

Annual Comprehensive Financial Report

of the

Egg Harbor Township Board of Education

Egg Harbor Township, New Jersey

For the Fiscal Year Ended June 30, 2022

Prepared by

Egg Harbor Township Board of Education

Business Administration

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Introductory Section

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Egg Harbor Township Schools

www.eht.k12.nj.us

Administration Offices
13 Swift Drive
Egg Harbor Township, NJ 08234

Dr. Kimberly A. Gruccio
Superintendent

Mr. Daniel Smith
Business Administrator/Board Secretary

March 9, 2023

Citizens, Honorable President and
Members of the Board of Education
Township of Egg Harbor School District
Atlantic County, NJ

The annual comprehensive financial report of the Egg Harbor Township School District (District) for the fiscal year ended June 30, 2022, 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 (Board). 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 operation of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Management's Discussion and Analysis, 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 the Single Audit Act Amendment of 1996 and the US Office of Management and Budget Uniform Guidance, and the New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this single audit, including the auditor's report on the internal control structure 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 Egg Harbor Township School District is a pre-kindergarten through twelfth grade system of quality public education serving approximately 7,500 students. There are three Pre-K facilities, (two outside partnerships with providers), two K to 1st grade schools, two 2nd to 3rd grade schools, one 4th and 5th grade school, two middle schools, and one high school that meets alternative school student needs. The school district covers over 64 square miles and is considered the largest school district in Atlantic County. Egg Harbor Township is home to a diverse population, with housing ranging from million-dollar homes to federally funded housing units. The population consists of 42% white students, 23% Hispanic, 14% Asian, 10% black, 11% multi-racial/other. District data shows that at least 55 different languages are spoken in students' homes.

The district is governed by a nine-member Board of Education elected at large. Their mission is to Embrace students and their families, support the Engagement of students with relevant learning resources in safe learning environments, and provide an Education to students that contains rigorous and relevant 21st Century Learning standards and best practices. These standards and best practices look to develop academic scholarship, integrity, leadership, citizenship, and the unique learning style of each student while encouraging them to develop a strong work ethic and to act responsibly in their school community and everyday society. The district operates its own transportation, custodial, security, maintenance, technology, and food service departments.

2) **ECONOMIC CONDITION AND OUTLOOK:** Historically, the casino industry has generated job opportunities for residents. Economical changes and downfalls have caused the Atlantic County Economic Alliance to focus on aviation. The Egg Harbor Township School District recognizes the new mission of the Atlantic County Economic Alliance for business retention, business growth, and business attraction. They are looking to form different partnerships that are molding schools to meet the future economic needs of Atlantic County.

The FAA Technical Center and the Atlantic City International Airport, located here in Egg Harbor Township, along with the Embry Riddle Aeronautical University, are now focusing their efforts on building partnerships with advanced aviation sciences and job opportunities for Atlantic County residents. The future job market in this area has been predicted to increase from 2.1% to 19.5%.

3) **MAJOR INITIATIVES:** During the 2021-2022 school year, the Egg Harbor Township School District began to implement a focus on student success, social and emotional learning, S.T.R.E.A.M. (Science, Technology, Reading, Engineering, Art, and Mathematics), climate and culture, and community partnerships by implementing the following mission statement and district goals:

Mission Statement:

To build a culture and climate that embraces, engages and educates individual students and their learning needs.

District Goals:

- A. Improve Student Achievement – Prioritize Literacy for all; meet the social and emotional learning needs of individuals; create innovative learning experiences with STREAM education.
- B. Support Climate, Culture and #EHTPride – Administrators, teachers, students, parents and community members will support positive learning environments, where all are recognized and rewarded for achievement, progress, good character, work ethic and a respect for diversity. We will continue to expand our school environment to focus on cultural proficiency, student agency, and ensuring equity in our schools.
- C. Enhance Community Pride – Reach out to the community by creating partnerships and cultivating relationships with all stakeholders.

The district implemented a variety of program components and emphasized the use of student achievement data in both the formative and summative forms as well as through local, state and federal assessment tools and data. The Egg Harbor Township Board of Education and Administration continue to navigate the challenging times while preparing students for the 21st Century and the vast global society. We believe that this can be accomplished by building relationships with students and their families where we look to embrace their needs, engage students by providing relevant learning experiences, and offering an education that includes rigorous learning opportunities aligned with best practices and relevant resources.

Curriculum and professional development activities:

The curriculum is standards-driven and aligned to the New Jersey Student Learning Standards. A workshop framework, grounded in the Science of Reading and research-based best practices guides instruction in reading and writing. Math emphasizes problem -solving and authentic investigations. Science is aligned to the Next Generation Science standards and encompasses S.T.R.E.A.M. and the engineering design process. Social Studies is aligned to standards and offers relevant learning opportunities. The World Language curriculum offers instruction in Latin, German, Spanish, and French as well as a chance for students to earn a Seal of Biliteracy in their language of choice and Global Learning experiences during a study abroad summer program. Physical Education, Health, and Fine and Performing Arts are required courses for students to provide fitness, exploration, and to reveal student talent. Career and Technical Education program provides courses in computer science and programming, business, family and consumer science, industrial technology, engineering, and aviation. Our high school offers four-year learning academies in Medical Science, Law and Business, Communications, and Aviation. These academies offer relevant learning experiences in career related courses and prepare students for higher education and career opportunities. The high school also offers concentrations, which allows students to create different career pathways outside of the traditional academies.

Professional Learning Communities (PLCs) provide time to collaborate to focus on student learning, creation of common assessments, data analysis, and discuss strategies for improved student learning.

The District continues to use a modified version of the ***Charlotte Danielson Framework for Teaching and Learning*** (as agreed upon through collaboration with the District Evaluation Advisory Committee).

Partnerships have been developed with Atlantic Cape Community College, Richard Stockton College of NJ, and Rowan University for teacher preparation. Additional partnerships include Southern Regional Institute & Educational Technology Training Center (SRI&ETTC) and online and on-site professional development course offerings from New Jersey Education Association.

Information Technology Services

HARDWARE:

- A district-wide inventory of hardware with the focus of maintaining the minimum 1:1 student to computer ratios across the District was performed. This was accomplished via desktop computers and Chromebooks utilizing the District Wi-Fi network with approximately 99% coverage within the schools with access to over 300 access points. Current 1:1 plan includes Student access to carts in every classroom in grades 1-5. Grades 6-12 are provided student take home devices. PreK and Kindergarten maintain a ratio of approximately 2:1 access via Chrome tablets.
- Repair tickets documented in the GoFMXt application totaled over 1,500. The number of Help Desk calls during the 2021-2022 school year totaled over 3,000 including Chromebook Support.
- Completed network Backbone upgrades including WAN and Fiber network to increase backbone networks speeds to 10Gbps.
- Continued replacement plan of District Data Network equipment such as Switching Devices and Servers.

COMMUNICATIONS

- The district utilizes a combination of school messenger notification, the District and Building Websites, social media, etc. to communicate emergencies, school events, informational messages, etc.

ETTC:

- The district utilizes a combination of school messenger notification, the District and Building Websites, social media, etc. to communicate emergencies, school events, informational messages, etc.
- Social media through Facebook, Instagram, and Twitter is used to also communicate the same messages and information as listed above.

EHT TV2:

- The community/district broadcast channel, EHT TV2 has continued to provide excellent programming during 2021-2022 school. These productions range from various High School sports and performing arts productions, informative sessions such as the "Pursuing Public Health" and township productions such as the "Mayor's Forum" and the recording of monthly municipal town hall meetings. The district also now live streams many high school sporting events, graduation, and major events as requested.
- The department utilizes the Telvue Video Message Board System and digital video servers for video programming. This also includes PEGTV video archives for distribution on the internet, live internet distribution of the EHTTV2 video channels and other emergency management features through the new interface.
- The department utilizes other forms of communication for marketing, productions, and other district events, and student, parent, and staff training such as: YouTube, Facebook, and other social media services.

SOFTWARE/ASSESSMENTS/NJSLA:

- Support of software assessments used for Benchmark assessments and other testing such as NJSLA, WIDA ELL, DLM, LinkIt, etc.

SECURITY:

Completion of the surveillance system upgrades district wide, completing all elementary schools during the 2021-2022 School Year. Additionally, the district began the replacement of the door access control system with a completion date of the fall of the 2022-2023 School Year.

NJSMART (NJ Standards Measurement and Resource for Teaching)

- Successfully completed, with no errors, all NJ Smart Reporting requirements such as Fall Submissions, Staff Submission, Evaluations, Course Roster, etc.

STUDENT INFORMATION SYSTEM:

- Standard support and upgrades of Infinite Campus were conducted throughout the 2021-2022 school year. This included implementation of the Online Registration System.

Extended Enrichment

The Office of Extended Enrichment K-5 is a newly created department within the district that implements and oversees the before and after school programs, Talent and Learning of NextGen Students and the After School Program for Instruction, Recreation and Enrichment. Both programs employ caring and nurturing school day teachers and paraprofessionals as well as community members and offer homework help and a variety of extended enrichment opportunities that are aligned with school-day curricula.

TALONS

Talent and Learning of NextGen Students, T.A.L.O.N.S., is the district's fee for service before and after school enrichment program for Kindergarten through fifth grades. T.A.L.O.N.S. operates every day that school is open including ½ days. The hours of operation are 6:30am until the start of school at four locations. After school sessions begin at the end of the school day until 6:00pm at all four locations. T.A.L.O.N.S includes an 8-week summer camp component which offers weekly themes and includes Science, Technology, Engineering, Reading, Art, Math, Sports/Recreation and Cooking classes as well as weekly off-site educational field trips. T.A.L.O.N.S. participants are provided breakfast and lunch through our partnership with the Community Food Bank of New Jersey and the Child and Adult Care Food Program funded by the USDA at no additional cost to the family during the summer months. Average daily attendance for before and after school sessions is approximately 150 students each. The program enrolls 350-500 students in total.

A.S.P.I.R.E.

The Egg Harbor Township School District has implemented a comprehensive after school program at one location, the Dr. Joyanne D. Miller Elementary School and serves a minimum of 150 students in grades 4th and 5th. The After School Program for Instruction, Recreation, & Enrichment aka A.S.P.I.R.E offers academic remediation; homework help and tutoring, academic enrichment, health, nutrition and fitness education, culture and the arts, positive youth development and a parental involvement component.

A.S.P.I.R.E. employs school day and district staff in order to align itself with school and district goals and initiatives, including "Literacy for All" and STREAM. A.S.P.I.R.E. incorporates curriculum from several sources including Too Good for Drugs and Violence, NASA, and Engineering is Elementary. Science, Technology and Math are infused across the curriculum as we are a STREAM themed program.

A.S.P.I.R.E. operates on most days that school is open and running on a full day schedule as well as in the summer. The goals of this summer camp experience is to prevent "summer slide" and offers one hour each of English Language Arts and Math enrichment as well as organized recreation, art and technology. Summer camp operates four days a week, Monday through Thursday, five hours a day for four weeks and includes off-site educational field trips as well as breakfast and lunch at no cost to the family through our partnership with the Community Food Bank of New Jersey and the Child and Adult Care Food Program funded by the USDA.

Perkins/CTE Grant Implementation

Perkins is a federal education program that invests in secondary career and technical education (CTE) programs. The purpose is to increase learner access to high skill, high wage, and in demand occupations. FY 2022 Perkins/CTE funds paid for program supplies, students certification testing, and professional development opportunities for staff. The current NJDOE approved CTE Perkins programming includes Graphics Design, Web Design, CAD/Engineering, Telecommunications and Networking, Business Administration, Child Development, and Culinary Arts.

Individuals with Disabilities Education Act (IDEIA) Grant Implementation

FY 2022 IDEIA funds paid for in out of district tuition placements for EHT disabled students from preschool through grade 12. Funds were also used to pay for substitutes for teachers to attend annual review meetings as well as to provide for CST services throughout the summer and to fund the Extended School Year program for those students who exhibit significant regression and require a long time to recoup the information.

IDEA funds also were used to pay for professional development in the area of literacy and reading instruction for middle and high school special education staff and for Crisis Prevention training (CPI) of all new special education staff.

ESSA-NCLB Grant Implementation

An **ESSA-NCLB** program team facilitated the grant application development as well as program articulation, implementation, and supervision under Title I, II-A, III and III-Immigrant. Student achievement goals focused on the improvement of learning for the identified at-risk population in the areas of English Language Arts (ELA) and Mathematics.

Below are some focused programs funded by ESSA-NCLB funds approved by the Board of Education:

1. Title I parent coordinators were hired at Davenport Primary/Elementary School and Miller Elementary School to educate Title I parents regarding the reading and math curricula and resources in each grade level. They also instructed parents in NJSLA, helping children with homework, and how to meaningfully participate in parent-teacher conferences. Mandated Title I Needs Assessment, Parent-Student-Teacher compact, Parent's Right to Know and District/Building Board Policies on Parental Involvement were also discussed and received parental input.
2. The Egg Harbor Township ESSA/NCLB website was improved to increase parent, teacher, student and administrator knowledge of ESSA/NCLB. NJSLA results and Understanding NJSLA results, as well as the addition of Google translate for parents who are non-English speakers and other academic websites were updated to increase parent participation and knowledge of ESSA/NCLB, along with various resources. NJSLA information increases parental awareness of the standards and test skills needed by their children.

Title IIA funds were utilized for professional development activities and supplies. Activities covered areas specific to math and ELA, and data analysis.

