.024613%	0.024792%	0.023289%	0.023076%
District's Proportionate Share of the Net Pension Liability \$	15,289,971	\$ 14,006,435	\$ 14,333,116	\$ 16,162,834	\$ 19,362,454	\$ 15,669,413	\$ 12,447,209	\$ 11,662,579
District's Covered-Employee Payroll	\$ 2,581,506	\$ 2,478,946	\$ 2,512,844	\$ 2,462,460	\$ 2,421,620	\$ 2,390,805	\$ 2,420,079	\$ 2,345,487
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	592.29%	565.02%	570.39%	656.37%	799.57%	655.40%	514.33%	497.23%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.

**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT**  
**Required Supplementary Information - Part III**  
**Schedule of Changes in the Total OPEB Liability and Related Ratios**  
**State Health Benefit Local Education Retired Employees Plan**  
**Last Ten Fiscal Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB Liability</b>				
Service Cost	\$ 524,840	\$ 512,098	\$ 596,501	\$ 715,478
Interest Cost	486,875	622,819	692,492	598,399
Changes of Benefit Terms				
Differences Between Expected and Actual Experiences	3,995,284	(3,142,397)	(2,237,695)	
Changes of Assumptions	4,068,238	202,363	(1,811,022)	(2,433,237)
Member Contributions	11,752	12,350	14,585	16,161
Gross Benefit Payments	(387,729)	(416,627)	(421,995)	(438,894)
<b>Net Change in Total OPEB Liability</b>	<u>8,699,260</u>	<u>(2,209,394)</u>	<u>(3,167,134)</u>	<u>(1,542,093)</u>
<b>Total OPEB Liability - Beginning</b>	<u>13,572,244</u>	<u>15,781,638</u>	<u>18,948,772</u>	<u>20,490,865</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 22,271,504</u>	<u>\$ 13,572,244</u>	<u>\$ 15,781,638</u>	<u>\$ 18,948,772</u>
<b>Covered-Employee Payroll</b>	<u>\$ 3,149,995</u>	<u>\$ 3,000,752</u>	<u>\$ 3,045,877</u>	<u>\$ 3,008,576</u>
<b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	707.03%	452.29%	518.13%	629.83%

Notes to Schedule:

Changes of Benefit Terms: None

Differences Between Expected and Actual Experiences: The decrease in the Total OPEB Liability from June 30, 2018 to June 30, 2019 is due to changes in the census, claims and premium experiences. The increase in liability from June 30, 2019 to June 30, 2020 is due to changes in the census, claims and premiums experience.

Changes in Assumptions: The increase in the liability from June 30, 2018 to June 30, 2019 is due to the decrease in the assumed discount rate from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019; and changes in the trend, excise tax, updated decrements, future spouse election, PPO/HMO future retiree elections, salary scale and mortality assumptions. The increase in the liability from June 30, 2019 to June 30, 2020 is due to the combined effect of the decrease in the assumed discount rate from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020; and changes in the trend, repeal of the excise tax, and updated mortality improvement assumptions.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**OTHER SUPPLEMENTARY INFORMATION**

## SPECIAL REVENUE FUND DETAIL STATEMENTS

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

**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	NCLB			I.D.E.A.-	I.D.E.A.-	Rural	Preschool	Student	CFR	Cares	Totals
	Title I Part A	Title II A	Title IV	Part B-Basic Reg Prog	Part B Preschool	Education Achievement Program	Education Aid	Activities Fund	Grant	Grant	2021
<b>REVENUES:</b>											
Federal Sources	\$ 106,045	\$ 12,514	\$ 10,000	\$ 126,408	\$ 3,538	\$ 31,031			\$ 38,471	\$ 4,632	\$ 332,639
State Sources							\$ 729,547				729,547
Local Sources								\$ 40,393			40,393
<b>Total Revenues</b>	<b>106,045</b>	<b>12,514</b>	<b>10,000</b>	<b>126,408</b>	<b>3,538</b>	<b>31,031</b>	<b>729,547</b>	<b>40,393</b>	<b>38,471</b>	<b>4,632</b>	<b>1,102,579</b>
<b>EXPENDITURES:</b>											
Instruction:											
Salaries of Teachers	62,252	8,781					286,372				357,405
Salaries - Other Instruction							71,072				71,072
Supplies and Materials							51,234		37,694	4,632	93,560
<b>Total Instruction</b>	<b>62,252</b>	<b>8,781</b>					<b>408,678</b>		<b>37,694</b>	<b>4,632</b>	<b>522,037</b>
Support Services:											
Salary of Teachers			7,018			21,778	69,610				98,406
Group Insurance	17,342	2					188,289				205,633
Social Sec Contributions			537			1,666	5,614				7,817
State Share FICA	4,762	672									5,434
TPAF Contrib.	21,689	3,059	2,445			7,587					34,780
Purchased Prof/Educ Services				126,408	3,538		38,715				168,661
Contracted Transp Reg Ven							18,641				18,641
Supplies and Materials								41,658	777		42,435
<b>Total Support Services</b>	<b>43,793</b>	<b>3,733</b>	<b>10,000</b>	<b>126,408</b>	<b>3,538</b>	<b>31,031</b>	<b>320,869</b>	<b>41,658</b>	<b>777</b>		<b>581,807</b>
Facilities Acq/Construction Non-Instructional Equipment											
<b>Total Facilities Acq/Construction</b>											
<b>Total Expenditures</b>	<b>\$ 106,045</b>	<b>\$ 12,514</b>	<b>\$ 10,000</b>	<b>\$ 126,408</b>	<b>\$ 3,538</b>	<b>\$ 31,031</b>	<b>\$ 729,547</b>	<b>\$ 41,658</b>	<b>\$ 38,471</b>	<b>\$ 4,632</b>	<b>\$ 1,103,844</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)								(1,265)			(1,265)
Fund Balance, July 1 Prior Period Adjustment								40,966			40,966
Fund Balance, July 1, (Restated)								40,966			40,966
Fund Balance, June 30								\$ 39,701			\$ 39,701

\$6,337,394 and the accumulated depreciation is \$3,568,876 (Note 5).

**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
**SCHEDULE OF PRESCHOOL EDUCATION AID**  
**BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>EXPENDITURES:</b>			
<b>Instruction:</b>			
Salaries of Teachers	\$ 286,372	\$ 286,372	\$
Other Salaries for Instruction	71,072	71,072	
Supplies and Materials	51,234	51,234	
<b>Total Instruction</b>	<b>408,678</b>	<b>408,678</b>	
<b>Support:</b>			
Salaries of Teachers	69,610	69,610	
Personal Services - Employee Benefits	188,289	188,289	
Social Security Contributions	5,614	5,614	
Purchased Prof/Educ Services	38,715	38,715	
Contracted Transp Reg Ven	18,641	18,641	
<b>Total Support Services</b>	<b>320,869</b>	<b>320,869</b>	
<b>Facilities Acquisition and Const. Services:</b>			
Instructional Equipment			
Non-instructional Equipment			
<b>Total Facilities Acquisition and Const. Services:</b>			
<b>Contribution to Charter Schools</b>			
<b>Total Expenditures</b>	<b>\$ 729,547</b>	<b>\$ 729,547</b>	<b>\$ -</b>

**CALCULATION OF BUDGET & CARRYOVER**

Total revised 2020-2021 Preschool Education Aid Allocation	\$ 729,771	(1)
Add: Actual ECPA/PEA Carryover (June 30, 2020)		(2)
Add: Budgeted Transfer from the General Fund 2020-2021		(3)
Total Preschool Education Aid Funds Available for 2020-2021 Budget	729,771	(4)
Less: 2020-2021 Budgeted Preschool Education Aid (including prior year budget carryover)	(729,547)	(5)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2021	224	(6)
Add: June 30, 2021 Unexpended Preschool Education Aid		(7)
Less: 2020-2021 Commissioner-approved Transfer to the General Fund		(8)
2020-2021 Carryover - Preschool Education Aid/Preschool Programs	224	(9)
21 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2021-2022		(10)

## PROPRIETARY FUND DETAIL STATEMENTS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

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

**Internal Service funds** - This fund is used to serve organizational units within the district or to serve other governmental units.