Title III funds were utilized to pay for two split funded English Language Learners (ELL) teachers as well as for instructional supplies. During 2021-2022, ELL students district-wide, received ELL services consistent with Title III. We continue to implement a four year "cycle" for coursework with ELL high school students. This is designed to help ELL students meet required state test standards as well as the revised WIDA standards which are assessed by the ACCESS testing, additional state testing for ELL students.

4) **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining internal controls 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). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept

of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, 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 capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2022.

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 and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.

7) **DEBT ADMINISTRATION**: At June 30, 2022, the District's outstanding debt issues included \$47,300,000 in bonds. The proceeds of these bond issues were to provide funds for capital improvement to the District's buildings. These improvements include repairs and renovations to the High School, Davenport, Slaybaugh and Swift elementary schools, additions to the High School and Swift elementary school, the construction of two new elementary schools as well as another addition to the High School, boiler and chiller replacements, window replacements, roof replacements, solar panel installation, upgrades to the high school athletic complex, and the construction of a fueling canopy.

8) **OTHER INFORMATION**:

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

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

Respectfully submitted,



Kimberly A. Gruccio, Ed. D.
Superintendent

Daniel Smith

Daniel Smith
School Business Administrator/
Board Secretary

EGG HARBOR TOWNSHIP BOARD OF EDUCATION

EGG HARBOR TOWNSHIP, NEW JERSEY

ROSTER OF OFFICIALS

June 30, 2022

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Barbara Szilagyi, President	2024
Marita Sullivan, Vice President	2022
Regina Bongiorno	2024
Lou Della Barca	2022
Tamika Gilbert-Floyd	2023
Juanita Hyman	2024
Patrick Ireland	2023
Michael Price	2023
Nicholas Seppy	2022

Other Officials

Kimberly Gruccio, Ed.D., Superintendent

Chandra D. Anaya, CPA, Board Secretary/Business Administrator

Amy Houck-Elco, Esq., Solicitor

**EGG HARBOR TOWNSHIP BOARD OF EDUCATION
Consultants and Advisors**

Architect

Fraytak Veisz Hopkins Duthie, PC
1515 Lower Ferry Rd.
Ewing, NJ 08616

Audit Firm

Ford Scott & Associates, LLC
Certified Public Accountants
1535 Haven Avenue
Ocean City, NJ 08226

Attorney

Cooper Levenson April Neidleman Wagenheim
1125 Atlantic Avenue
Atlantic City, NJ 08401

**TOWNSHIP OF EGG HARBOR BOARD OF EDUCATION
Consultants and Advisors
(continued)**

Bond Counsel

Wilentz, Goldman & Spitzer, P.A.
90 Woodbridge Center Drive
Woodbridge, NJ 07095

Official Depository

Ocean First Bank
1184 Ocean Heights Avenue/3003 Fire Road
Egg Harbor Township, NJ 08234

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Financial Section

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

Honorable President and
Members of the Board of Education
Egg Harbor Township School District
County of Atlantic, New Jersey

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 Egg Harbor Township School District, Egg Harbor Township, New Jersey, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Egg Harbor Township School District, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibility of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Egg Harbor Township School District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB 15-08 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises of the introductory and statistical sections and 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2023 on our consideration of the Egg Harbor Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Egg Harbor Township School District's internal control over financial reporting and compliance.

Very truly yours,

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

March 9, 2023

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**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

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**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED**

The Discussion and Analysis of the Egg Harbor Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2022 are as follows:

- In total, net position increased by \$73,928,530, which represents a 12% percent increase from 2021.
- General revenues accounted for \$152,388,243 or 72 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$61,312,652 or 28 percent of total revenues of \$213,700,895.
- Total assets of governmental activities increased by \$5,119,284 as cash and cash equivalents decreased by \$1,204,440, receivables increased by \$12,955,803, and capital assets decreased by \$3,567,690.
- The School District had 205,858,347 in expenses, only \$61,312,652 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes and grants and entitlements) of \$152,388,243 were adequate to provide for the majority of these programs.
- Among governmental funds, the General Fund had \$176,591,694 in revenues and \$178,390,562 in expenditures. The General Fund's fund balance decreased \$720,598 over 2021.

Using this Annual Comprehensive Financial Report (ACFR)

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

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

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**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED**

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis* (this section), the basic *financial statements*, *required supplementary information*, and an optional section that presents *combining statements for special revenue, proprietary, and fiduciary funds*. The basic financial statements include two kinds of statements that present different views of the School District.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the School District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the School District's government, reporting on the District's operations in *more detail* than the government-wide statements.
 - The *governmental funds* statements tell how *general government* services like instruction were financed in the *short term* as well as what remains for future spending.
 - *Proprietary fund* statements offer *short-* and *long-term* financial information about the activities the School District operates like businesses, such as the food service area.
 - *Fiduciary fund* statements provide information about the financial relationships – like the unemployment trust fund – in which the School District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the formation in the financial statements. The following schedule shows how the required parts of this annual report are arranged and relate to one another.

The following table summarizes the major features of the School District's financial statements, including the portion of the District's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

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**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED**

**Major Features of Egg Harbor Township Board of Education's
Government-wide and Fund Financial Statements**

	Government wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as food service and student activities	Activities the District operates similar to private businesses; food service and latchkey	Instances in which the District is the trustee or agent for someone else's resources, such as payroll agency and student activities.
Required financial statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net position Statement of revenues, expenses, and changes in net position Statement of cash flows	Statement of fiduciary net position Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term.	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included.	All assets and liabilities, both financial and capital, and short-term and long-term.	All assets and liabilities, both short- term and long-term.
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses, regardless of when cash is received or paid.	All revenues and expenses during year, regardless of when cash is received or paid.

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED**

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's *net position* and how it has changed. Net position – the difference between the District's assets and liabilities – is one way to measure the District's financial health, or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as changes in the Township's property tax base and the condition of the District's facilities.

The government-wide financial statements of the District are divided into two categories:

- *Governmental activities* – most of the District's basic services are included here, such as instruction, transportation, administration, and plant operations. Property taxes and state and federal grants finance most of these activities.
- *Business-type activities* – the District charges fees to customers to help it cover the costs of certain services it provides. The District's food service and latchkey programs are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds* – not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The District has three kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information. In fact, the District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows.

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED**

Notes to the Financial Statements

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

The School District as a Whole

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

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

Table 1 provides a summary of the School District's net position for 2022 and 2021.

	2022	2021
Assets		
Current and Other Assets	\$ 35,613,364	21,649,761
Capital Assets	144,846,147	153,690,466
Total Assets	180,459,511	175,340,227
Deferred Outflow of Resources		
Loss of Refunding of Long Term Debt	3,009,741	3,275,485
Deferred Outflows Related to Pensions	3,128,463	5,883,228
Total Deferred Outflows	6,138,204	9,158,713
Liabilities		
Long-Term Liabilities	82,408,997	97,383,053
Other Liabilities	13,198,613	5,361,049
Total Liabilities	95,607,610	102,744,102
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	16,541,060	14,993,215
Bond Premiums	520,515	675,641
Total Deferred Inflows	17,061,575	15,668,856
Net Position		
Net Investment in Capital Assets	98,369,679	95,195,441
Restricted	4,708,486	10,145,466
Unrestricted	(29,149,635)	(39,254,925)
Total Net Position	\$ 73,928,530	66,085,982

The School District's combined net position were \$73,928,530 on June 30, 2022. This was an increase of \$7,842,548 or almost 12 percent from the prior year.

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED**

Table 2 shows changes in net position for fiscal year 2022 and 2021.

	<u>2022</u>	<u>2021</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 1,429,731	973,804
Operating Grants and Contributions	59,882,921	60,353,270
General Revenues:		
Property Taxes	86,593,583	86,609,104
Grants and Entitlements	65,478,665	55,151,977
Other	315,995	459,163
Total Revenues	<u>213,700,895</u>	<u>203,547,318</u>
Program Expenses		
Instruction	116,671,663	107,451,166
Support Services:		
Tuition	2,212,909	1,822,358
Student and Instruction Related Services	42,642,176	32,782,473
General Administration, School Administration	9,485,804	14,912,677
Operations and Maintenance of Facilities	18,158,986	22,093,127
Pupil Transportation	10,173,662	13,350,650
Interest on Debt	2,525,217	2,779,251
Food Service	3,785,693	2,779,434
Other Enterprise Funds	202,237	166,781
Total Expenses	<u>205,858,347</u>	<u>198,137,917</u>
Increase (decrease) in Net Position	<u>\$ 7,842,548</u>	<u>5,409,401</u>

Governmental Activities

Property taxes made up 41 percent of revenues for governmental activities for the Egg Harbor Township School District for fiscal year 2022. The District's total revenues from governmental activities were \$213,700,895 for the year ended June 30, 2022. Federal, state, and local grants accounted for 58 percent of this revenue.

Business-type Activities

Operating revenues of the District's business-type activities increased \$2,267,116 from the previous year while expenses decreased by \$133,108. Factors contributing to these results included:

- Increased participation in the food service program with an increase in reimbursed rates for each meal from both the State and Federal Program.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

For of the year ended June 30, 2022, the governmental funds reported a combined fund balance of \$15,443,129, which is \$720,598 less than the beginning of the year. This decrease is due primarily to increased expenses for benefits.

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED**

The business-type enterprise fund reported a combined net position of \$2,491,861 as of June 30, 2022. This is \$1,535,854 higher than the prior fiscal year.

General Fund Budgetary Highlights

As further explained in the Notes to the Financial Statements, annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the County office and, as a Type II School District that has elected to have November elections, requires approval by the voters only when statutory limits are exceeded. Transfers of appropriations may be made by Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the board and under certain circumstances require approval by the County Executive Superintendent of Schools. The District is permitted to encumber funds throughout the year for purchases ordered but not yet received. Any open encumbrances as of June 30th carry over to the next fiscal year and are added to the appropriation reflected in the certified budget.

After adjusting total revenue reported on Exhibit C-1 for the Reimbursed TPAF Social Security Contribution and on-behalf TPAF Pension Contributions, which are not budgeted, the District's budgeted revenue exceeded the actual by \$2,941,745. This is a result of additional extraordinary aid as well as realizing additional miscellaneous revenue and tuition and an increase in state aid. Again, after adjusting for the Reimbursed TPAF Social Security Contribution, on-behalf TPAF Pension Contributions and capital leases, actual expenditures were below the budgeted appropriations by \$8,805,438.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

For FY 2022, the District had invested \$144,846,147, net of accumulated depreciation, in a broad range of capital assets, including land, buildings, vehicles and machinery. This amount represents a net decrease (including additions and deductions) of \$8,844,319, or 6%, over last year. The decrease is due largely to current year depreciation expense and assets reclassified to right to use leased assets.

Table 3

	2022	2021
Land	\$ 1,836,300	\$ 1,836,300
Construction in Progress	3,148,641	757,169
Land Improvements	4,068,101	2,347,737
Sites, Buildings and Building Improvements	131,239,574	138,046,044
Machinery and Equipment	2,309,424	3,837,217
Vehicles	2,244,107	6,865,999
Total	<u>\$ 144,846,147</u>	<u>\$ 153,690,466</u>

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED**

Debt Administration

At June 30, 2022, the School District had \$35,108,997 of outstanding debt. Of this amount, \$1,768,202 is for compensated absences, \$47,300,000 of serial bonds for school construction, \$5,276,629 for various capital leases and \$1,665,694 is the balance on the premium from the Bond Sale.

**Table 4
Bonded Outstanding Debt at June 30,**

	<u>2022</u>	<u>2021</u>
2004 General Obligation Refunding Bonds	\$ 18,380,000.00	22,375,000.00
2012 General Obligation Bonds	1,690,000.00	1,690,000.00
2016 General Obligation Bonds	13,070,000.00	13,980,000.00
2016 General Obligation Bonds	14,160,000.00	15,875,000.00
Premium on Bond Sale	1,665,694.00	1,830,181.00
Compensated Balances	1,768,202.00	1,549,592.00
Capital Leases	5,276,629.00	4,575,025.00
Total	<u>\$ 56,010,525.00</u>	<u>61,874,798.00</u>

At June 30, 2022, the School District was within its legal debt margin. For more detailed information, please refer to the Notes to the Financial Statements and Schedule J-13 in the statistical section of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The district's 2022-23 tax levy was not required to be approved by the voters due to the district moving the annual election to November, in accordance with State statute. The statute provides districts the option to move their school elections to the general election in November, and tax levies within the statutory cap. The 2022-23 tax levy is \$79,188,032, which created banked cap of \$4,974,679. The District's 2022-2023 state aid of \$70,574,814 increased by \$9,815,595 from the 2021-22 amended allocation due to additional funding required to ensure fair funding.

The housing market and economy have stabilized over the past few years. In 2020-21, district began operating full day kindergarten program versus the historical half day program as well as implementing full day preschool. The District is expanding free preschool for 3 and 4-year-old students annually with preschool funding from the State for general education students and the local budget providing funding for special education preschool students.

EFFECTS OF COVID-19 ON THE DISTRICT'S OPERATIONS

There has been a significant delay in learning and the District recognizes the making up the learning loss in our students due to school virtual and hybrid learning for about a year. This will require additional intervention and resources to support the students during afterschool and summers for years to come.

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to present users (residents, receiving districts, and creditors) with a general overview of the School District's finances and to demonstrate the School District's accountability. If you have questions about the report or need additional financial information, contact the School District's business administrator at 13 Swift Drive, Egg Harbor Township, New Jersey 08234.

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DISTRICT-WIDE FINANCIAL STATEMENTS

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EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 12,872,568	1,839,932	14,712,500
Receivables, net	14,878,869	628,612	15,507,481
Internal balances	18,392	(18,392)	-
Inventory		73,754	73,754
Other Assets	43,000		43,000
Right to Use Leased Asset	5,276,629		5,276,629
Capital assets not being depreciated			
Construction in progress	3,148,641		3,148,641
Land	1,836,300		1,836,300
Capital assets, net	139,664,571	196,635	139,861,206
Total Assets	<u>177,738,970</u>	<u>2,720,541</u>	<u>180,459,511</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on bond issue refunding	3,009,741		3,009,741
Deferred outflows related to pensions	3,128,463		3,128,463
Total Deferred Outflows of Resources	<u>6,138,204</u>	<u>-</u>	<u>6,138,204</u>
LIABILITIES			
Accounts payable	5,471,692	51,624	5,523,316
Other liabilities	346,751	52,350	399,101
Payable to state government	23,820		23,820
Accrued interest	959,001		959,001
Unearned revenue	6,246,177	47,198	6,293,375
Noncurrent liabilities:			
Due within one year	9,399,164		9,399,164
Due beyond one year	46,533,853	77,508	46,611,361
Net Pension Liability	26,398,472		26,398,472
Total liabilities	<u>95,378,930</u>	<u>228,680</u>	<u>95,607,610</u>
DEFERRED INFLOWS OF RESOURCES			
Gain on bond issue refunding	520,515		520,515
Deferred inflows related to pensions	16,541,060		16,541,060
Total Deferred Inflows of Resources	<u>17,061,575</u>	<u>-</u>	<u>17,061,575</u>
NET POSITION			
Invested in capital assets, net of related debt	98,173,044	196,635	98,369,679
Restricted for:			
Debt service	191,283		191,283
Capital projects	1,026,806		1,026,806
Maintenance reserve	393,000		393,000
Excess surplus	1,077,037		1,077,037
Unemployment compensation	1,548,527		1,548,527
Student activities	471,834		471,834
Unrestricted	(31,444,861)	2,295,226	(29,149,635)
Total net position	<u>\$ 71,436,669</u>	<u>2,491,861</u>	<u>73,928,530</u>

The accompanying notes are an integral part of these financial statements

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	\$ 46,798,221	25,239,993	797,109	15,725,905	(55,515,200)	1,330,890	(55,515,200)
Special education	23,495,042	12,671,736		16,738,899	(19,427,879)	206,421	(19,427,879)
Other special instruction	3,438,373	1,854,440		1,155,418	(4,137,395)	(3,489)	(4,137,395)
Other instruction	1,951,278	1,052,396		655,701	(2,347,973)		(2,347,973)
Nonpublic school programs	170,184	-		170,184	-		-
Support services:							
Tuition	2,212,909				(2,212,909)		(2,212,909)
Student & instruction related services	27,701,658	14,940,518		15,330,982	(27,311,194)		(27,311,194)
School administrative services	4,305,093	1,074,113		547,263	(4,831,943)		(4,831,943)
General and business administrative services	3,286,598	820,000		417,792	(3,688,806)		(3,688,806)
Plant operations and maintenance	14,909,049	3,249,937		3,103,032	(15,055,954)		(15,055,954)
Pupil transportation	7,919,276	2,254,386		1,148,615	(9,025,047)		(9,025,047)
Unallocated benefits	63,157,519	(63,157,519)		-			
Interest on long-term debt	2,525,217				(2,525,217)		(2,525,217)
Total governmental activities	<u>201,870,417</u>	<u>-</u>	<u>797,109</u>	<u>54,993,791</u>	<u>(146,079,517)</u>	<u>-</u>	<u>(146,079,517)</u>
Business-type activities:							
Food Service	3,785,693		227,453	4,889,130		1,330,890	1,330,890
Child Care	198,748		405,169	-		206,421	206,421
Eagle Enterprises	3,489					(3,489)	(3,489)
Total business-type activities	<u>3,987,930</u>	<u>-</u>	<u>632,622</u>	<u>4,889,130</u>	<u>-</u>	<u>1,533,822</u>	<u>1,533,822</u>
Total primary government	<u>\$ 205,858,347</u>	<u>-</u>	<u>1,429,731</u>	<u>59,882,921</u>	<u>(146,079,517)</u>	<u>1,533,822</u>	<u>(144,545,695)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes, net					81,038,032		81,038,032
Taxes levied for debt service					5,555,551		5,555,551
Federal and State aid not restricted					62,231,266		62,231,266
Federal and State aid restricted					3,247,399		3,247,399
Investment Earnings					3,000	2,032	5,032
Miscellaneous Income					927,045		927,045
Other financing sources/(uses):							
Gain/(Loss) on disposal of capital assets					(345,552)		(345,552)
Prior year receivables/payable canceled					(270,530)		(270,530)
Total general revenues and special items					<u>152,386,211</u>	<u>2,032</u>	<u>152,388,243</u>
Change in Net Position					<u>6,306,694</u>	<u>1,535,854</u>	<u>7,842,548</u>
Net Position—beginning					65,129,975	956,007	66,085,982
Net Position—ending					<u>\$ 71,436,669</u>	<u>2,491,861</u>	<u>73,928,530</u>

The accompanying notes are an integral part of these financial statements

FUND FINANCIAL STATEMENTS

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EGG HARBOR TOWNSHIP SCHOOL DISTRICT

Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 16,286,725			\$ 191,281	\$ 16,478,006
Intergovernmental Accounts Receivable:					
Federal	74,302	6,091,612			6,165,914
State	2,725,804	47,598			2,773,402
Other	340,101	4,921,085			5,261,186
Other Accounts Receivable	668,110	10,255		2	678,367
Interfund Accounts Receivable:					
Special Revenue Fund	283,587				283,587
Food Service Fund	18,392				18,392
Other Current Assets	43,000				43,000
Total assets	<u>20,440,021</u>	<u>11,070,550</u>	<u>-</u>	<u>191,283</u>	<u>31,701,854</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Cash Deficit		3,605,438			3,605,438
Accounts payable	4,649,076	822,616			5,471,692
Due to other governments		23,820			23,820
Interfund Accounts Payable General Fund		283,587			283,587
Other liabilities	121,314				121,314
Payroll Deductions and Withholdings	15,360				15,360
Unemployment Compensation Claims	210,077				210,077
Unearned revenue	1,065	6,245,112			6,246,177
Total liabilities	<u>4,996,892</u>	<u>10,980,573</u>	<u>-</u>	<u>-</u>	<u>15,977,465</u>
Fund Balances:					
Restricted for:					
Excess Surplus	119,889				119,889
Excess Surplus - Designated for Subsequent Year's Expenditures	957,148				957,148
Capital Reserve Fund	1,026,806				1,026,806
Maintenance Reserve Fund	393,000				393,000
Unemployment Compensation	1,548,527				1,548,527
Debt service fund				191,283	191,283
Conduit		43,093			43,093
Student Activities/Athletics		428,741			428,741
Assigned to:					
Encumbrances	6,394,061				6,394,061
Designated for subsequent year's expenditures	3,100,000			-	3,100,000
Unassigned, reported in:					
General fund	1,903,698				1,903,698
Special Revenue fund		(381,857)			(381,857)
Total Fund balances	<u>15,443,129</u>	<u>89,977</u>	<u>-</u>	<u>191,283</u>	<u>15,724,389</u>
Total liabilities and fund balances	<u>\$ 20,440,021</u>	<u>11,070,550</u>	<u>-</u>	<u>191,283</u>	

Amounts reported for governmental activities in the statement of net position (A-1) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	144,649,512
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.	5,276,629
Deferred inflow of resources	
Gain on 10/1/04 refunding bond issue	(520,515)
Deferred outflows of resources	
Loss on 1/6/16 refunding bond issue	1,848,229
Loss on 6/1/16 refunding bond issue	1,131,654
Loss on 12/1/12 refunding bond issue	29,858
Long-term pension liabilities are not due and payable in the current period and therefore are not reported in the funds	(39,811,069)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Bond payable	(47,300,000)
Premium on Refunding Bonds	(1,665,694)
Capital leases	(5,276,629)
Compensated absences	(1,690,694)
Accrued interest payable	(959,001)
Net position of governmental activities	<u>\$ 71,436,669</u>

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local tax levy	\$ 81,038,032			5,555,551	86,593,583
Tuition Charges	797,109				797,109
Interest	3,000				3,000
Miscellaneous	927,045			-	927,045
Local sources		1,748,624			1,748,624
State sources	93,533,064	5,171,064		3,247,399	101,951,527
Federal sources	293,444	9,563,604			9,857,048
Total revenues	<u>176,591,694</u>	<u>16,483,292</u>	<u>-</u>	<u>8,802,950</u>	<u>201,877,936</u>
EXPENDITURES					
Current:					
Regular instruction	41,854,999				41,854,999
Special education instruction	12,169,588	8,843,710			21,013,298
Other special instruction	3,075,183				3,075,183
Other instruction	1,745,167				1,745,167
Nonpublic school programs		170,184			170,184
Support services and undistributed costs:					
Tuition	2,212,909				2,212,909
Student & instruction related services	17,009,564	7,766,012			24,775,576
School administrative services	4,110,150				4,110,150
Other administrative services	3,137,774				3,137,774
Plant operations and maintenance	12,436,055				12,436,055
Pupil transportation	8,626,528				8,626,528
Unallocated Benefits	63,157,519				63,157,519
Debt service:					
Principal				6,620,000	6,620,000
Interest and other charges	543,141			2,182,950	2,726,091
Capital outlay	8,311,985	1,447,182	-		9,759,167
Total expenditures	<u>178,390,562</u>	<u>18,227,088</u>	<u>-</u>	<u>8,802,950</u>	<u>205,420,600</u>
Excess (Deficiency) of revenues over expenditures	<u>(1,798,868)</u>	<u>(1,743,796)</u>	<u>-</u>	<u>-</u>	<u>(3,542,664)</u>
OTHER FINANCING SOURCES (USES)					
Capital leases (non-budgeted)	2,948,800				2,948,800
Transfers in		1,600,000		191,281	1,791,281
Transfers out	(1,600,000)		(191,281)		(1,791,281)
Prior year receivables canceled	(273,076)				(273,076)
Prior year payables canceled	2,546				2,546
Total other financing sources and uses	<u>1,078,270</u>	<u>1,600,000</u>	<u>(191,281)</u>	<u>191,281</u>	<u>2,678,270</u>
Net change in fund balances	(720,598)	(143,796)	(191,281)	191,281	(864,394)
Fund balance—July 1	<u>16,163,727</u>	<u>233,773</u>	<u>191,281</u>	<u>2</u>	<u>16,588,783</u>
Fund balance—June 30	<u>\$ 15,443,129</u>	<u>89,977</u>	<u>-</u>	<u>191,283</u>	<u>15,724,389</u>

EGG HARBOR TOWNSHIP 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, 2022

Total net change in fund balances - governmental funds (from B-2) \$ (864,394)

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	(9,948,170)	
	Loss on disposition of capital assets	(345,552)	
	Capital outlays	<u>6,745,223</u>	(3,548,499)

Repayment of long term debt 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.

	Serial Bonds	6,620,000
	Lease Payments	2,247,196

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

Capital lease proceeds		(2,948,800)
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In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is a subtraction in the reconciliation. (-)

		147,005
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In the statement of activities, certain operating expenses, e.g. pension expense are measured under full accrual accounting. In the governmental funds, however, expenditures are reported on the amounts actually billed by the State.