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



TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
FOOD SERVICES ENTERPRISE FUND  
COMBINING SCHEDULE OF NET POSITION  
AS OF JUNE 30, 2021 AND 2020

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
<b>ASSETS:</b>		
Current Assets:		
Cash	\$ 6,770	\$ 12,980
Accounts Receivable:		
State	1,299	519
Federal	28,613	5,090
Other		2,878
Inventories	3,749	7,653
Total Current Assets	<u>40,431</u>	<u>29,120</u>
Fixed Assets:		
Equipment	104,116	104,116
Accumulated Depreciation	(50,588)	(45,236)
Total Fixed Assets	<u>53,528</u>	<u>58,880</u>
Total Assets	<u>\$ 93,959</u>	<u>\$ 88,000</u>
<b>LIABILITIES AND NET POSITION:</b>		
Current Liabilities:		
Unearned Revenue	\$ 2,971	\$ 2,255
Compensated Absences	3,456	6,540
Accounts Payable	14,793	4,097
Total Liabilities	<u>21,220</u>	<u>12,892</u>
Net Position		
Investment in Fixed Assets	53,528	58,880
Unrestricted	19,211	16,228
Total Net Position	<u>72,739</u>	<u>75,108</u>
Total Liabilities and Net Position	<u>\$ 93,959</u>	<u>\$ 88,000</u>

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
FOOD SERVICES ENTERPRISE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
<b>OPERATING REVENUES:</b>		
Local Sources:		
Daily Sales - Reimbursable Programs:		
School Lunch Program	\$	\$ 27,620
School Breakfast Program		5,926
Total Daily Sales - Reimbursable Programs		33,546
Daily Sales Non-Reimbursable Programs	5,959	17,868
Total Operating Revenue	5,959	51,414
<b>OPERATING EXPENSES:</b>		
Salaries	109,994	101,814
Employee Benefits	12,308	17,755
Supplies and Materials	6,954	5,754
Depreciation	5,352	5,352
Cost of Sales - Reimbursable Programs	92,066	68,587
Cost of Sales - Non Reimbursable Programs	2,201	6,337
Other Expenses	3,421	2,447
Total Operating Expenses	232,296	208,046
Operating Loss	(226,337)	(156,632)
Non-Operating Revenues:		
State Sources:		
School Lunch Program	5,801	1,930
Federal Sources:		
School Breakfast Program	72,530	27,646
National School Lunch Program	111,406	67,208
Food Distribution Program	9,231	11,118
Total Non-Operating Revenues	198,968	107,902
Net Income before Operating Transfers and Adjustments	(27,369)	(48,730)
Operating Transfer In - General Fund	25,000	48,629
Net Income	(2,369)	(101)
Net Position - July 1	75,108	75,209
Net Position - June 30	\$ 72,739	\$ 75,108

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
FOOD SERVICES ENTERPRISE FUND  
COMBINING SCHEDULE OF CASH FLOWS  
AS OF JUNE 30, 2021 AND 2020

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Cash Flows from Operating Activities:		
Receipts from Customers	\$ 5,959	\$ 51,414
Payments to Employees	(109,994)	(101,814)
Payments for Employee Benefits	(12,308)	(17,755)
Payments to Suppliers	(104,604)	(70,572)
Net Cash Provided by (used for) Operating Activities	<u>(220,947)</u>	<u>(138,727)</u>
Cash Flows from Non-capital Financing Activities:		
Cash Received from State and Federal Reimbursements	189,737	96,784
Cash Received from General Fund Operating Operating Transfer In	25,000	48,629
Net Cash Provided by Non-capital Financing Activities	<u>214,737</u>	<u>145,413</u>
Cash Flows from Capital and Related Financing Activities		
Fixed Assets (Purchased) Sold	-	(3,900)
Net Cash Provided by Capital and Related Financing Activities	<u>-</u>	<u>(3,900)</u>
Cash Flows from Investing Activities		
Interest on Investments		
Net Cash Provided by Investing Activities		
Net Increase in Cash	(6,210)	2,786
Cash and Cash Equivalents, July 1	12,980	10,194
Cash and Cash Equivalents, June 30	<u>\$ 6,770</u>	<u>\$ 12,980</u>
Operating Income (Loss)	\$ (226,337)	\$ (156,632)
Adjustments to Reconcile Operating Income (Loss) to Cash Used by Operating Activities:		
Depreciation	5,352	5,352
Food Distribution Program	9,231	11,118
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(21,425)	12,674
(Increase) Decrease in Inventory	3,904	(4,230)
(Increase) Decrease in Interfund Receivable		
Increase (Decrease) in Unearned Revenue	716	(256)
Increase (Decrease) in Compensated Absences	(3,084)	708
Increase (Decrease) in Accounts Payable	10,696	(7,461)
Total Adjustments	<u>5,390</u>	<u>17,905</u>
Net Cash Used by Operating Activities	<u>\$ (220,947)</u>	<u>\$ (138,727)</u>

## **LONG-TERM DEBT SCHEDULES**

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

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
GENERAL LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS  
JUNE 30, 2021

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance</u>		<u>Balance</u>	
			<u>Date</u>	<u>Amount</u>		<u>July 1, 2020</u>	<u>Issued</u>		<u>Redeemed</u>
Refunding Bonds	January 1, 2007	\$ 1,950,000	1/1/22	\$ 140,000	Various	\$ 285,000	\$	\$ 145,000	\$ 140,000
						\$ 285,000	\$	\$ 145,000	\$ 140,000

**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT**  
**DEBT SERVICE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actua</u>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 80,425	\$	\$ 80,425	\$ 80,425	\$
Total Revenues - Local Sources	<u>80,425</u>		<u>80,425</u>	<u>80,425</u>	
State Sources:					
Debt Service Aid Type II	76,332		76,332	76,332	
Total Revenues - State Sources	<u>76,332</u>		<u>76,332</u>	<u>76,332</u>	
Total Revenues	<u>156,757</u>		<u>156,757</u>	<u>156,757</u>	
<b>EXPENDITURES</b>					
Regular Debt Service:					
Interest	11,757		11,757	11,756	1
Redemption of Principal	145,000		145,000	145,000	
Total Regular Debt Service	<u>156,757</u>		<u>156,757</u>	<u>156,756</u>	<u>1</u>
Total Expenditures	<u>156,757</u>		<u>156,757</u>	<u>156,756</u>	<u>1</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures				1	1
Fund Balances, July 1					
Fund Balances, June 30	\$	\$	\$	\$ 1	\$ 1

**STATISTICAL SECTION**

**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
*(Accrual Basis of Accounting)*  
**(UNAUDITED)**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Governmental Activities</b>										
Invested in Capital Assets, Net of Related Debt	\$ 1,867,798	\$ 1,793,120	\$ 1,795,882	\$ 1,743,934	\$ 1,893,518	\$ 1,975,168	\$ 2,049,503	\$ 2,096,436	\$ 2,198,929	\$ 2,269,774
Restricted	1,376,839	1,491,397	1,413,164	1,411,384	1,274,522	1,306,393	786,427	1,019,915	957,743	1,508,164
Unrestricted (Deficit)	19,394	(199,578)	(469,365)	(1,934,286)	(1,992,005)	(2,037,465)	(1,557,899)	(1,667,060)	(1,416,380)	(1,332,676)
<b>Total Governmental Activities Net Position</b>	<b>\$ 3,264,031</b>	<b>\$ 3,084,939</b>	<b>\$ 2,739,681</b>	<b>\$ 1,221,032</b>	<b>\$ 1,176,035</b>	<b>\$ 1,244,096</b>	<b>\$ 1,278,031</b>	<b>\$ 1,449,291</b>	<b>\$ 1,740,292</b>	<b>\$ 2,445,262</b>
<b>Business-Type Activities</b>										
Invested in Capital Assets, Net of Related Debt	\$ 33,854	\$ 50,863	\$ 27,872	\$ 25,277	\$ 23,079	\$ 20,881	\$ 66,307	\$ 60,332	\$ 58,880	\$ 53,528
Restricted										
Unrestricted	16,764	30,851	42,488	51,855	56,332	69,968	16,035	14,877	16,228	19,211
<b>Total Business-Type Activities Net Position</b>	<b>\$ 50,618</b>	<b>\$ 81,714</b>	<b>\$ 70,360</b>	<b>\$ 77,132</b>	<b>\$ 79,411</b>	<b>\$ 90,849</b>	<b>\$ 82,342</b>	<b>\$ 75,209</b>	<b>\$ 75,108</b>	<b>\$ 72,739</b>
<b>District-Wide</b>										
Invested in Capital Assets, Net of Related Debt	\$ 1,901,652	\$ 1,843,983	\$ 1,823,754	\$ 1,769,211	\$ 1,916,597	\$ 1,996,049	\$ 2,115,810	\$ 2,156,768	\$ 2,257,809	\$ 2,323,302
Restricted	1,376,839	1,491,397	1,413,164	1,411,384	1,274,522	1,306,393	786,427	1,019,915	957,743	1,508,164
Unrestricted (Deficit)	36,158	(168,727)	(426,877)	(1,882,431)	(1,865,673)	(1,967,497)	(1,541,864)	(1,652,183)	(1,400,152)	(1,313,465)
<b>Total District-Wide Net Position</b>	<b>\$ 3,314,649</b>	<b>\$ 3,166,653</b>	<b>\$ 2,810,041</b>	<b>\$ 1,298,164</b>	<b>\$ 1,325,446</b>	<b>\$ 1,334,945</b>	<b>\$ 1,360,373</b>	<b>\$ 1,524,500</b>	<b>\$ 1,815,400</b>	<b>\$ 2,518,001</b>