	District pension contributions	2,609,689	
	Cost of benefits earned, net of employee contributions	<u>2,197,484</u>	4,807,173

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

Compensated absences		(206,856)
Amortization of gain on 2004 refunding bond issue		155,126
Amortization of loss on 2016 refunding bond issue		(265,744)
Amortization of loss on 2012 refunding bond issue		-
Amortization of premium on 2016 refunding bond issue		164,487

Change in net position of governmental activities		<u><u>\$ 6,306,694</u></u>
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EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2022

Business-type Activities -
Enterprise Funds

	<u>Food Service</u>	<u>Latchkey Program</u>	<u>Eagle Enterprises</u>	<u>Total</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,257,088	577,459	5,385	1,839,932
Intergovernmental Accounts Receivable				
Federal	601,580			601,580
State	8,456			8,456
Other Accounts Receivable	4,126	14,450		18,576
Inventories	73,754			73,754
Total current assets	<u>1,945,004</u>	<u>591,909</u>	<u>5,385</u>	<u>2,542,298</u>
Noncurrent assets:				
Furniture, machinery & equipment	998,580		34,892	1,033,472
Less accumulated depreciation	(831,022)		(5,815)	(836,837)
Total noncurrent assets	<u>167,558</u>	<u>-</u>	<u>29,077</u>	<u>196,635</u>
Total assets	<u>2,112,562</u>	<u>591,909</u>	<u>34,462</u>	<u>2,738,933</u>
LIABILITIES				
Current liabilities:				
Accounts payable	45,742	5,882		51,624
Interfund payable	18,392			18,392
Student Deposits	34,433	17,917		52,350
Deferred revenue	47,198			47,198
Total current liabilities	<u>145,765</u>	<u>23,799</u>	<u>-</u>	<u>169,564</u>
Noncurrent liabilities:				
Compensated absences	77,508			77,508
Total noncurrent liabilities	<u>77,508</u>	<u>-</u>	<u>-</u>	<u>77,508</u>
Total liabilities	<u>223,273</u>	<u>23,799</u>	<u>-</u>	<u>247,072</u>
NET POSITION				
Invested in capital assets	167,558		29,077	196,635
Unrestricted	1,721,731	568,110	5,385	2,295,226
Total net position	<u>\$ 1,889,289</u>	<u>568,110</u>	<u>34,462</u>	<u>2,491,861</u>

The accompanying notes are an integral part of these financial statements

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Fund			Total
	Food Service	Latchkey Program	Eagle Enterprises	
Operating revenues:				
Charges for services:				
Daily sales - non-reimbursable programs	221,769			221,769
Special functions	5,684			5,684
Latchkey program revenue		405,169		405,169
Total operating revenues	<u>227,453</u>	<u>405,169</u>	<u>-</u>	<u>632,622</u>
Operating expenses:				
Cost of sales - Reimbursable	1,678,313			1,678,313
Cost of sales - Non-Reimbursable				-
Salaries	1,524,098	172,924		1,697,022
Employee benefits	380,326	13,748		394,074
Other purchased services	57,746			57,746
General supplies & materials	115,158	1,719		116,877
Miscellaneous	4,987	10,357		15,344
Depreciation	25,065		3,489	28,554
Total Operating Expenses	<u>3,785,693</u>	<u>198,748</u>	<u>3,489</u>	<u>3,987,930</u>
Operating income/(loss)	<u>(3,558,240)</u>	<u>206,421</u>	<u>(3,489)</u>	<u>(3,355,308)</u>
Nonoperating revenues:				
State sources:				
State school lunch program	92,595			92,595
Federal sources:				
National school lunch program	3,528,250			3,528,250
National school breakfast program	820,556			820,556
Food distribution program	298,643			298,643
P-EBT Administrative Cost Reimbursement	3,135			3,135
COVID-19 Supply Chain Assistance	145,951			145,951
Loss on disposal of fixed assets				-
Interest and investment revenue	1,121	900	11	2,032
Total nonoperating revenues	<u>4,890,251</u>	<u>900</u>	<u>11</u>	<u>4,891,162</u>
Change in net position	<u>1,332,011</u>	<u>207,321</u>	<u>(3,478)</u>	<u>1,535,854</u>
Total net position—beginning	557,278	360,789	37,940	956,007
Total net position—ending	<u>\$ 1,889,289</u>	<u>568,110</u>	<u>34,462</u>	<u>2,491,861</u>

The accompanying notes are an integral part of these financial statements

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds			Total
	Food Service	Latchkey Program	Eagle Enterprises	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 188,926	411,197		600,123
Payments to employees	(1,524,098)	(172,924)		(1,697,022)
Payments for employee benefits	(368,572)	(13,748)		(382,320)
Payments to suppliers	(1,512,099)	(18,038)		(1,530,137)
Net cash (used for) operating activities	<u>(3,215,843)</u>	<u>206,487</u>	<u>-</u>	<u>(3,009,356)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State Sources	92,829			92,829
Federal Sources	4,214,064			4,214,064
Payments from other funds	96,429			96,429
Net cash provided by/(used for) non-capital financing activities	<u>4,403,322</u>	<u>-</u>	<u>-</u>	<u>4,403,322</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Acquisition of capital assets	(9,364)			(9,364)
Net cash (used for) capital financing activities	<u>(9,364)</u>	<u>-</u>	<u>-</u>	<u>(9,364)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	1,121	900	11	2,032
Net cash provided by investing activities	<u>1,121</u>	<u>900</u>	<u>11</u>	<u>2,032</u>
Net (decrease) in cash and cash equivalents	1,179,236	207,387	11	1,386,634
Balances—beginning of year	77,852	370,072	5,374	453,298
Balances—end of year	<u>1,257,088</u>	<u>577,459</u>	<u>5,385</u>	<u>1,839,932</u>
Reconciliation of operating (loss) to net cash (used) by operating activities:				
Operating Income/loss	(3,558,240)	206,421	(3,489)	(3,351,819)
Adjustments to reconcile (loss) to net cash (used for) operating activities				
Depreciation and net amortization	25,065		3,489	25,065
Federal commodities	298,643			298,643
(Increase) decrease in receivables	1,885	(697)		1,188
(Increase) decrease in inventories	31,875			31,875
Increase (decrease) in accounts payable	43,837	(5,962)		37,875
Increase (decrease) in student deposits	(41,012)	6,725		(34,287)
Increase (decrease) in deferred revenue	(29,650)			(29,650)
Increase (decrease) in compensated absences	11,754			11,754
Total adjustments	<u>342,397</u>	<u>66</u>	<u>3,489</u>	<u>342,463</u>
Net cash (used for) operating activities	<u>\$ (3,215,843)</u>	<u>206,487</u>	<u>-</u>	<u>(3,009,356)</u>

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

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Egg Harbor Township School District
Notes to Financial Statements
June 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Egg Harbor Township School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the School District. A superintendent is appointed by the Board and is responsible for the administrative control of the School District.

The financial statements of the Board of Education (Board) of the Egg Harbor Township School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the School District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the School District are discussed below.

A. REPORTING ENTITY:

The Egg Harbor Township School District is a Type II district located in the County of Atlantic, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-12. The Egg Harbor Township School District had an enrollment at June 30, 2022 of 7,165 students.

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

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

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

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS:

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general, special revenue, capital projects, and debt service activities are classified as governmental activities. The District's food service, Talons (latchkey) and Eagle Enterprises program are classified as business-type activities.

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts—invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

Egg Harbor Township School District
Notes to Financial Statements
June 30, 2022

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (food service and latchkey). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, tuition, interest income, etc.).

- a. The District does allocate indirect costs such as on-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are excluded from the government-wide financial statements.

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASBS sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School districts must report all governmental funds a major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

The following fund types are used by the District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District.

- a. **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.
- b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.
- c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. 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.

Egg Harbor Township School District
Notes to Financial Statements
June 30, 2022

- d. **Debt service** funds are 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.

Fund Balances – Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

- **Nonspendable** – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- **Restricted** – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- **Committed** – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.
- **Assigned** – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.
- **Unassigned** – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

2. Proprietary Funds:

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

- a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs.

Food Services Fund – provides for the operation of food services in all schools within the school district.

Latchkey – accounts for the operation of an after-school program for all children within the district.

Eagle Enterprises – provides for the operation of a printing service.

Egg Harbor Township School District
Notes to Financial Statements
June 30, 2022

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position and are reported using accounting principles similar to proprietary funds.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents:

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.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

NJSA 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental

**Egg Harbor Township School District
Notes to Financial Statements
June 30, 2022**

Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental units.

2. Investments:

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned in the Capital Projects Fund is recognized in the District's General Fund.

3. Inventories:

Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2019, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food	\$	64,911
Supplies		8,843
	\$	73,754

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements. The value of commodities included in the food service inventory on June 30, 2022 is \$47,198.

4. Capital Assets:

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years

Infrastructure assets include roads, parking lots, underground pipe, etc. All infrastructure assets are reported in the financial statements and are being depreciated over their useful lives.

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5. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes 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. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non operating revenue. In respect to grant revenues, the provider recognizes liabilities, expenses and recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient. Program revenues, including tuition revenue, are reported as reductions to expenses in the Statement of Activities.

6. Expenditures:

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

7. 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 an 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 District-wide Financial Statements as a Governmental Activity.

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

8. Interfund Activity:

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements. All funds internal activity is eliminated when carried to the Government-wide statements.

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Notes to Financial Statements
June 30, 2022**

9. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval and, as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2.2(f). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the Executive County Superintendent of Schools. The Board of Education approved the following significant budgetary appropriation transfers during the 2022 fiscal year:

	<u>From</u>	<u>To</u>
Regular Programs - Inst. - Salaries - Grades 1-5	355,482	
Regular Programs - Inst. - Salaries - Grades 6-8	238,493	
Regular Programs - Undist. Inst. - Salaries	257,700	
Regular Programs - Undist. Inst. - Purch Prof-Ed Svc		1,738,498
Regular Programs - Undist. Inst. - General Supplies	168,689	
Special Ed - Learn Disabilities - Salaries- of Teachers		221,516
Special Ed - Learn Disabilities - Other Salaries		211,155
Special Ed - Multi. Disabilities - Salaries of Teachers	323,541	
Special Ed - Multi. Disabilities - Other Salaries	249,147	
Special Ed - Resource room - Salaries of Teachers	250,000	
Special Ed - Resource room - Other Salaries	247,827	
Other Inst.- Basic Skills - Salaries of Teachers		301,293
Other Inst.-Bilingual Education - Salaries of Teachers	207,244	
Tuition to Other LEAs Within State Regular		289,000
Undist Expend - Extra Svc - Purch Prof/Ed Svc	374,893	
Undist Expend - Custodial - Energy (Natural Gas)		195,867
Undist Expend - Custodial - Energy (Electricity)		334,247
Undist Expend - Trans - Between Home & School - Vendors		421,975
Undist Expend - Trans - Special Ed Students - Vendors		884,171
Undist Expend - Trans - Special Ed Students - Joint Agree	976,546	
Undist Expend - Unallocated Benefits - Health Benefits	357,884	
Facilities Acquisition -Architect/Engineer	783,378	
Facilities Acquisition - Const. Svc.	10,536,640	
Trans to Charter School	175,000	

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 one or more June state aid payments for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of

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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.

10. 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.

11. Tuition Payable

Tuition charges for the fiscal year 2019/20 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

12. Use of 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 and disclosures. Accordingly, actual results could differ from those results.

13. Allocation of Costs

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the original budgetary expenditures by program.

F. IMPACT OF RECENTLY ISSUED ACCOUNTING PRINCIPLES

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2022:

GASB Statement No. 87, "Leases" - The objective of GASB Statement No. 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Statement No. 87 is effective for reporting periods beginning after December 15, 2020. Management has implemented this Statement in the School District's financial statements for the year ended June 30, 2022.

GASB Statement No. 98, "The Annual Comprehensive Financial Report". This statement, which is effective for fiscal years ending after December 15, 2021, changed the title of the "Comprehensive Annual Financial Report" to "The Annual Comprehensive Financial Report." new term is founded on a

Egg Harbor Township School District
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commitment to promoting inclusiveness. Management has implemented this Statement in the School District's financial statements for the year ended June 30, 2022.

G. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

In June 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 89, "Accounting for Interest Cost Incurred Before the End of a Construction Period". This statement, which is effective for fiscal periods beginning after December 31, 2021, will not have any effect on the School District's financial reporting.

In May 2019, the Governmental Accounting Standards Board (GASB) issued Statement No. 91, "Conduit Debt Obligations". This statement is effective for fiscal periods beginning after December 31, 2022, will not have any effect on the School District's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 93, "Replacement of Interbank Offered Rates". This statement, which is effective for fiscal periods beginning after December 31, 2022, and all reporting periods, thereafter, will not have any effect on the School District's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, "Public-Private Partnerships and Availability Payment Arrangements". This statement is effective for fiscal periods beginning after June 15, 2022, will not have any effect on the District's financial reporting.

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, "Subscription-Based Information Technology Arrangements". This statement is effective for fiscal periods beginning after June 15, 2022 and will not have any effect on the District's financial reporting.

In June 2020, the Governmental Accounting Standards Board (GASB) issued 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". This statement, which is effective for fiscal years beginning after June 15, 2022, and all reporting periods, thereafter, will not have any effect on the School District's financial reporting.

In April 2022, the Governmental Accounting Standards Board (GASB) issued Statement No.99, "Omnibus 2022". This statement, and the requirements related to leases, PPP's and SBITAs which is effective for fiscal years beginning after June 15, 2022, and all reporting periods, thereafter, may have an effect on the School District's financial statements. This statement, and the requirements related financial guarantees and the classification and reporting of derivative instruments which is effective for fiscal years beginning after June 15, 2023, and all reporting periods, thereafter, will not have any effect on the School District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, "Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62". This statement, which is effective for fiscal years beginning after June 15, 2023, and all reporting periods, thereafter, will not have any effect on the School District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for fiscal years beginning after December 15, 2023, and all reporting periods, thereafter, will not have any significant effect on the School District's financial reporting.

**Egg Harbor Township School District
Notes to Financial Statements
June 30, 2022**

NOTE 2. INVESTMENTS

As of June 30, 2022, the District had no investments.

Interest Rate Risk. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk. New Jersey Statutes 18A:20-37 limits District investments to those specified in the Statutes. The type of allowable investments include Bonds of the United States of America or of the District or the local units in which the District is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

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

NOTE 3. CASH

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) which mandates the collateralization of all government deposits, or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2022, \$3,595,949 of the District's bank balance of \$16,956,329 was exposed to custodial credit risk.

NOTE 4 – RECEIVABLES

Receivables at June 30, 2022, consisted of accounts (extraordinary services), interfund, intergovernmental, and other revenues. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Business-type Fund Financial Statements	Government Wide Financial Statements
State Aid	\$ 2,773,402	8,456	2,781,858
Federal Aid	6,165,914	601,580	6,767,494
Other	5,939,553	18,576	5,958,129
Gross Receivables	14,878,869	628,612	15,507,481
Less: Allowance for Uncollectibles			
Total Receivables, Net	\$ 14,878,869	628,612	15,507,481

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES

As of June 30, 2022, several interfunds remained on the various balance sheets of the Egg Harbor Township Board of Education.