Source: CAFR Schedule A-1



**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
*(Accrual Basis of Accounting)*  
*(UNAUDITED)*

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
<b>Governmental Activities</b>										
<b>Instruction</b>										
Regular	\$ 1,739,030	1,896,048	1,871,215	1,741,956	1,740,939	1,767,539	1,830,530	1,935,245	1,909,344	2,121,340
Special Education	357,011	374,806	453,675	413,385	440,607	435,171	433,965	347,638	354,117	447,508
Other Special Instruction	50,410	22,958	5,744	45,833	53,111	62,064	63,667	99,023	92,560	25,018
<b>Support Services</b>										
Tuition	2,320,553	2,478,241	2,776,199	2,311,928	2,460,471	2,388,242	2,092,085	2,138,581	2,218,715	2,148,218
Student and Instruction Related Services	516,084	565,657	557,925	598,703	652,274	706,178	726,900	861,204	898,820	1,037,949
General Administrative Services	123,993	122,213	169,326	146,857	140,973	142,119	146,261	153,379	181,070	172,818
School Administrative Services	116,005	143,405	112,436	155,858	156,973	142,908	126,100	129,390	105,699	140,852
Central Services	210,545	215,043	205,950	202,171	207,006	186,596	212,031	184,234	265,835	237,770
Plant Operations and Maintenance	465,310	484,411	427,701	554,147	548,664	541,727	587,222	800,506	673,151	1,010,979
Security	20,500	75,890	20,155							
Pupil Transportation	476,343	414,111	514,968	456,013	416,901	439,029	543,262	533,971	412,167	287,843
Employee Benefits	1,213,044	1,410,958	1,411,111	2,136,720	2,532,714	3,140,096	3,726,333	2,873,195	2,387,941	3,151,675
Amortization of Debt Issue Costs	4,400									
Interest on Long-Term Debt	61,713	57,013	51,488	45,138	38,913	33,013	27,020	20,831	14,747	11,756
Unallocated Depreciation and Amortization	224,697	202,145	197,195	191,948	179,431	175,970	171,130	140,185	115,210	119,353
Loss on Disposition of Capital Assets										
<b>Total Governmental Activities Expenses</b>	<b>7,899,638</b>	<b>8,462,899</b>	<b>8,775,088</b>	<b>9,000,657</b>	<b>9,568,977</b>	<b>10,160,652</b>	<b>10,686,506</b>	<b>10,217,382</b>	<b>9,629,376</b>	<b>10,913,079</b>
<b>Business-Type Activities</b>										
Food Service	214,054	148,693	189,693	176,967	180,138	186,955	208,238	212,412	208,046	232,296
<b>Total Business-Type Activities Expense</b>	<b>214,054</b>	<b>148,693</b>	<b>189,693</b>	<b>176,967</b>	<b>180,138</b>	<b>186,955</b>	<b>208,238</b>	<b>212,412</b>	<b>208,046</b>	<b>232,296</b>
<b>Total District Expenses</b>	<b>\$ 8,113,692</b>	<b>8,611,592</b>	<b>8,964,781</b>	<b>9,177,624</b>	<b>9,749,115</b>	<b>10,347,607</b>	<b>10,894,744</b>	<b>10,429,794</b>	<b>9,837,422</b>	<b>11,145,375</b>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
Operating Grants and Contributions	\$ 762,855	903,559	849,458	1,428,407	1,959,433	2,519,663	2,057,165	1,938,502	1,978,228	2,235,992
<b>Total Governmental Activities Program Revenue:</b>	<b>762,855</b>	<b>903,559</b>	<b>849,458</b>	<b>1,428,407</b>	<b>1,959,433</b>	<b>2,519,663</b>	<b>2,057,165</b>	<b>1,938,502</b>	<b>1,978,228</b>	<b>2,235,992</b>
<b>Business-Type Activities</b>										
Charges for Services										
Food Service	58,966	55,278	53,764	49,401	46,367	51,215	58,879	70,992	51,414	5,959
Operating Grants and Contributions	87,407	99,511	99,575	109,338	111,050	122,178	115,852	111,552	107,902	198,968
<b>Total Business-Type Activities Program Revenues</b>	<b>146,373</b>	<b>154,789</b>	<b>153,339</b>	<b>158,739</b>	<b>157,417</b>	<b>173,393</b>	<b>174,731</b>	<b>182,544</b>	<b>159,316</b>	<b>204,927</b>
<b>Total District Program Revenues</b>	<b>\$ 909,228</b>	<b>1,058,348</b>	<b>1,002,797</b>	<b>1,587,146</b>	<b>2,116,850</b>	<b>2,693,056</b>	<b>2,231,896</b>	<b>2,121,046</b>	<b>2,137,544</b>	<b>2,440,919</b>
<b>Net (Expense)/Revenue</b>										
<b>Governmental Activities</b>	<b>\$ (7,136,783)</b>	<b>(7,559,340)</b>	<b>(7,925,620)</b>	<b>(7,572,250)</b>	<b>(7,609,540)</b>	<b>(7,640,989)</b>	<b>(8,629,341)</b>	<b>(8,278,880)</b>	<b>(7,651,148)</b>	<b>(8,677,087)</b>
<b>Business-Type Activities</b>	<b>(67,681)</b>	<b>6,096</b>	<b>(36,354)</b>	<b>(18,228)</b>	<b>(22,721)</b>	<b>(13,562)</b>	<b>(33,507)</b>	<b>(29,868)</b>	<b>(48,730)</b>	<b>(27,369)</b>
<b>Total District-Wide Net Expense</b>	<b>\$ (7,204,464)</b>	<b>(7,553,244)</b>	<b>(7,961,974)</b>	<b>(7,590,478)</b>	<b>(7,632,261)</b>	<b>(7,654,551)</b>	<b>(8,662,848)</b>	<b>(8,308,748)</b>	<b>(7,699,878)</b>	<b>(8,704,456)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities</b>										
Property Taxes Levied for General Purposes, net	\$ 2,545,856	2,612,637	2,612,637	2,702,847	2,715,879	2,794,884	2,855,065	2,953,190	3,012,254	3,085,302
Taxes Levied for Debt Service	91,844	92,045	92,151	96,640	98,461	92,818	92,407	89,232	83,493	80,425
Unrestricted Grants and Contributions	4,545,654	4,636,135	4,836,896	4,788,495	4,785,834	4,743,462	5,696,837	5,334,290	4,866,443	5,890,773
Tuition Received	3,379	37,669								
Transportation Charges	47,721	60,644	62,805	64,201	55,122	26,189	35,440	87,591	13,391	12,416
Investment Earnings	38	52	43	48	184	419	1,002	1,964	1,789	49
Miscellaneous Income	41,522	10,066	830	12,627	4,063	6,278	10,519	13,872	13,408	67,862
Fixed Asset Adjustment										
Transfers	(65,000)						(2,994)	(29,999)	(48,629)	(25,000)
<b>Total Governmental Activities</b>	<b>7,211,014</b>	<b>7,449,248</b>	<b>7,605,362</b>	<b>7,664,858</b>	<b>7,659,543</b>	<b>7,664,050</b>	<b>8,688,276</b>	<b>8,450,140</b>	<b>7,942,149</b>	<b>9,111,827</b>
<b>Business-Type Activities</b>										
Fixed Asset Adjustment								(2,265)	-	
Transfer	65,000							25,000	48,629	25,000
<b>Total Business-Type Activities</b>	<b>65,000</b>							<b>22,735</b>	<b>48,629</b>	<b>25,000</b>
<b>Total District-Wide</b>	<b>\$ 7,276,014</b>	<b>7,449,248</b>	<b>7,605,362</b>	<b>7,664,858</b>	<b>7,659,543</b>	<b>7,664,050</b>	<b>8,688,276</b>	<b>8,472,875</b>	<b>7,990,778</b>	<b>9,136,827</b>
<b>Change in Net Position</b>										
<b>Governmental Activities</b>	<b>\$ 74,231</b>	<b>(110,092)</b>	<b>(320,258)</b>	<b>92,608</b>	<b>50,003</b>	<b>23,061</b>	<b>58,935</b>	<b>171,260</b>	<b>291,001</b>	<b>434,740</b>
<b>Business-Type Activities</b>	<b>(2,681)</b>	<b>6,096</b>	<b>(36,354)</b>	<b>(18,228)</b>	<b>(22,721)</b>	<b>(13,562)</b>	<b>(33,507)</b>	<b>(7,133)</b>	<b>(101)</b>	<b>(2,369)</b>
<b>Total District-Wide</b>	<b>\$ 71,550</b>	<b>(103,996)</b>	<b>(356,612)</b>	<b>74,380</b>	<b>27,282</b>	<b>9,499</b>	<b>25,428</b>	<b>164,127</b>	<b>290,900</b>	<b>432,371</b>