Egg Harbor Township School District
Notes to Financial Statements
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Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 301,979	
Special Revenue Fund		283,587
Food Service Fund		18,392
	\$ 301,979	301,979

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,836,300			1,836,300
Construction in Progress	757,169	3,148,641	757,169	3,148,641
Total capital assets not being depreciated	2,593,469	3,148,641	757,169	4,984,941
Capital assets being depreciated:				
Land Improvements	10,222,391	2,032,435		12,254,826
Buildings and building improvements	285,083,138	1,141,186	9,140	286,215,184
Machinery and Equipment	12,584,370	1,144,510	2,004,204	11,724,676
Vehicles	14,238,822	35,620	5,195,982	9,078,460
Total capital assets being depreciated at historical cost	322,128,721	4,353,751	7,209,326	319,273,146
Less accumulated depreciation for:				
Land Improvements	(7,874,654)	(312,071)		(8,186,725)
Buildings and improvements	(147,037,094)	(7,942,685)	4,169	(154,975,610)
Machinery and Equipment	(8,962,979)	(719,066)	70,158	(9,611,887)
Vehicles	(7,372,823)	(974,348)	1,512,818	(6,834,353)
Total capital assets being depreciated, net of accumulated depreciation	(171,247,550)	(9,948,170)	1,587,145	(179,608,575)
Governmental activity capital assets, net	153,474,640	(2,445,778)	9,553,640	144,649,512
Business-type activities:				
Capital assets being depreciated:				
Equipment	989,217	9,363	-	998,580
Vehicles	34,892			34,892
Less accumulated depreciation	(808,283)	(28,554)		(836,837)
Enterprise Fund capital assets, net	215,826	(19,191)	-	196,635
Grand Total	\$ 153,690,466	(2,464,969)	9,553,640	144,846,147

Depreciation expense charged to governmental functions is as follows:

**Egg Harbor Township School District
Notes to Financial Statements
June 30, 2022**

Regular Instruction	\$	3,447,581
Special Education		1,730,857
Other Special Instruction		253,302
Other Instruction		143,749
Student & Instructional Related Services		2,040,755
General Administrative Services		258,457
School Administrative Services		338,552
Central Services/Technology		1,024,353
Plant Operation & Maintenance		710,564
	\$	<u><u>9,948,170</u></u>

No interest on debt was capitalized during the year and the amount of interest expense paid on long term debt was \$2182,950.

NOTE 7. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Egg Harbor Township Board of Education on October 28, 1997, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. During the 2008 fiscal year, the District transferred \$2,140,725 from the unreserved fund balance in order to fund the capital reserve fund. 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 approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to NJSA 19:60-2. Pursuant to NJAC 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the 2022 fiscal year is as follows:

Beginning balance, July 1, 2021		\$	567,220
Deposits			
Interest earned	\$		2,000
Board Resolution - June		<u>1,000,000</u>	
			<u>1,002,000</u>
Withdrawals:			
Withdrawal by Budget			<u>(542,414)</u>
Ending balance, June 30, 2022	\$		<u><u>1,026,806</u></u>

**Egg Harbor Township School District
Notes to Financial Statements
June 30, 2022**

NOTE 8. MAINTENANCE RESERVE ACCOUNT

New Jersey Statute 18A:7G-9 permits districts to accumulate funds for the required maintenance of a facility in accordance with the Educational Facilities Construction and Financing Act (EFCFA). The balance may be increased through an appropriation in the annual general fund budget certified for taxes or a resolution of the Board at the June meeting. This reserve may be used at any time during the year, by resolution, to transfer to the required maintenance budget lines for use on required maintenance activities for a school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted for use on required maintenance appropriations and may not be transferred to any other line-item account. Per resolution made on June 27, 2017, the district established a Maintenance Reserve Account and transferred surplus of \$392,000 to Maintenance Reserve.

The activity of the Maintenance reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

Beginning balance, July 1, 2021		\$	392,000
Deposits			
Interest earned	\$		1,000
Board Resolution - June		-	
			1,000
Withdrawals:			
Withdrawal by Budget			-
Ending balance, June 30, 2022		\$	393,000

NOTE 9. GENERAL LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2022, was as follows:

	Balance July 1, 2021	Issues or Additions	Payments or Expenditures	Balance June 30, 2022	Within One Year
Governmental Activities					
Bonds Payable	\$ 53,920,000		6,620,000	47,300,000	6,905,000
Capital Leases	4,575,025	2,948,800	2,247,196	5,276,629	2,260,323
Compensated Absences	1,483,838	505,920	299,064	1,690,694	233,841
Premium on Refunding Bonds	1,830,181		164,487	1,665,694	122,422
Net Pension Liability	35,508,255		9,109,783	26,398,472	
	\$ 43,397,299	3,454,720	11,820,530	35,031,489	2,616,586
Business-type Activities					
Compensated Absences	65,754	14,894	3,140	77,508	2,018

Bonds and loans payable are budgeted and paid through the general fund operating budget.

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 Board are general obligation bonds.

Egg Harbor Township School District
Notes to Financial Statements
June 30, 2022

Long-term debt as of June 30, 2022 consisted of the following:

\$50,735,000 Refunding Bonds dated October 1, 2004, payable in annual installments on January 15, 2005 and each July 15 thereafter commencing in 2012 and continuing through 2025. Semi-annual interest payments are due, at rates ranging from 3.00% to 5.75%, on January 15 and July 15, commencing January 15, 2005. The total savings to the District was \$1,588,925, or 3.021% as a result of refunding the 2001 bond issue. The refunding bonds are not subject to redemption prior to their stated maturities. The balance remaining as of June 30, 2022, was \$18,380,000.

On November 15, 2012, the District issued \$6,805,000 in refunding school bonds. These bonds were authorized by a board of education approved refunding bond ordinance in September 2012 which provided for the refunding of all or a portion of the callable portion of the \$23,052,000 issue dated April 1, 2005. The total savings to the District was \$403,186, or 6.03% as a result of refunding the 2005 bond issue. The callable portion refunded includes the bonds maturing on April 1, 2016, and annually thereafter through April 1, 2024 and total \$6,685,000. Semi-annual interest payments are due, at rates ranging from 2.00% to 4.00%, on April 1 and October 1, commencing April 1, 2013. The bonds will mature annually on April 1, commencing in 2013 through 2024. Refunding bonds maturing on or after April 1, 2023, are subject to redemption prior to maturity at the option of the Board on any date on or after April 1, 2022. The balance remaining as of June 30, 2022, was \$1,690,000.

On January 6, 2016, the District issued \$14,365,000 in refunding school bonds. These bonds were authorized by a board of education approved refunding bond ordinance in November 2015 which provided for the refunding of all or a portion of the callable portion of the \$15,410,000 issue dated December 5, 2006. The total savings to the District was \$1,013,330, or 7.05% as a result of refunding the 2006 bond issue. The callable portion refunded includes the bonds maturing on April 1, 2017, and annually thereafter through April 1, 2030, and total \$14,675,000. Semi-annual interest payments are due, at rates ranging from 2.00% to 5.00%, on April 1 and October 1, commencing April 1, 2016. The bonds will mature annually on April 1, commencing in 2016 through 2030. Refunding bonds maturing on or after April 1, 2026, are subject to redemption prior to maturity at the option of the Board on any date on or after April 1, 2025. The balance remaining as of June 30, 2022, was \$13,070,000.

On June 1, 2016, the District issued \$19,320,000 in refunding school bonds. These bonds were authorized by a board of education approved refunding bond ordinance in April 2016 which provided for the refunding of all or a portion of the callable portion of the \$27,924,000 issue dated September 15, 2008. The total savings to the District was \$1,138,616, or 6.01% as a result of refunding the 2008 bond issue. The callable portion refunded includes the bonds maturing on September 15, 2019, and annually thereafter through September 15, 2028, and total \$18,950,000. Semi-annual interest payments are due, at rates ranging from 2.00% to 5.00%, on March 15 and September 15, commencing September 15, 2016. The bonds will mature annually on September 15, commencing in 2016 through 2028. The balance remaining as of June 30, 2022, was \$14,160,000.

Principal and interest due on serial bonds outstanding is as follows:

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June 30, 2022**

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	6,905,000	1,847,738	8,752,738
2024	7,270,000	1,452,428	8,722,428
2025	7,680,000	1,126,056	8,806,056
2026	7,960,000	756,269	8,716,269
2027	4,390,000	501,938	4,891,938
2028-2030	13,095,000	644,894	13,739,894
	<u>\$ 47,300,000</u>	<u>6,329,323</u>	<u>53,629,323</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2022, the Board had authorized but not issued bonds in the amount of \$1,357.

C. Capital Leases Payable:

The District is leasing various equipment, vehicles, and facilities totaling \$12,194,734 under capital leases. Semiannual lease payments are made to U.S. Bank Corp., Banc of America, JP Morgan Chase Bank, NA and TD Equipment Finance, and include interest at a rate of .6294% to 2.950% per annum. The following is a schedule of the future minimum lease payments under this capital lease and the net minimum lease payments at June 30, 2022.

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	2,260,322	67,022	2,327,344
2024	1,885,910	32,654	1,918,564
2025	706,733	11,308	718,041
2026	423,664	6,933	430,597
2027	-	-	-
2028-2030	-	-	-
	<u>\$ 5,276,629</u>	<u>117,917</u>	<u>5,394,546</u>

NOTE 9. PENSION PLANS

Description of Plans - All required employees of the School District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the reports can be accessed on the internet at <http://www.state.nj.us/treasury/omb/publications/21fr/NJFRFY2021complete.pdf>

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Teachers' Pension and Annuity Fund (TPAF)

The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, 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.

Public Employees' Retirement System (PERS)

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

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contribution amounts for each pay period are required to be transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District has employees enrolled in the Defined Contribution Retirement Program (DCRP) during the fiscal year ended June 30, 2022.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 35.24% and the PERS rate is 7.5% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2022, 2021, and 2020 were \$21,861,360, \$15,089,788, and \$11,300,284, respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2022, 2022, and 2020 were \$2,609,689, \$2,387,200, and \$2,086,522, respectively, equal to the required contributions for each year.

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The Board's total payroll for the years ended June 30, 2022, 2021, and 2020 was \$89,472,904 \$82,685,129, and \$81,118,158, covered payroll was \$63,969,661, \$59,954,097, and \$58,575,783 for TPAF; and \$17,191,284, \$16,421,731, and \$16,048,524 for PERS.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Teacher's Pension and Annuity Fund (TPAF) operate and to the benefit provisions of those systems.

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

- New members of the PERS and TPAF hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the systems is increased from age 63 to 65 for Tier 5 members.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PERS active member rate increase from 8.5% to 10%. For fiscal year 2013, the member contribution rates increased in October 2012. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS and TPAF to $\frac{1}{60}$ th from $\frac{1}{55}$ th, and it provided that new members of PERS and TPAF have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS and TPAF will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. The law also requires the State to make its full pension contribution, defined a $\frac{1}{7}$ th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

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Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

NOTE 10. PUBLIC EMPLOYEE'S RETIREMENT SYSTEM (PERS)

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the District's pension liabilities. However, due to the fact that the District reports on the regulatory basis of accounting, no financial statement impact will be recognized.

The following represents the District's pension liabilities as June 30, 2021:

Public Employees' Retirement System

The District has a liability of \$26,398,472 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 that was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions of all participating employers, actuarially determined. At June 30, 2021, the District's proportion was 0.22283774610%, which was an increase of 2.34% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2021, the District recognized pension expense of (\$2,197,484). At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 416,338	188,982
Changes of assumptions	137,483	9,898,027
Net difference between projected and actual earnings on pension plan investments		6,954,051
Changes in proportion and differences between District contributions and proportionate share of contributions	2,574,642	
Total	\$ 3,128,463	17,041,060

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Year ended June 30,		
2022	\$	(5,791,663)
2023		(3,961,297)
2024		(2,480,821)
2025		(1,686,766)
2026		7,950
Total	<u>\$</u>	<u>(13,912,597)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following assumptions, applied to all period in the measurement:

Inflation rate:		
Price		2.75%
Wage		3.25%
Salary increases:		
Through 2026		2.00% - 6.00% (based on years of service)
Thereafter		3.00% - 7.00% (based on years of service)
Investment rate of return:		7.00%

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

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflations. Best estimates of arithmetic real rates of return for each

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major asset class included in PERS's target asset allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 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.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 32,311,685	26,398,472	21,386,652

Pension plan fiduciary net position.

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

NOTE 11. TEACHERS' PENSION AND ANNUITY FUND (TPAF)

At June 30, 2021, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	-
State's proportionate share of the net position liability associated with the District		244,901,700
Total	\$	244,901,700

The net pension liability was measured as of June 30, 2021 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2021, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized pension expense of \$5,762,644 and revenue of \$5,762,644 for support provided by the State.

Actuarial assumptions. The total pension liability in the June 30, 2021 actuarial valuation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following assumptions, applied to all period included in the measurement:

Inflation Rate		
Price		2.75%
Wage		3..25%
Salary increases		
Through 2026		1.55% - 4.55% (based on years of service)
Thereafter		2.75% - 5.65% (based on years of service)
Investment rate of return		7.00%

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

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and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

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, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return.</u>
US Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	7.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

Discount rate. The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the District's proportionate share of the net pension liability would

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be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension liability	\$ -	-	-

Pension plan fiduciary net position.