Source: CAFR Schedule A-2

**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*  
**(UNAUDITED)**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund										
Restricted:	\$ 1,620,036	\$ 1,630,212	\$	\$	\$	\$	\$	\$	\$	\$
Excess Surplus								10,765		
Capital Reserve										
Designated for Sub. Year's Exp.										53,453
Maintenance Reserve			355,292	311,042	237,000	300,217	127,892	355,292	219,860	355,292
Emergency Reserve			250,000	250,000	250,000	250,000	200,000	200,000	173,260	200,000
Unemployment Compensation										249,718
Tuition Reserve			245,000	225,960	148,411	168,535	150,000	213,858	200,000	270,000
Assigned:										
Excess Surplus									10,765	-
Encumbrances			27,663	223,760	150,969	124,974	262,640	112,399	317,151	249,745
Capital Reserve			90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Emergency Reserve							50,000		50,000	50,000
Tuition Reserve			245,875	245,000	225,962	148,411	168,535	150,000	213,858	200,000
Subsequent Year's Expenditures			213,637	73,248	196,971	250,000	250,000	250,000	279,608	275,667
Unassigned (Deficit)	(130,234)	(230,791)	(381,613)	(259,039)	(209,284)	(212,228)	(208,176)	(189,049)	(186,726)	(134,007)
<b>Total General Fund</b>	<u>\$ 1,489,802</u>	<u>\$ 1,399,421</u>	<u>\$ 1,045,854</u>	<u>\$ 1,159,971</u>	<u>\$ 1,090,029</u>	<u>\$ 1,119,909</u>	<u>\$ 1,090,891</u>	<u>\$ 1,193,265</u>	<u>\$ 1,367,776</u>	<u>\$ 1,859,868</u>
All Other Governmental Funds										
Restricted, Reported in:										
Special Revenue Fund										39,701
Assigned, Reported in:										
Debt Service Fund										1
Unassigned, Reported in:										
Debt Service Fund	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Special Revenue Fund (Deficit)	(12,767)	(12,078)	(14,303)	(7,628)	(24,791)	(25,744)	(23,838)	(47,009)	(54,128)	(72,977)
<b>Total All Other Governmental Funds</b>	<u>\$ (12,767)</u>	<u>\$ (12,078)</u>	<u>\$ (14,303)</u>	<u>\$ (7,628)</u>	<u>\$ (24,791)</u>	<u>\$ (25,744)</u>	<u>\$ (23,838)</u>	<u>\$ (47,009)</u>	<u>\$ (54,128)</u>	<u>\$ (33,275)</u>

**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Tax Levy	\$ 2,637,700	\$ 2,704,682	\$ 2,704,788	2,799,487	\$ 2,814,340	\$ 2,887,702	\$ 2,947,472	\$ 3,042,422	\$ 3,095,747	\$ 3,165,727
Tuition Charges - Other LEAs	3,379	37,669								
Tuition Charges - From Individuals										
Transportation Charges	47,721	60,644	62,805	64,201	55,122	26,189	35,440	87,591	13,391	12,416
Interest Earnings	38	52	43	48	184	419	1,002	1,964	1,789	49
Miscellaneous	41,522	10,666	830	12,627	4,063	6,278	10,519	13,872	13,408	67,862
State Sources	4,904,983	5,251,836	5,398,671	5,395,505	5,680,274	5,793,093	5,858,312	6,252,355	6,362,008	6,782,914
Federal Sources	403,526	287,858	287,683	285,653	305,299	284,852	287,603	279,938	275,566	412,539
<b>Total Revenues</b>	<b>8,038,869</b>	<b>8,353,407</b>	<b>8,454,820</b>	<b>8,557,521</b>	<b>8,859,282</b>	<b>8,998,533</b>	<b>9,140,348</b>	<b>9,678,142</b>	<b>9,761,909</b>	<b>10,441,507</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	1,739,030	1,896,048	1,871,215	1,741,956	1,740,939	1,767,539	1,830,530	1,935,245	1,909,344	2,121,340
Special Education Instruction	357,011	374,806	453,675	413,385	440,607	435,171	433,965	347,638	354,117	447,508
Other Special Instruction	50,410	22,958	5,744	45,833	53,111	62,064	63,667	99,023	92,560	25,018
<b>Support Services</b>										
Tuition	2,320,553	2,478,241	2,776,199	2,311,928	2,460,471	2,388,242	2,092,085	2,138,581	2,218,715	2,148,218
Student and Instruction Related Serv	516,084	565,657	557,925	598,703	652,274	706,178	726,900	861,204	898,820	1,037,949
General Administrative Services	123,993	122,213	169,326	146,857	140,969	142,119	146,261	153,379	181,070	172,818
School Administrative Services	116,005	143,405	112,436	155,858	156,973	142,908	126,100	129,390	105,699	140,852
Central Services	210,545	215,043	205,950	202,171	207,006	186,596	212,031	184,234	265,835	237,770
Plant Operations and Maintenance	465,310	484,411	427,701	554,147	643,848	541,727	587,222	800,506	673,151	1,010,979
Security	20,500	75,890	20,155							
Pupil Transportation	476,343	414,111	514,968	456,013	416,901	439,029	543,262	533,971	412,167	287,843
Employee Benefits	1,220,430	1,437,839	1,415,758	1,596,513	1,732,546	1,839,500	2,101,865	2,174,725	2,198,971	2,341,543
Unallocated Employee Benefits	18,231	7,467	74,957							
Capital Outlay					83,831	112,620	95,465	37,118	72,702	45,198
<b>Debt Service</b>										
Principal	115,000	120,000	125,000	140,000	150,000	145,000	150,000	150,000	145,000	145,000
Interest and Other Charges	64,013	59,413	54,613	48,363	41,913	35,913	30,113	23,925	17,738	11,756
<b>Total Expenditures</b>	<b>7,813,458</b>	<b>8,417,502</b>	<b>8,785,622</b>	<b>8,411,727</b>	<b>8,921,389</b>	<b>8,944,606</b>	<b>9,139,466</b>	<b>9,568,939</b>	<b>9,545,889</b>	<b>10,173,792</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	225,411	(64,095)	(330,802)	145,794	(62,107)	53,927	882	109,203	216,020	267,715
<b>Other Financing Sources (Uses)</b>										
Capital Lease (Non-budgeted) Transfers	(65,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(27,994)	(29,999)	(48,629)	(25,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(65,000)</b>	<b>(25,000)</b>	<b>(25,000)</b>	<b>(25,000)</b>	<b>(25,000)</b>	<b>(25,000)</b>	<b>(27,994)</b>	<b>(29,999)</b>	<b>(48,629)</b>	<b>(25,000)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 160,411</b>	<b>\$ (89,095)</b>	<b>\$ (355,802)</b>	<b>\$ 120,794</b>	<b>\$ (87,107)</b>	<b>\$ 28,927</b>	<b>\$ (27,112)</b>	<b>\$ 79,204</b>	<b>\$ 167,391</b>	<b>\$ 242,715</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>										
	2.3%	2.1%	2.0%	2.2%	2.2%	2.0%	2.0%	2.0%	1.7%	1.5%

Source: CAFR Schedule B-2

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
 (UNAUDITED)

Fiscal Year Ended June 30,	Interest on Investments	Tuition Revenue	Transportation Fees	Cumberland Recycling	ERATE	Maurice River Twp. Cleaning	Refund of Prior Year Expenditures	Rent	Misc.	Total
2021	\$ 49	\$ 6,873	\$ 12,416	\$ 500	\$	\$	\$	\$	20,096	\$ 39,934
2020	1,789	1,001	13,391	-					12,407	28,588
2019	1,964	1,570	87,591	229					12,073	103,427
2018	1,002		35,440	116			1,626		8,777	46,961
2017	419		26,189	157					6,121	32,886
2016	184		55,122						4,063	59,369
2015	48		64,201	1,316		992		901	9,418	76,876
2014	43		62,805			1,334			(504)	63,678
2013	52	37,669	60,644				3,963		6,103	108,431
2012	38	3,379	47,721		2,988		26,959		11,575	92,660

Source: District Records

**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate	Estimated Actual (County Equalized Value)
2021	\$ 11,684,700	\$ 233,032,900	\$ 6,193,300	\$ 2,138,200	\$ 20,328,400	\$ 16,680,500	\$ 619,700	\$ 290,677,700	\$ 629,612	\$ 291,307,312	\$ 1.106	\$ 272,144,649
2020	11,700,900	234,878,700	6,522,600	2,154,300	20,175,200	17,897,500	619,700	293,948,900	629,612	294,534,595	1.056	276,701,852
2019	11,680,000	235,779,000	6,486,000	2,143,500	18,283,300	17,814,400	619,700	292,805,900	585,695	293,391,595	1.056	276,701,852
2018	11,677,700	236,918,100	7,176,600	2,159,800	18,355,900	17,814,400	619,700	294,722,200	585,695	295,307,895	1.031	273,905,390
2017	11,953,400	239,849,400	7,077,800	2,155,900	18,791,800	17,814,400	619,700	298,262,400	583,316	298,845,716	0.987	293,594,251
2016	11,904,700	240,696,600	6,705,300	2,116,200	18,868,000	18,020,900	619,700	298,931,400	585,309	299,516,709	0.965	293,413,704
2015	11,855,200	241,441,700	7,125,600	2,235,700	18,918,800	18,270,900	619,700	300,467,600	604,947	301,072,547	0.935	304,144,405
2014	11,327,000	241,760,400	6,868,300	2,226,800	19,025,900	18,295,700	619,700	300,123,800	581,495	300,705,295	0.931	310,261,344
2013	11,645,100	239,935,900	7,230,700	2,235,100	19,196,500	18,308,000	619,700	299,171,000	887,632	300,058,632	0.902	341,988,283
2012	23,022,700	240,934,300	6,934,500	2,115,900	19,506,500	7,169,200	621,200	300,304,300	909,270	301,213,570	0.898	343,121,583

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS**  
*(Rate Per \$100 of Assessed Value)*  
*(UNAUDITED)*

Year Ended June 30,	Maurice River Township Board of Education			Overlapping Rates		
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Maurice River Township	Cumberland County	Total
2021	\$ 1.075	\$ 0.031	\$ 1.106	\$ 0.442	\$ 1.147	\$ 2.695
2020	1.026	0.030	1.075	0.442	1.183	2.700
2019	1.025	0.031	1.056	0.442	1.140	2.638
2018	0.999	0.032	1.031	0.446	1.099	2.576
2017	0.956	0.031	0.987	0.435	1.148	2.570
2016	0.932	0.033	0.965	0.433	1.106	2.504
2015	0.903	0.032	0.935	0.427	1.126	2.488
2014	0.899	0.032	0.931	0.428	1.083	2.442
2013	0.871	0.031	0.902	0.422	1.061	2.385
2012	0.867	0.031	0.898	0.385	1.083	2.366

Source: District Records and Municipal Tax Collector

**Note:** NJSA 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the pre-budget year net budget by more than the spending growth limitation calculation.

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.

**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT**  
**PRINCIPAL PROPERTY TAX PAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**  
*(UNAUDITED)*

Taxpayer	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Whibco Inc.	\$ 7,635,300	2.63%	\$ 7,674,700	2.55%
US Silica Company	5,078,800	1.75%	5,078,800	1.69%
Wawa, Inc.	2,950,000	1.01%	2,950,000	0.98%
Mays Landing Sand & Gravel Co., Inc.	2,742,200	0.94%	2,742,200	0.91%
RMVM, LLC	2,145,000	0.74%		
Briardale Farms, LLC	1,740,700	0.60%		
Nicole-Kirstie LLC	1,534,600	0.53%	970,000	0.32%
Atlantic Masonry Supply Inc.	1,206,500	0.42%	1,206,300	0.40%
Kozani LLC	956,800	0.33%		
Ocean Food and Fuels, LLC	908,300			
Imbesi Family Limited Partnership Agreement		0.00%	1,668,300	0.55%
Dom Zanghi & Sons Inc.		0.00%	1,217,000	0.40%
Taxpayer #1		0.00%	1,205,300	0.40%
Taxpayer #2			1,135,600	0.38%
<b>Total</b>	<b>\$ 26,898,200</b>	<b>8.94%</b>	<b>\$ 25,848,200</b>	<b>8.58%</b>

Source: District CAFR & Municipal Tax Assessor

**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	% of Levy	
2021	\$ 3,085,302	\$ 3,085,302	100.00%	
2020	3,012,254	3,012,254	100.00%	
2019	2,953,190	2,953,190	100.00%	
2018	2,855,065	2,855,065	100.00%	
2017	2,942,771	2,942,771	100.00%	
2016	2,947,472	2,947,472	100.00%	
2015	2,812,519	2,812,519	100.00%	
2014	2,704,788	2,704,788	100.00%	
2013	2,704,682	2,704,682	100.00%	
2012	2,637,700	2,637,700	100.00%	

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



**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
 (UNAUDITED)

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of	
	General Obligation Bonds <sup>b</sup>	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Personal Income <sup>a</sup>		Per Capita <sup>a</sup>	
2021	\$ 140,000	\$	\$	\$	\$ 140,000	0.06%	\$ 25	*
2020	285,000				285,000	0.12%	47	
2019	430,000				430,000	0.18%	72	
2018	580,000				580,000	0.24%	92	
2017	730,000				730,000	0.29%	113	
2016	875,000				875,000	0.35%	131	
2015	1,025,000				1,025,000	0.39%	142	
2014	1,165,000				1,165,000	0.45%	158	
2013	1,290,000				1,290,000	0.53%	181	
2012	1,410,000				1,410,000	0.55%	186	

\* Estimate

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

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

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

b Includes Early Retirement Incentive Plan (ERIP) refunding

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
(UNAUDITED)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions			
2021	\$ 140,000	\$	\$ 140,000	0.05%	\$ 25 *
2020	285,000		285,000	0.10%	48
2019	430,000		430,000	0.16%	71
2018	580,000		580,000	0.21%	96
2017	730,000		730,000	0.25%	116
2016	875,000		875,000	0.30%	131
2015	1,025,000		1,025,000	0.34%	142
2014	1,165,000		1,165,000	0.38%	158
2013	1,290,000		1,290,000	0.38%	181
2012	1,410,000		1,410,000	0.41%	186

\* Estimate

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

a See Exhibit NJ J-6 for property tax data.