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

Additional Information

Collective balances of the local group at June 30, 2021 are as follows:

Deferred outflows of resources	\$	6,373,530,834
Deferred inflows of resources		27,363,797,906
Net pension liability		48,165,991,182

Collective pension expense for the plan for the measurement period ended June 30, 2020 is \$1,133,366,912.

NOTE 12. LABOR CONTRACTS

As of June 30, 2022, the District's employees are organized in two collective bargaining units.

<u>Bargaining Unit</u>	<u>Employees Covered</u>	<u>Expiration</u>
EHT Education Association	All regularly employed certified personnel, secretarial, and clerical personnel, and paraprofessional. This contract also includes regularly employed custodial, grounds, maintenance, and cafeteria personnel, except supervisors.	June 30, 2022
Principals' and Supervisors' Association	All certified administrative personnel, excluding the Superintendent, Asst Superintendents, Business Administrator, and all employees considered confidential by law.	June 30, 2021

In addition to the above contracts, the Board of Education has entered into individual employment agreements with the Superintendent, Assistant Superintendents, Business Administrator and Central Office employees. The expiration of these contracts will vary depending on the position.

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NOTE 13. OTHER POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

The State Health Benefit State Retired Employees Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan 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. The State Retired OPEB Plan covers the State, State colleges and universities, the Palisades Interstate Park Commission, and the New Jersey Building Authority (referred to collectively as “the employers”) for which the State is legally obligated to pay for benefits. The State Retired OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

In accordance with N.J.S.A. 52:14-17.32, the State is required to pay the premiums or periodic charges for health benefits of State employees who retire with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Judicial Retirement System (JRS), the Public Employees’ Retirement System (PERS), the Police and Firemen’s Retirement System (PFRS), and the Alternate Benefit Program (ABP). In addition, N.J.S.A. 54:14-17.26 provides that for purposes of the State Retired OPEB Plan, and employee of Rutgers, the State University of New Jersey, and New Jersey Institute of Technology shall be deemed an employee of the State. Further, P.L. 1966, c.302, addresses the other State colleges and universities, whereas while these institutions were provided autonomy from the State, their employees retained any and all rights to health benefits within the State Retired OPEB Plan and are therefore classified as State employees.

The State Health Benefit Local Education Retired Employees Plan (Local Education Retired OPEB Plan) is a multiple-employer defined benefit OPEB plan with a special funding situation. The Local Education Retired OPEB Plan 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. The Local Education Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of local education employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

The employer contributions for the participating local education employers are legally required to be funded by the State in accordance with N.J.S.A. 52:14-17.32f. According to this law, 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: TPAF, PERS, PFRS, or ABP.

Pursuant to P.L. 2011, c.78, future retirees eligible for postemployment 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 state is legally required to pay for the OPEB benefit coverage for the participating local education

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employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. The State, as a nonemployer contributing entity, reported a Fiscal Year 2021 total OPEB liability of \$67,809,962,608 for this special funding situation.

Additional information on Pensions and OPEB can be accessed at <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

Total OPEB Liability

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in the NJ State ACFR on the Office of Management and Budget webpage: <http://www.state.nj.us/treasury/omb/publications/21fr/NJFRFY2021complete.pdf>.

Actuarial assumptions and other imputes:

The total OPEB liability in the June 30, 2021, actuarial valuation reported by the State in the State's most recently issued ACFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate – 2.50%

Salary Increases –

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Through 2026	1.55 - 4.45%	2.00 - 6.00%	3.25 - 15.25%
	based on service years	based on service years	based on service years
Thereafter	2.75 - 5.65%	3.00 - 7.00%	Applied to all
	based on service years	based on service years	future years

Mortality Rates –

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

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The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies for the period 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 2022 through 2023 are reflected. For PPO the trend is initially 5.7% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.5% after 11 years. For HMO the trend is initially .01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025, and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% 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%.

Discount Rate –

The discount rate for June 30, 2021 was 2.16%. 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 reported by the State of New Jersey

Balance at 6/30/21 (Based on 6/30/2020 measurement date)	\$ 67,809,962,608.00
Changes for the year:	
Service cost	3,217,184,264.00
Interest	1,556,661,679.00
Changes in Benefit Terms	(63,870,842.00)
Differences between Expected & Actual Experiences	(11,385,071,658.00)
Changes in assumptions or other inputs	59,202,105.00
Contributions: Member	39,796,196.00
Benefit payments	<u>(1,226,213,382.00)</u>
Net changes	<u>(7,802,311,638.00)</u>
Balance at 6/30/22 (Based on 6/30/2021 measurement date)	<u><u>\$ 60,007,650,970.00</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability as of June 20, 2021, respectively, calculated using a discount rate as disclosed above as well as what the total nonemployer OPEB would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

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June 30, 2022**

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB Liability (School Retirees)	71,879,745,555.00	60,007,650,970.00	50,659,089,138.00

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.

The following presents the total OPEB liability as of June 30, 2021 calculated using the healthcare trend rate as disclosed above as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	48,576,388,417.00	60,007,650,970.00	75,358,991,782.00

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

For the year ended June 30, 2021, the District recognized OPEB expense of \$16,081,054 determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the board of education's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,045,886,863.00	(18,009,362,976.00)
Changes of assumptions	10,179,536,966.00	(6,438,261,807.00)
Total	\$ 19,225,423,829.00	\$ (24,447,624,783.00)

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

Year ended June 30,	
2022	\$ (1,182,303,041.00)
2023	(1,182,303,041.00)
2024	(1,182,303,041.00)
2025	(1,182,303,041.00)
2026	(840,601,200.00)
Thereafter	347,612,410.00
Total	\$ (5,222,200,954.00)

Egg Harbor Township School District
Notes to Financial Statements
June 30, 2022

(Contributions made after June 30 are reported as deferred outflow of resources but are not amortized in the expense.)

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

NOTE 14. SPECIAL PAY DEFERRAL PLAN

Effective July 1, 2003 the District implemented a Special Pay Deferral Plan in accordance with Section 403(b) of the Internal Revenue Code. This plan will allow employees who are 50 years of age or older and have a minimum accumulated leave of \$1,000 to contribute the value of these benefits to a Tax-Sheltered Custodial Account for distribution after the participant reaches age 70 1/2. Distribution may be made in the form of a life annuity, 50% qualified joint and survivor annuity, installments, or as a lump sum distribution.

NOTE 15. DEFERRED COMPENSATION

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

Equitable	Vanguard
Lincoln Investment Planning	Retirement Annuity Consultants, Inc.
Siracusa Benefits Program	TSA Consulting Group

NOTE 16. COMPENSATED ABSENCES

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

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. Sick leave benefits provide for ordinary sick pay and is capped based on the various employee contracts.

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.

NOTE 17 – COMMITMENTS

The District did not have an encumbrance policy for the fiscal year end to determine significant encumbrances. All encumbrances are classified as either Assigned Fund Balance in the General Fund or Committed Fund Balance in the Capital Projects Fund. Encumbrances in the Special Revenue Fund are reflected as unearned revenue. Encumbrances as of June 30th are as follows;

**Egg Harbor Township School District
Notes to Financial Statements
June 30, 2022**

Fund	Amount
General Fund Encumbered Orders	\$ 6,394,061

NOTE 18. FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) – Of the \$15,443,129 General Fund balance at June 30, 2022, \$6,394,061 is committed for encumbrances; \$1,077,037 is restricted as excess surplus in accordance with NJSA 18A:7F-7 (\$957,148 of the total restricted for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2023); \$1,548,527 has been restricted for unemployment claims; \$1,026,806 has been restricted in the Capital Reserve Account; \$393,000 has been restricted in the Maintenance Reserve Account; \$3,100,000 is assigned and included as anticipated revenue for the year ending June 30, 2023; and \$1,903,698 is unassigned.

Special Revenue Fund – Of the \$89,977 Special Revenue fund balance a June 30, 2022, \$43,093 has been restricted for conduit activities; \$428,741 has been restricted for student activities and (\$381,857) is an unassigned deficit.

Debt Service Fund –\$191,283 Debt Service Fund balance at June 30, 2022 is restricted in accordance with N.J.S.A. 7F-41c(2).

NOTE 19. CALCULATION OF EXCESS SURPLUS

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 is \$1,077,037, of which \$957,148 has been included in the 2022-23 budget.

NOTE 20. ECONOMIC DEPENDENCY

The District is heavily reliant on local property taxation and State Aid to fund the District operations and debt service. During the 2021-22 fiscal year, 94% of the Districts operations were funded through property taxes and State aid.

NOTE 21. 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 and surety bonds. During the fiscal year ended June 30, 2022 the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

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 fund for the current and prior year:

**Egg Harbor Township School District
Notes to Financial Statements
June 30, 2022**

Fiscal Year	Employee Contributions	Interest on Investments	Amount Reimbursed	Ending Balance
2021-2022	\$ 155,324	\$ 3,245	\$ 50,993	\$ 1,548,527
2020-2021	178,335	11,098	143,381	1,440,951
2019-2020	132,983	17,804	102,931	1,394,899

Worker's Compensation Fund – Through February 1, 1999, the District retained risk through an established self-funded workers compensation fund with Berkley Risk Managers, Inc. Premiums were paid into the fund and were available to pay claims, claim reserves and administrative costs of the program. The Board currently maintains traditional insurance for its worker's compensation coverage.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The workers compensation account is reported in the general fund. Only amounts that are current liabilities have been included as a charge against the budget line item. For the fiscal year ended June 30, 2022, \$0 was charged to the worker's compensation budget line item. The balance of estimated unpaid claims and settlement expense as of June 30, 2022 and 2021 was \$0 and \$65,729, respectively. There is a potential contingent liability that could exceed the amount the School District has in the worker's compensation fund.

Fiscal Year	Beginning Balance	Received	Claims Incurred	Ending Balance
2021-2022	\$ 120,937	377	-	\$ 121,314
2020-2021	119,883	1,054	-	120,937
2019-2020	117,933	1,950	-	119,883

NOTE 22 – CONTINGENT LIABILITIES

Federal and State Grants

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

NOTE 23 – RIGHT TO USE ASSETS

The school district has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability, plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The District has determined the other charges and amortization to be immaterial to the government-wide financial statements and has elected to record the Right of Use Assets at their remaining liability payments.

Egg Harbor Township School District
Notes to Financial Statements
June 30, 2022

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Machinery & Equipment	\$	2,758,234	823,822	1,934,412
Vehicles		4,765,591	1,423,374	3,342,217
Right to use assets, net	\$ 0	7,523,825	2,247,196	5,276,629

NOTE 24. SUBSEQUENT EVENTS

On January 11, 2023, the district entered into a new capital lease for \$335,000.00 for the purchase of various vehicles. Debt service requirements on the lease payable are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	100,000		100,000
2024	115,145	9,612	124,757
2025	119,855	4,902	124,757
2026	-	-	-
2027	-	-	-
2028-2030	-	-	-
	<u>\$ 335,000</u>	<u>14,514</u>	<u>349,514</u>

The School District has evaluated subsequent events through March 9, 2023, the date which the financial statements were available to be issued and no items were noted for disclosure or adjustment.

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**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

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Budgetary Comparison Schedules

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EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 81,038,032		81,038,032	81,038,032	-
Tuition - Other LEA's within the State	260,000		260,000	490,945	230,945
Tuition from Other Government Sources	140,000		140,000	306,164	166,164
Rents and Royalties	20,000		20,000	64,717	44,717
Interest Earned on Capital Reserve Funds	2,000		2,000	-	-
Interest Earned on Maintenance Reserve Funds	1,000		1,000	-	-
Other Restricted Miscellaneous Revenue			-	107,576	107,576
Miscellaneous	397,000		397,000	754,752	357,752
Total - Local Sources	81,858,032	-	81,858,032	82,765,186	907,154
State Sources:					
Equalization Aid	50,681,889		50,681,889	50,681,889	-
Categorical Special Education Aid	4,443,028		4,443,028	4,443,028	-
Categorical Transportation Aid	3,273,116		3,273,116	3,273,116	-
Categorical Security Aid	1,547,671		1,547,671	1,547,671	-
Extraordinary Aid	400,000		400,000	2,201,661	1,801,661
Nonpublic School Transportation Aid			-	115,636	115,636
Securing Our Children's Future		413,515	413,515	413,515	-
On-Behalf TPAF Pension Contributions (non-budgeted)			-	21,861,360	21,861,360
On-Behalf TPAF Post-Retirement Medical Contribution (non-budgeted)			-	5,107,697	5,107,697
On-Behalf TPAF Long-Term Disability Ins. Contribution (non-budgeted)			-	6,244	6,244
Reimbursed TPAF Social Security Contributions (non-budgeted)			-	4,619,941	4,619,941
Total - State Sources	60,345,704	413,515	60,759,219	94,271,758	33,512,539
Federal Sources:					
Medical Assistance Program	176,150		176,150	293,444	117,294
Total - Federal Sources	176,150	-	176,150	293,444	117,294
Total Revenues	142,379,886	413,515	142,793,401	177,330,388	34,536,987

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	1,851,601	(113,992)	1,737,609	1,736,741	868
Grades 1-5	12,285,782	(355,482)	11,930,300	11,929,145	1,155
Grades 6-8	9,142,333	(238,493)	8,903,840	8,900,933	2,907
Grades 9-12	12,512,020	(140,889)	12,371,131	12,371,107	24
Regular Programs - Home Instruction:					
Salaries of Teachers	298,087	(257,700)	40,387	23,985	16,402
Purchased Professional - Educational Services		4,937	4,937	4,630	307
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	1,323,540	1,100	1,100	1,058	42
Purchased Professional - Educational Services		1,738,498	3,062,038	3,053,762	8,276
Other Purchased Services		3,010	3,010	2,293	717
General Supplies	870,372	(168,689)	701,683	646,703	54,980
Textbooks	807,039	1,847	808,886	808,113	773
Total Regular Programs	39,090,774	474,147	39,564,921	39,478,470	86,451
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers		221,516	221,516	221,491	25
Other Salaries for Instruction		211,155	211,155	202,199	8,956
General Supplies		1,898	1,898	-	1,898
Total Learning and/or Language Disabilities	-	434,569	434,569	423,690	10,879
Emotional Regulation Impairment					
Salaries of Teachers		125,842	125,842	120,983	4,859
Other Salaries for Instruction		21,960	21,960	21,411	549
General Supplies		799	799	305	494
Total Emotional Regulation Impairments	-	148,601	148,601	142,699	5,902
Multiple Disabilities					
Salaries of Teachers	1,833,402	(323,541)	1,509,861	1,505,586	4,275
Other Salaries for Instruction	1,093,660	(249,147)	844,513	832,160	12,353
General Supplies	51,500	(21,283)	30,217	24,550	5,667
Textbooks	4,020		4,020	44	3,976
Total Multiple Disabilities	2,982,582	(593,971)	2,388,611	2,362,340	26,271

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Resource Room/Resource Center					
Salaries of Teachers	8,420,274	(250,000)	8,170,274	8,149,332	20,942
Other Salaries for Instruction	533,785	(247,827)	285,958	282,776	3,182
General Supplies	84,000	1,000	85,000	79,686	5,314
Textbooks	5,000	(1,000)	4,000	-	4,000
Total Resource Room/Resource Center	9,043,059	(497,827)	8,545,232	8,511,794	33,438
Preschool Disabilities - Full Time					
Salaries of Teachers	453,275	(109,250)	344,025	343,864	161
Other Salaries for Instruction	636,841	(170,100)	466,741	380,267	86,474
General Supplies	10,000	(3,800)	6,200	4,934	1,266
Total Preschool Disabilities - Full Time	1,100,116	(283,150)	816,966	729,065	87,901
Total Special Education - Instruction	13,125,757	(791,778)	12,333,979	12,169,588	164,391
Basic Skills/Remedial - Instruction					
Salaries of Teachers	2,025,923	301,293	2,327,216	2,326,546	670
Total Basic Skills/Remedial - Instruction	2,025,923	301,293	2,327,216	2,326,546	670
Bilingual Education - Instruction:					
Salaries of Teachers	936,441	(207,244)	729,197	728,728	469
Purchased Professional - Educational Services		1,145	1,145	1,144	1
General Supplies	5,274	(1,148)	4,126	3,808	318
Textbooks	15,090	45	15,135	14,957	178
Total Bilingual Education - Instruction	956,805	(207,202)	749,603	748,637	966

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
School Sponsored Occurricular Activities - Instruction:					
Salaries	303,486	19,088	322,574	319,139	3,435
Other Purchased Services	7,175	400	7,575	7,175	400
Supplies and Materials	14,630	1,720	16,350	16,198	152
Other Objects		180	180	180	-
Total School Sponsored Occurricular Activities - Instruction	325,291	21,388	346,679	342,692	3,987
School-Sponsored Athletics - Instruction					
Salaries	664,629	(7,000)	657,629	650,806	6,823
Other Purchased Services	23,590	5,029	28,619	23,713	4,906
Supplies and Materials	116,418		116,418	101,582	14,836
Other Objects	36,125	(180)	35,945	35,090	855
Transfers to Cover Deficit (Agency Funds)	83,499	(13,000)	70,499	64,472	6,027
Total School-Sponsored Athletics - Instruction	924,261	(15,151)	909,110	875,663	33,447
Alternative Education Program					
Salaries	515,638	5,501	521,139	521,138	1
Purchased Professional & Technical Services	7,000		7,000	2,780	4,220
General Supplies	6,260	74	6,334	2,894	3,440
Total Alternative Education Program	528,898	5,575	534,473	526,812	7,661
Total Instruction	56,977,709	(211,728)	56,765,981	56,468,408	297,573
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Regular	78,146	289,000	367,146	367,125	21
Tuition to Other LEAs Within the State - Special	16,970	20,000	36,970	36,306	664
Tuition to County Voc. School Dist. - Regular	1,147,525		1,147,525	1,147,525	-
Tuition to County Voc. School Dist. - Special	63,750		63,750	63,750	-
Tuition to CSSD & Regional Day Schools	244,411	28,838	273,249	248,108	25,141
Tuition to Private Schools for the Disabled - Within State	319,763	(126,000)	193,763	190,607	3,156
Tuition - State Facilities	159,488		159,488	159,488	-
Total Undistributed Expenditures - Instruction	2,030,053	211,838	2,241,891	2,212,909	28,982

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Attendance and Social Work:					
Salaries	320,081	(4,630)	315,451	315,401	50
Other Purchased Services	3,349		3,349	3,127	222
Supplies and Materials	1,630	416	2,046	2,011	35
Total Undistributed Expenditures - Attendance and Social Work	325,060	(4,214)	320,846	320,539	307
Undistributed Expenditures - Health Services:					
Salaries	1,122,934	(27,556)	1,095,378	1,025,804	69,574
Purchased Professional and Technical Services	41,790	(770)	41,020	35,338	5,682
Supplies and Materials	12,450		12,450	9,882	2,568
Total Undistributed Expenditures - Health Services	1,177,174	(28,326)	1,148,848	1,071,024	77,824
Undistributed Expenditures - Other Support Services - Students - Related Services:					
Salaries	1,810,163	(121,344)	1,688,819	1,688,764	55
Other Salaries for Instruction	296,456	(37,252)	259,204	259,200	4
Purchased Professional - Educational Services	215,700	(29,654)	186,046	154,776	31,270
Supplies and Materials	30,000		30,000	25,829	4,171
Total Undistributed Expenditures - Other Support Services - Students - Related Services	2,352,319	(188,250)	2,164,069	2,128,569	35,500
Undistributed Expenditures - Other Support Services - Students - Extra Services:					
Salaries	3,188,366	97,856	3,286,222	3,249,532	36,690
Purchased Professional - Educational Services	923,257	(374,893)	548,364	548,364	-
Supplies and Materials	10,000	8,898	18,898	18,887	11
Total Undistributed Expenditures - Other Support Services - Extra Services	4,121,623	(268,139)	3,853,484	3,816,783	36,701
Undistributed Expenditures - Other Support Services - Guidance					
Salaries of Other Professional Staff	2,420,919	(137,813)	2,283,106	2,276,870	6,236
Salaries of Secretarial and Clerical Assistants	199,072	(25,843)	173,229	173,228	1
Other Purchased Professional and Technical Services	17,803		17,803	17,562	251
Other Purchased Services	1,524		1,524	1,524	-
Supplies and Materials	18,200		18,200	12,814	5,386
Total Undistributed Expenditures - Other Support Services - Guidance	2,657,518	(163,656)	2,493,862	2,481,988	11,874

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Other Support Services -					
Child Study Teams					
Salaries of Other Professional Staff	2,609,521	(34,356)	2,575,165	2,574,840	325
Salaries of Secretarial and Clerical Assistants	523,308	(7,312)	515,996	511,480	4,516
Other Salaries	1,000		1,000	1,000	-
Other Purchased Professional and Technical Services	65,000	53,308	118,308	105,856	12,452
Other Purchased Services	103,261		103,261	76,931	26,330
Supplies and Materials	25,350		25,350	25,285	65
Total Undistributed Expenditures - Other Support Services -	3,327,440	11,640	3,339,080	3,295,392	43,688
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	1,286,993	97,366	1,384,379	1,380,477	3,902
Salaries of Other Professional Staff	289,247		289,247	288,092	1,155
Total Undistributed Expenditures - Improv. of Instr. Services	1,576,240	97,366	1,673,626	1,668,569	5,057
Undistributed Expenditures - Educational Media Services -					
School Library					
Salaries	1,068,622		1,068,622	1,036,248	32,374
Salaries of Technology Coordinators	108,698		108,698	108,190	508
Purchased Professional and Technical Services	357,450	153,285	510,735	501,853	8,882
Other Purchased Services	5,082		5,082	2,450	2,632
Supplies and Materials	108,913	(2,078)	106,835	92,247	14,588
Other Objects	19,950	(10,000)	9,950	4,478	5,472
Total Undistributed Expenditures - Educational Media Services -	1,668,715	141,207	1,809,922	1,745,466	64,456
Undistributed Expenditures - Instructional Staff Training Services					
Salaries of Supervisors of Instruction	152,629		152,629	151,816	813
Salaries of Other Professional Staff	50,500		50,500	31,366	19,134
Purchased Professional - Educational Services	353,000	(80,000)	273,000	267,883	5,117
Other Purchased Services	22,500	6,835	29,335	27,960	1,375
Supplies and Materials	5,000		5,000	2,209	2,791
Total Undistributed Expenditures - Instructional Staff Training Svcs	583,629	(73,165)	510,464	481,234	29,230

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Support Services - Gen. Admin.:					
Salaries	857,789		857,789	830,766	27,023
Legal Services	300,000	47,975	347,975	218,212	129,763
Audit Fees	40,000		40,000	36,000	4,000
Architectural/Engineering Services	50,000	19,613	69,613	38,323	31,290
Other Purchased Professional Services	30,750	1,768	32,518	14,521	17,997
Communications/Telephone	216,524	91	216,615	201,646	14,969
Miscellaneous Purchased Services	346,000	(1,868)	344,132	322,856	21,276
General Supplies	12,110	(2,000)	10,110	10,053	57
BOE In-House Training/Meeting Supplies	4,000	300	4,300	4,252	48
Judgements		35,000	35,000	32,220	2,780
Miscellaneous Expenditures	20,000		20,000	11,997	8,003
BOE Membership Dues and Fees	40,000	(3,000)	37,000	26,663	10,337
Total Undistributed Expenditures - Support Services - Gen. Admin.	1,917,173	97,879	2,015,052	1,747,509	267,543
Undistributed Expenditures - Support Serv. - School Admin.:					
Salaries of Principals/Assistant Principals/Prog Dir	2,181,969	(109,637)	2,072,332	2,071,974	358
Salaries of Other Professional Staff	385,915	104,000	489,915	488,590	1,325
Salaries of Secretarial and Clerical Assistants	1,347,121	(31,880)	1,315,241	1,293,906	21,335
Purchased Professional and Technical Services	67,300	(6,755)	60,545	34,838	25,707
Other Purchased Services	152,179		152,179	135,037	17,142
Supplies and Materials	56,720	775	57,495	42,106	15,389
Other Objects	55,060	430	55,490	43,699	11,791
Total Undistributed Expenditures - Support Serv. - School Admin.	4,246,264	(43,067)	4,203,197	4,110,150	93,047
Undistributed Expenditures - Central Services					
Salaries	668,850	46,475	715,325	714,542	783
Purchased Technical Services	57,800	(10,800)	47,000	44,190	2,810
Miscellaneous Purchased Services (400-500 series)	162,403		162,403	154,892	7,511
Supplies and Materials	15,000	(1,055)	13,945	12,833	1,112
Other Objects	5,000	1,055	6,055	5,074	981
Total Undistributed Expenditures - Central Services	909,053	35,675	944,728	931,531	13,197
Undistributed Expenditures - Administrative Information Technology					
Salaries	393,709	(11,475)	382,234	370,299	11,935
Purchased Technical Services	63,833		63,833	46,951	16,882
Supplies and Materials	42,800		42,800	41,484	1,316
Total Undistributed Expenditures - Admin. Information Technology	500,342	(11,475)	488,867	458,734	30,133
Undistributed Expenditures - Required Maint for School Facilities					

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Salaries	853,823	(18,312)	835,511	835,510	1
Cleaning, Repair, and Maintenance Services	804,706	167,930	972,636	794,757	177,879
Lead Testing of Drinking Water	12,000	11,990	23,990	23,990	-
General Supplies	153,981	26,562	180,543	169,164	11,379
Other Objects	2,250	844	3,094	3,094	-
Total Undistributed Expenditures - Required Maint for School Facilities	1,826,760	189,014	2,015,774	1,826,515	189,259
Undistributed Expenditures - Custodial Services					
Salaries	4,713,482	(115,816)	4,597,666	4,440,465	157,211
Cleaning, Repair and Maintenance Services	255,840	(19,317)	236,523	226,083	10,440
Rental of Land & Building Other than Lease Purch Agmt	1,181,158	47,347	1,228,505	1,228,505	-
Other Purchased Property Services	184,683		184,683	173,193	11,490
Insurance	522,807	1	522,808	518,708	4,100
Miscellaneous Purchased Services	400		400	400	
General Supplies	335,068	17,020	352,088	330,091	21,997
Energy (Natural Gas)	528,000	195,867	723,867	697,598	26,269
Energy (Electricity)	1,462,000	334,247	1,796,247	1,794,220	2,027
Energy (Oil)	2,000		2,000	1,221	779
Other Objects	2,500		2,500	500	2,000
Total Undistributed Expenditures - Custodial Services	9,187,938	459,349	9,647,287	9,410,574	236,713
Undistributed Expenditures - Care & Upkeep of Grounds					
Salaries	437,952	(25,465)	412,487	409,979	2,508
Cleaning, Repair and Maintenance Services	40,971	19,937	60,908	60,501	407
General Supplies	92,245	(6,203)	86,042	64,831	21,211
Total Undistributed Expenditures - Care & Upkeep of Grounds	571,168	(11,731)	559,437	535,311	24,126
Undistributed Expenditures - Security					
Salaries	602,955	(73,000)	529,955	515,048	14,907
Cleaning, Repair and Maintenance Services	137,000	3,400	140,400	136,690	3,710
General Supplies	15,490	(365)	15,125	11,917	3,208
Other Objects	3,000	(1,000)	2,000	-	2,000
Total Undistributed Expenditures - Security	758,445	(70,965)	687,480	663,655	23,825
Total Undistributed Expenditures - Oper & Main of Plant Services	12,344,311	565,667	12,909,978	12,436,055	473,923