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

**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT**  
**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF JUNE 30, 2021**  
**(UNAUDITED)**

<u>Governmental Unit</u>	<u>Debt</u> <u>Outstanding</u>	<u>Estimated</u> <u>Percentage</u> <u>Applicable <sup>a</sup></u>	<u>Estimated</u> <u>Share of</u> <u>Overlapping</u> <u>Debt</u>
<b>Debt Repaid with Property Taxes</b>			
Township of Maurice River	\$ 405,000	100%	\$ 405,000
<b>Other Debt</b>			
County of Cumberland - Township Share	101,224,050	3.1%	3,136,179
Subtotal, Overlapping Debt			<u>3,541,179</u>
Maurice River Township School District Direct Debt			140,000
<b>Total Direct and Overlapping Debt</b>			<u><u>\$ 3,681,179</u></u>

Source Maurice River Township Finance Officer and Cumberland County Finance Office

**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 Maurice River. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
 (UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2020

	Equalized Valuation Basis
	2020    \$ 275,207,284
	2019    277,778,105
	2018    278,512,758
	[A] \$ 831,498,147
Average Equalized Valuation of Taxable Property	[A/3] \$ 277,166,049
Debt Limit (3% of Average Equalization Value)	[B]    8,314,981 a
Net Bonded School Debt	[C]    140,000
Legal Debt Margin	[B-C] \$ 8,174,981

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt Limit	\$ 9,658,494	\$ 9,843,961	\$ 9,683,869	\$ 9,324,282	\$ 9,062,095	\$ 8,917,840	\$ 8,657,935	\$ 8,499,611	\$ 8,334,864	\$ 8,314,981
Total Net Debt Applicable to Limit	<u>1,410,000</u>	<u>1,290,000</u>	<u>1,165,000</u>	<u>1,025,000</u>	<u>875,000</u>	<u>730,000</u>	<u>580,000</u>	<u>430,000</u>	<u>285,000</u>	<u>140,000</u>
Legal Debt Margin	<u>\$ 8,248,494</u>	<u>\$ 8,553,961</u>	<u>\$ 8,518,869</u>	<u>\$ 8,299,282</u>	<u>\$ 8,187,095</u>	<u>\$ 8,187,840</u>	<u>\$ 8,077,935</u>	<u>\$ 8,069,611</u>	<u>\$ 8,049,864</u>	<u>\$ 8,174,981</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	14.60%	13.10%	12.03%	10.99%	9.66%	8.19%	6.70%	5.06%	3.42%	1.68%

Source: Abstract of Ratables and District Records

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

**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Personal Income (thousands of dollars) <sup>b</sup></u>	<u>Per Capita Personal Income <sup>c</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2021	** 5,532	\$ 228,584,517	\$ 41,320	12.9%
2020	5,588	230,666,658	41,278	12.8%
2019	5,934	232,763,861	41,237	6.8%
2018	6,011	235,423,802	39,587	7.9%
2017	6,294	245,103,686	38,807	7.6%
2016	6,683	250,184,704	37,617	8.9%
2015	7,217	265,870,708	36,916	10.4%
2014	7,380	261,319,374	35,526	11.2%
2013	7,127	245,114,464	34,467	13.5%
2012	7,567	258,478,002	34,182	14.7%

\*\* Estimate

**Source:**

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income

<sup>c</sup> Per Capita

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**  
*(UNAUDITED)*

<u>Employer</u>	<u>2021</u>		<u>2012</u>	
	<u>*Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Inspira Health Network	3,659	5.47%	2,837	20.05%
Americold formerly AGRO Merchants	1,260	1.88%		
F & S Produce/Pipecp Transportation	1,066	1.59%	525	3.71%
Wal-Mart	820	1.23%	806	5.70%
Durand Glass Manufacturing Co./ARC Intc	750	1.12%	970	6.85%
Safeway Fresh Foods	712	1.06%		
ShopRite	707	1.06%	737	5.21%
Wawa	658	0.98%	562	3.97%
Sheppard Bus Service	594	0.89%	520	3.67%
Northeast Precast	430	0.64%		
	<u>10,656</u>	<u>15.93%</u>	<u>6,957</u>	<u>49.16%</u>

**Source:**

This information is for the County of Cumberland.

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
 (UNAUDITED)

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Instruction										
Regular	25.1	25.0	27.0	26	27	26.0	26.0	26.0	26.0	27.0
Special Education	7.0	6.5	7.0	7	6	5.0	5.0	5.0	7.0	8.0
Other Special Education										
Vocational										
Other Instruction	6.0	6.0	8.5	8.5	8.5	11.5	12.0	12.5	9.5	9.0
Support Services:										
Tuition										
Student & Instruction Related Services	5.3	4.8	5.2	5.2	5.7	6.1	6.1	6.1	6.2	6.2
General Administrative Services	0.8	0.8	1.4	1.4	1.1	1.1	1.08	1.08	1.07	1.07
School Administrative Services	1.3	1.3	0.8	0.8	1.8	1.5	1.72	1.72	1.73	1.73
Business Administrative Services	3.30	3.80	3.80	3.8	3.3	2.8	2.8	3.8	4.0	4.0
Plant Operations and Maintenance	4.5	5.0	5.1	5.1	4.6	4.6	5.0	5.0	4.0	5.0
Pupil Transportation	4.5	4.0	5.0	5.5	5	5.0	5.5	5.0	4.5	4.5
Food Service	3.5	3.0	3.5	2.4	2.4	2.9	3.0	3.5	3.5	3.0
Total	<u>61.30</u>	<u>60.20</u>	<u>67.30</u>	<u>65.70</u>	<u>65.40</u>	<u>66.50</u>	<u>68.20</u>	<u>69.70</u>	<u>67.50</u>	<u>69.50</u>

Source: District Personnel Records

**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures<sup>a</sup></u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff<sup>b</sup></u>	<u>Pupil/Teacher Ratio Elementary</u>	<u>Average Daily Enrollment (ADE)<sup>c</sup></u>	<u>Average Daily Attendance (ADA)<sup>c</sup></u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2021	393	\$ 10,017,036	\$ 25,489	13.23%	35.0	16:01	401.59	375.02	-3.03%	93.4%
2020	420	9,383,151	22,341	-0.76%	33.0	19 : 1	426.52	405.95	2.99%	95.2%
2019	408	9,395,014	23,027	2.29%	33.0	19 : 1	414.14	387.33	1.28%	93.5%
2018	398	8,959,353	22,511	6.60%	33.0	19 : 1	408.9	383.38	-4.31%	93.8%
2017	415	8,763,693	21,117	1.12%	33.0	20 : 1	427.3	398.1	4.37%	93.2%
2016	418	8,729,476	20,884	7.68%	33.0	20 : 1	409.4	385.5	-4.35%	94.2%
2015	424	8,223,364	19,395	-5.82%	33.0	20 : 1	428	397	1.18%	92.8%
2014	423	8,710,655	20,593	6.02%	34.0	19 : 1	423	394	-3.03%	93.1%
2013	433	8,410,035	19,423	-2.08%	31.5	22 : 1	436.2	393.2	10.88%	90.1%
2012	393	7,795,227	19,835	-5.06%	32.1	21 : 1	393.4	365.1	5.72%	92.8%

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule B-2
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).



MAURICE RIVER TOWNSHIP SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
 (UNAUDITED)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b><u>District Building</u></b>										
<b><u>Elementary</u></b>										
Maurice River Township Elementary										
Square Feet	62,114	62,114	62,114	62,114	62,114	62,114	62,114	62,114	62,114	62,114
Capacity (students)	688	688	688	688	688	688	688	688	688	688
Enrollment	393	433	423	424	418	415	398	398	420	393
<b><u>Other</u></b>										
Administration Building/Maintenance Building										
Square Feet	2,304	2,304	2,304	2,304	2,304	2,304	2,304	2,304	2,304	2,304

Number of Schools at June 30, 2018  
 Elementary = 1  
 Other = 1

Source: District records, ASSA

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

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITIES  
LAST TEN FISCAL YEARS  
 (UNAUDITED)

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

<u>School Facilities</u>	<u>Gross Square Footage</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Maurice River Township Elementary School	62,114	\$ 354,455	\$ 96,299	\$ 227,707	\$ 24,879	\$ 37,135	\$ 105,091	\$ 29,656	\$ 30,467	\$ 25,642	\$ 34,533
Total School Facilities		354,455	96,299	227,707	24,879	37,135	105,091	29,656	30,467	25,642	34,533
Other Facilities	2,304										
Grand Total		\$ 354,455	\$ 96,299	\$ 227,707	\$ 24,879	\$ 37,135	\$ 105,091	\$ 29,656	\$ 30,467	\$ 25,642	\$ 34,533

**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT**  
**INSURANCE SCHEDULE**  
**JUNE 30, 2021**  
**(UNAUDITED)**

**New Jersey School Boards Association Insurance Group**

	<u>Coverage</u>	<u>Deductible</u>
<b>Commercial Policy</b>		
Property - Blanket Building and Contents	\$ 15,094,285	\$ 1,000
Comprehensive General Liability	6,000,000	1,000
Boiler and Machinery	10,000,000	1,000
Comprehensive Automobile Liability	6,000,000	1,000
Comprehensive Crime Theft Coverage	100,000	1,000
Board of Education Legal Liability	6,000,000	5,000
Pollution Legal Liability - per event	1,000,000	50,000
Electronic Data Processing	500,000	1,000
Cyber Liability Coverage	2,000,000	25,000
Commercial Inland Marine	500,000	1,000
Workers Compensation:		
Each Accident	3,000,000	
Disease each employee	3,000,000	
Disease aggregate	3,000,000	
<b>Federal Insurance Company</b>		
Workers Compensation Supplemental	2,500	Temp Total Disability Weekly Benefit Amoun
<b>Berkley Insurance Company</b>		
Compulsory Student Accident Coverage	1,000,000	
<b>Markel Insurance Company</b>		
Catastrophic Student Accident Coverage	5,000,000	25,000
<b>NJSBAIG</b>		
Treasurer's Bond	180,000	
<b>The Ohio Casualty Insurance Company</b>		
Business Administrator's Bond	10,000	

Source: District Records

**SINGLE AUDIT SECTION**

# NIGHTLINGER, COLAVITA & VOLPA

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*Certified Public Accountants*

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

### INDEPENDENT AUDITOR'S REPORT

The Honorable President and  
Members of the Board of Education  
Maurice River Township School District  
County of Cumberland, New Jersey 08348

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Maurice River Township School District, in the County of Cumberland, State of New Jersey, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Board of Education of the Maurice River Township School District's basic financial statements, and have issued our report thereon dated January 27, 2022.

#### Internal Control Over Financial Reporting

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

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

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Maurice River Township Board of Education'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance, or other matters that are required to be reported under *Government Auditing Standards* and 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* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

**NIGHTLINGER, COLAVITA & VOLPA, PA**



Raymond Colavita, CPA  
Licensed Public School Accountant  
No. 915  
January 27, 2022

# NIGHTLINGER, COLAVITA & VOLPA

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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH NEW JERSEY OMB CIRCULAR 15-08

### INDEPENDENT AUDITOR'S REPORT

The Honorable President and  
Members of the Board of Education  
Maurice River Township School District  
County of Cumberland, New Jersey 08348

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

We have audited the Board of Education of the Maurice River Township School District, in the County of Cumberland, State of New Jersey, compliance with the types of compliance requirements described in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Maurice River Township School District's major state programs for the fiscal year ended June 30, 2021. The Maurice River Township Board of Education's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

#### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Maurice River Township Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and New Jersey Treasury Circular OMB 15-08. Those standards and the State of *New Jersey Treasury Circular OMB 15-08*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred.

An audit includes examining, on a test basis, evidence about the Maurice River Township Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of Maurice River Township Board of Education's compliance.

### Opinion on Each Major State Program

In our opinion, the Board of Education of the Maurice River Township School District, in the County of Cumberland, 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 state programs for the fiscal year ended June 30, 2021.

### Report on Internal Control Over Compliance

Management of the Maurice River Township School District's Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Maurice River Township Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with State of New Jersey OMB Treasury 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Maurice River Township School District Board of Education's internal control over compliance.

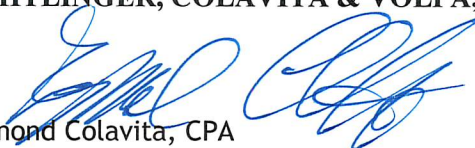
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 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 the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above or any instance of deficiency in internal control over compliance that we have to report to the Board of Education in a separate report entitled ***Auditors' Management Report on Administrative Findings-Financial, Compliance and Performance*** dated January 27, 2022. However, material weaknesses may exist that have not been identified.

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 State of New Jersey OMB 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

**NIGHTLINGER, COLAVITA & VOLPA, PA**



Raymond Colavita, CPA  
Licensed Public School Accountant  
No. 915  
January 27, 2022



**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SCHEDULE A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2020			Cash Received	Budgetary Expenditures Pass Through Funds	Budgetary Expenditures Direct	Total Budgetary Expenditures (A)	Balance at June 30, 2021		
					From	To	(Accounts Receivable)	Deferred Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	Due to Grantor
<b>U.S. Department of Agriculture</b>																
Passed-through State Department of Education:																
Enterprise Fund:																
Non-Cash Assistance:																
Food Distribution Program	10.565	211NJ304N1099	N/A	\$9,704	7/1/20	6/30/21	\$ -			\$ 9,704	\$ (9,231)		\$ (9,231)	\$ -	\$ 473	
Child Nutrition Cluster:																
Cash Assistance:																
School Breakfast Program	10.553	201NJ304N1099	N/A	27,646	7/1/19	6/30/20	(1,965)		1,965							
School Breakfast Program	10.553	211NJ304N1099	N/A	72,530	7/1/20	6/30/21			67,224	(72,530)			(72,530)	(5,306)		
National School Lunch Program	10.555	201NJ304N1099	N/A	67,208	7/1/19	6/30/20	(3,125)		3,125							
National School Lunch Program	10.555	211NJ304N1099	N/A	111,406	7/1/20	6/30/21			88,099	(111,406)			(111,406)	(23,307)		
Total U.S. Department of Agriculture							(5,090)		170,117	(193,167)			(193,167)	(28,613)	473	
<b>U.S. Department of Education</b>																
Passed-through State Department of Education:																
Special Revenue Fund:																
E.S.E.A.:																
Title I, Part A	84.010A	S010A200030	ESEA - 3050-20	106,045	7/1/20	9/30/21			106,045	(106,045)			(106,045)			
Title II Part A	84.367A	S367A200029	ESEA - 3050-20	12,514	7/1/20	9/30/21			12,514	(12,514)			(12,514)			
Title IV	84.424A	S424A200031	ESEA - 3050-20	10,000	7/1/20	9/30/21			10,000	(10,000)			(10,000)			
IDEA Cluster:																
I.D.E.A. Part B, Basic Regular	84.027A	H027A200100	IDEA - 3050-20	126,408	7/1/20	9/30/21			126,408	(126,408)			(126,408)			
I.D.E.A. Part B, Pre-School	84.173	H173A200114	IDEAPS - 3050-20	3,538	7/1/20	9/30/21			3,538	(3,538)			(3,538)			
CARES ACT 2020/ESSER	84.425D	S425D200027	CARES0950-20	84,785	3/13/20	9/30/22	(84,785)		23,271	(4,632)			(4,632)	(66,146)		
Covid Relief Fund	21.019	N/A	21E00041	38,471	7/1/20	9/30/21			38,471	(38,471)			(38,471)			
Small Rural Achievement Program	84.358A	S358A194321	REAP - 3050-20	31,031	7/1/20	9/30/21			31,031	(31,031)			(31,031)			
Total U.S. Department of Education							(84,785)		351,278	(332,639)			(332,639)	(66,146)		
Total Federal Financial Awards							(\$89,875)		\$521,395	(\$525,806)			(\$525,806)	(\$94,759)	\$473	

(A) There were no awards passed through to subrecipients.

See accompanying notes to schedules of financial assistance

These funds were not audited in accordance with the Uniform Guidance since the total of all grant expenditures did not exceed \$750,000.

**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (SCHEDULE B)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From To		Balance at June 30, 2020			Balance at June 30, 2021			MEMO			
					(Accounts Receivable)	Unearned Revenue	Due to Grantor	Cash Received	Budgetary Expenditures	(Accounts Receivable)	Unearned Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education</b>														
General Fund:														
Equalization Aid	20-495-034-5120-078	\$ 3,565,907	7/1/19	6/30/20	\$ (341,472)			\$ 341,472			\$ -			
Equalization Aid	21-495-034-5120-078	3,597,796	7/1/20	6/30/21				3,261,047	\$ (3,597,796)	\$ (336,749)		* \$ (336,749)	\$ (3,597,796)	
Security Aid	20-495-034-5120-084	123,438	7/1/19	6/30/20	(11,820)			11,820						
Security Aid	21-495-034-5120-084	123,438	7/1/20	6/30/21				111,884	(123,438)	(11,554)		* (11,554)	(123,438)	
Special Education Categorical Aid	20-495-034-5120-089	332,611	7/1/19	6/30/20	(31,851)			31,851						
Special Education Categorical Aid	21-495-034-5120-089	332,611	7/1/20	6/30/21				301,479	(332,611)	(31,132)		* (31,132)	(332,611)	
Transportation Aid	20-495-034-5120-014	345,391	7/1/19	6/30/20	(33,075)			33,075						
Transportation Aid	21-495-034-5120-014	345,391	7/1/20	6/30/21				313,063	(345,391)	(32,328)		* (32,328)	(345,391)	
School Choice	20-495-034-5120-068	461,311	7/1/19	6/30/20	(44,175)			44,175						
School Choice	21-495-034-5120-068	500,661	7/1/20	6/30/21				453,800	(500,661)	(46,861)		* (46,861)	(500,661)	
Extraordinary Aid	20-100-034-5120-473	25,667	7/1/19	6/30/20	(25,667)			25,667						
Extraordinary Aid	21-100-034-5120-473	11,908	7/1/20	6/30/21					(11,908)	(11,908)		* (11,908)	(11,908)	
Non-Public Transportation Aid	21-495-034-5120-014	1,450	7/1/20	6/30/21					(1,450)	(1,450)		* (1,450)	(1,450)	
Reimbursed TPAF SS Contribution	20-495-034-5094-003	518,428	7/1/19	6/30/20	(8,832)			8,832						
Reimbursed TPAF SS Contribution	21-495-034-5094-003	191,829	7/1/20	6/30/21				182,368	(191,829)	(9,461)		* (9,461)	(191,829)	
On-Behalf TPAF Pension Contribution	21-495-034-5094-002	675,047	7/1/20	6/30/21				675,047	(675,047)			* (675,047)	(675,047)	
On-Behalf TPAF Post Retirement Medical	21-495-034-5094-001	211,549	7/1/20	6/30/21				211,549	(211,549)			* (211,549)	(211,549)	
On-Behalf TPAF LTDI (Non-budgeted)	21-495-034-5094-004	435	7/1/20	6/30/21				435	(435)			* (435)	(435)	
<b>Total General Fund</b>					<b>(496,892)</b>			<b>6,007,564</b>	<b>(5,992,115)</b>	<b>(481,443)</b>			<b>(458,624)</b>	<b>(5,992,115)</b>
<b>Special Revenue Fund:</b>														
Preschool Education Aid	20-495-034-5120-086	541,284	7/1/19	6/30/20										
Preschool Education Aid	21-495-034-5120-086	729,771	7/1/20	6/30/21				656,794	(729,547)	(72,977)	224	* (72,977)	(729,547)	
<b>Total Special Revenue Fund</b>								<b>656,794</b>	<b>(729,547)</b>	<b>(72,977)</b>	<b>224</b>		<b>(72,977)</b>	<b>(729,547)</b>
<b>Debt Service Fund:</b>														
Debt Service Aid Type II	20-495-034-5120-017	76,332	7/1/19	6/30/20				76,332	(76,332)			* (76,332)	(76,332)	
<b>Total Debt Service Fund</b>								<b>76,332</b>	<b>(76,332)</b>				<b>(76,332)</b>	
<b>State Department of Agriculture</b>														
Enterprise Fund:														
State School Lunch Program	20-100-010-3350-023	1,930	7/1/19	6/30/20	(519)			519						
State School Lunch Program	21-100-010-3350-023	5,801	7/1/20	6/30/21				4,502	(5,801)	(1,299)		* (1,299)	(5,801)	
<b>Total Enterprise Fund</b>					<b>(519)</b>			<b>5,021</b>	<b>(5,801)</b>	<b>(1,299)</b>			<b>(5,801)</b>	
<b>Total State Financial Assistance</b>					<b>(\$497,411)</b>			<b>\$6,745,711</b>	<b>(\$6,803,795)</b>	<b>(\$555,719)</b>	<b>\$224</b>		<b>(\$531,601)</b>	<b>(\$6,803,795)</b>
<b>Less: On-Behalf TPAF Pension System Contributions</b>														
On-Behalf TPAF Pension Contribution	21-495-034-5094-002	675,047	7/1/20	6/30/21				\$ 675,047	\$ (675,047)					
On-Behalf TPAF Post Retirement Medical	21-495-034-5094-001	211,549	7/1/20	6/30/21				211,549	(211,549)					
On-Behalf TPAF LTDI (Non-budgeted)	21-495-034-5094-004	435	7/1/20	6/30/21				435	(435)					
<b>Total State Financial Assistance - Major Program Determination</b>								<b>\$ 5,858,680</b>	<b>\$ (5,916,764)</b>					

See accompanying notes to schedules of financial assistance

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF AWARDS  
AND FINANCIAL ASSISTANCE  
JUNE 30, 2021

NOTE 1: GENERAL

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

NOTE 2: BASIS OF ACCOUNTING

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$3,769 for the general fund and \$34,439 for the special revenue fund. See Note 2 [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 on the following page:

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT  
NOTES FOR SCHEDULES OF AWARDS  
AND FINANCIAL ASSISTANCE  
JUNE 30, 2021  
(Continued)

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)

	Federal		State		Total
General Fund	\$ 26,612	\$	5,995,884	\$	6,022,496
Special Revenue Fund	385,927		710,698		1,096,625
Debt Service			76,332		76,332
Food Service Fund	<u>193,167</u>		<u>5,801</u>		<u>198,968</u>
Total Awards & Financial Assistance	\$ <u>605,706</u>	\$	<u>6,788,715</u>	\$	<u>7,394,421</u>

NOTE 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.

NOTE 5: FEDERAL AND STATE LOANS OUTSTANDING

The Township of Maurice River School District had no loan balances outstanding at June 30, 2021.

NOTE 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 Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2021. 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, 2021.

NOTE 7: SCHOOL-WIDE PROGRAM FUNDS

As the District's Federal Programs are on a targeted student group basis, there are no schoolwide programs in the District.

NOTE 8: ADJUSTMENTS

There were no adjustments required to be shown in the "Adjustments" column on Schedule A or Schedule B.

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- 1) Material weakness (es) identified? \_\_\_\_\_ yes   X   no
- 2) Significant deficiencies identified? \_\_\_\_\_ yes   X   none reported

Noncompliance material to basic financial statements noted? \_\_\_\_\_ yes   X   no

Federal Awards

Internal control over major programs: N/A

- 1) Material weakness (es) identified? \_\_\_\_\_ yes \_\_\_\_\_ no
- 2) Significant deficiencies identified? \_\_\_\_\_ yes \_\_\_\_\_ none reported

Type of auditor's report issued on compliance for major programs: N/A

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a)? \_\_\_\_\_ yes \_\_\_\_\_ no

Identification of major programs:

CFDA Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
N/A		

Dollar threshold used to distinguish between type A and type B programs: N/A

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes \_\_\_\_\_ no

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(continued)

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

State Awards

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

Auditee qualified as low-risk auditee?  X  yes   no

Internal control over major programs:

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

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

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

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

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
21-495-034-5120-078	Equalization Aid
21-495-034-5120-089	Special Education Categorical Aid
21-495-034-5120-084	Security Aid
21-495-034-5120-068	School Choice Aid
21-495-034-5120-086	Preschool Aid

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(continued)

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weakness, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey that requires reporting in the Uniform Guidance, New Jersey OMB Treasury Circular 15-08 audit.

**Finding:** N/A

**Criteria or specific requirement:**

**Condition:**

**Context:**

**Effect:**

**Cause:**

**Recommendation:**

**Views of responsible officials and planned corrective actions:**

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(continued)

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

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

FEDERAL AWARDS

Finding: N/A

Information on the federal program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

STATE AWARDS

Finding: None

Information on the state program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Management's response:



**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

This section identifies the status of prior - year findings related to the basic financial statements and Federal and State awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, US OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* section .511(a) (b) and New Jersey OMB's Treasury Circular 15-08, as applicable.

**STATUS OF PRIOR - YEAR FINDINGS**

There were no prior year findings.