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Student Transportation Services:					
Sal for Pupil Transp (Between Home and School)-Reg.	2,855,096	80,365	2,935,461	2,920,191	15,270
Sal for Pupil Transp (Between Home and School)-Sp Ed	447,031	124,699	571,730	571,581	149
Sal for Pupil Transp (Other than Bet. Home & School)	167,790	(45,176)	122,614	122,587	27
Other Purchased Professional and Technical Services	24,638		24,638	19,561	5,077
Cleaning, Repair, and Maintenance Services	165,000	(112,261)	52,739	52,460	279
Lease Purchase Payments - School Buses	1,155,129	73	1,155,202	1,155,202	-
Contracted Services - (Between Home and School) - Vendors	16,800	421,975	438,775	384,116	54,659
Contracted Services - (Between Home and School) - Joint Agree.	368,200	117,388	485,588	484,027	1,561
Contracted Services - (Special Ed Students) - Vendors	1,897,307	884,171	2,781,478	734,355	149,816
Contracted Services - (Special Ed Students) - Joint Agree.	184,000	(976,546)	920,761	913,814	6,947
Contracted Services - Aid in Lieu of Payments - Nonpublic Schools	29,000	(6,045)	177,955	157,916	20,039
Contracted Services - Aid in Lieu of Payments - Charter School	23,000	116	29,116	23,270	5,846
Contracted Services - Aid in Lieu of Payments - Choice School	165,258	(1,461)	21,539	19,000	2,539
Miscellaneous Purchased Services - Transportation	7,500	5,200	165,258	165,258	-
Supplies and Materials	854,274	98,429	12,700	12,595	105
Transportation Supplies	9,900	7,874	952,703	873,315	79,388
Miscellaneous Expenditures			17,774	17,280	494
Total Undistributed Expenditures - Student Transportation Serv.	8,369,923	598,801	8,968,724	8,626,528	342,196
Unallocated Benefits:					
Social Security Contributions	1,615,350		1,615,350	1,551,678	63,672
Other Retirement Contributions - PERS	2,551,200	58,489	2,609,689	2,609,689	-
Other Retirement Contributions - Regular	106,300		106,300	81,564	24,736
Workmen's Compensation	1,468,762		1,468,762	1,468,762	-
Health Benefits	26,357,229	(357,884)	25,999,345	25,349,672	649,673
Tuition Reimbursement	101,000	18,273	119,273	104,016	15,257
Other Employee Benefits	240,000		240,000	207,913	32,087
Unused Sick Payment to Terminated/Retired Staff	189,900		189,900	188,983	917
Total Unallocated Benefits	32,629,741	(281,122)	32,348,619	31,562,277	786,342
On-behalf TPAF Pension Contributions (non-budgeted)					
On-behalf TPAF Post-Retirement Medical Contribution (non-budgeted)				21,861,360	(21,861,360)
On-behalf TPAF Long-Term Disability Ins. Contribution (non-budgeted)				5,107,697	(5,107,697)
Reimbursed TPAF Social Security Contributions (non-budgeted)				6,244	(6,244)
				4,619,941	(4,619,941)
Total On-behalf Contributions				31,595,242	(31,595,242)
Total Benefits	32,629,741	(281,122)	32,348,619	63,157,519	(30,808,900)
Total Undistributed Expenditures	80,736,578	698,679	81,435,257	110,690,499	(29,255,242)

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Total Current Expense	137,714,287	486,951	138,201,238	167,158,907	(28,957,669)
Capital Outlay:					
Interest Earned on Maintenance Reserve	1,000		1,000		1,000
Interest Deposit to Capital Reserve	2,000		2,000		2,000
Total Interest Deposit to Capital Reserve	3,000	-	3,000	-	3,000
Equipment:					
Undistributed Expenditures:					
Grades 9-12		5,831	5,831	4,615	1,216
Support Services - Special Education Students		12,173	12,173	12,173	-
Undist. Expend. - General Administration		4,800	4,800	4,800	-
Undist. Expend. - Central Services		10,800	10,800	10,800	-
Undist. Expend. - Admin Info Tech.		2,078	2,078	2,078	-
Undist. Expend. - Required Maint for School Facilities		36,430	36,430	23,630	12,800
Undist. Expend. - Custodial Services		4,641	4,641	4,641	-
Undist. Expend. - Care and Upkeep of Grounds		9,164	9,164	9,164	-
Undist. Expend. - Security		5,404	5,404	5,404	-
Undist. Expend. - Student Trans. - Non Instructional		49,918	49,918	49,918	-
Total Equipment	-	141,239	141,239	127,223	14,016
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services		783,378	783,378	665,888	117,490
Construction Services		10,536,640	10,536,640	4,570,074	5,966,566
Other Objects - Debt Service Assessment	543,141		543,141	543,141	-
Total Facilities Acquisition and Construction Services	543,141	11,320,018	11,863,159	5,779,103	6,084,056
Assets Acquired Under Capital Leases (non-budgeted):					
Undistributed Expenditures:					
Admin Info Tech			-	1,501,550	(1,501,550)
Care and Upkeep of Grounds				80,091	(80,091)
Transportation				1,367,159	(1,367,159)
Total Assets Acquired Under Capital Leases (non-budgeted)	-	-	-	2,948,800	(2,948,800)
Total Capital Outlay	546,141	11,461,257	12,007,398	8,855,126	3,152,272
Transfer to Charter Schools	2,618,322	(175,000)	2,443,322	2,376,529	66,793

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Total Expenditures	140,878,750	11,773,208	152,651,958	178,390,562	(25,738,604)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,501,136	(11,359,693)	(9,858,557)	(1,060,174)	8,798,383
Other Financing Sources (Uses):					
Transfers Out:					
Special Revenue Fund - Inclusive Students	(1,600,000)		(1,600,000)	(1,600,000)	-
Prior year receivables canceled				(273,076)	273,076
Prior year payables canceled				2,546	(2,546)
Capital Reserve transfer to capital outlay	(10,001,000)	10,543,414	542,414	-	(542,414)
Capital Leases (non-budgeted)				2,948,800	2,948,800
Total Other Financing Sources (Uses)	(11,601,000)	10,543,414	(1,057,586)	1,078,270	2,676,916
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(10,099,864)	(816,279)	(10,916,143)	18,086	11,475,299
Fund Balances, July 1	21,192,493	-	21,192,493	21,192,493	-
Restatement	-	-	-	-	-
Fund Balances, July 1, Restated	21,192,493	-	21,192,493	21,192,493	-
Fund Balances, June 30	\$ 11,092,629	(816,279)	10,276,350	21,210,589	11,475,299

Recapitulation of Fund Balance:

Restricted Fund Balance:	
Reserve for Excess Surplus	119,889
Excess Surplus-Designated for Subsequent Year's Expenditures	957,148
Reserve for Capital Reserve	1,026,806
Reserve for Maintenance Reserve	393,000
Reserve for Unemployment Compensation	1,548,527
Assigned Fund Balance:	
Year-end Encumbrances	6,394,061
Designated for Subsequent Year's Expenditures	3,100,000
Unassigned Fund Balance	7,671,158
	21,210,589

Reconciliation to Governmental Funds Statements (GAAP)
 Last State Aid Payment Not Recognized on GAAP Basis

\$ 15,443,129

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Revenue from Local Sources	\$ 6,129,493		6,129,493	6,641,176	511,683
Total - Local Sources	6,129,493	-	6,129,493	6,641,176	511,683
State Sources:					
Preschool Expansion Grant	4,819,443		4,819,443	4,819,443	-
Other	497,046		497,046	398,115	(98,931)
Nonpublic aid	337,487		337,487	313,667	(23,820)
Total - State Sources	5,653,976	-	5,653,976	5,531,225	(122,751)
Federal Sources:					
I.D.E.A., Part B	1,853,458		1,853,458	1,818,232	(35,226)
IDEA Preschool	125,221		125,221	122,210	(3,011)
Title I	1,394,212		1,394,212	1,247,592	(146,620)
Title I - SIA	10,000		10,000	-	(10,000)
Title II Part A	289,106		289,106	193,984	(95,122)
Title III English Language Enhancement	39,315		39,315	39,291	(24)
Title III Immigrant	26,343		26,343	21,183	(5,160)
Carl D. Perkins Vocational	43,799		43,799	42,581	(1,218)
ARP - IDEA	388,922		388,922	77,427	(311,495)
ARP Preschool	33,055		33,055		(33,055)
CARES Act	4,596		4,596		(4,596)
21st Century	739,286		739,286	436,553	(302,733)
IDEA Part B Supplemental	23,155		23,155	21,382	(1,773)
CRSA ESSER II	3,149,976		3,149,976	3,149,976	-
CRSSA Learning Acceleration	239,166		239,166	239,166	-
CRSSA Mental Health	45,000		45,000	45,000	-
ARP - ESSER	9,545,029		9,545,029	2,531,140	(7,013,889)
ARP - Learning Acceleration	703,963		703,963	13,521	(690,442)
ARP - Summer Learning	47,995		47,995	12,083	(35,912)
ARP - ESSER Beyond the School Day	47,995		47,995		(47,995)
ARP - Mental Health	88,501		88,501	26,166	(62,335)
CTE Bridge Externship	9,500		9,500	4,095	(5,405)
ARP - Homeless	63,647		63,647		(63,647)
			-		-
Total - Federal Sources	18,911,240	-	18,911,240	10,041,582	(8,869,658)
Total Revenues	30,694,709	-	30,694,709	22,213,983	(8,480,726)

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
EXPENDITURES:					
Instruction					
Salaries of Teachers	4,366,361	(24,573)	4,341,788	3,075,433	1,266,355
Other Salaries for Instruction	658,538	(17,290)	641,248	542,927	98,321
Purchased Professional and Technical Services	678,028	10,347	688,375	597,380	90,995
Other Purchased Services (400-500 series)	6,131,138	30,720	6,161,858	2,719,041	3,442,817
General Supplies	3,046,846	(66,021)	2,980,825	2,017,111	963,714
Textbooks	27,789		27,789	27,421	368
Other objects	34,950	(300)	34,650	6,492	28,158
Total instruction	<u>14,943,650</u>	<u>(67,117)</u>	<u>14,876,533</u>	<u>8,985,805</u>	<u>5,890,728</u>
EXPENDITURES (CONT'D):					
Support Services					
Salaries of Supervisors of Instruction	97,050		97,050	97,050	-
Salaries	1,169,660	(678)	1,168,982	853,340	315,642
Salaries of Other Professional Staff	266,743	2,920	269,663	269,663	-
Salaries of Secretarial and Clerical Assistants	48,724	(131)	48,593	48,593	-
Other Salaries	77,189	(7,212)	69,977	69,977	-
Salaries of Family Liason	29,398	(100)	29,298	29,298	-
Salaries of Masters Teachers	185,498	5,588	191,086	191,086	-
Personal Services - Employee Benefits	1,381,628	98,547	1,480,175	1,341,167	139,008
Purchased Professional/Educational Services	4,815,544	(88,920)	4,726,624	3,959,984	766,640
Other purchased Services (400-500 series)	331,953	37,652	369,605	224,681	144,924
Supplies & Materials	1,223,023	20,662	1,243,685	430,344	813,341
Conduit Expenses			-	16,515	(16,515)
Student Activities/Athletics			-	587,879	(587,879)
Total support services	<u>9,626,410</u>	<u>68,328</u>	<u>9,694,738</u>	<u>8,119,577</u>	<u>1,575,161</u>
Facilities acquisition and construction services:					
Building	2,650,000		2,650,000	1,680,690	969,310
Instructional equipment	12,800	(1,211)	11,589	11,588	1
Construction services	5,061,849		5,061,849	5,061,849	-
Total facilities acquisition and construction services	<u>7,724,649</u>	<u>(1,211)</u>	<u>7,723,438</u>	<u>6,754,127</u>	<u>969,311</u>
Total expenditures	32,294,709	-	32,294,709	23,859,509	8,435,200
Other Financing Sources (Uses)					
General Fund - Preschool Education	1,600,000		1,600,000	1,600,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>(45,526)</u>	<u>(45,526)</u>
Fund Balance, July 1				<u>517,360</u>	
Fund Balance, June 30				<u>471,834</u>	
Recapitulation:					
Restricted:					
Conduit				43,093	
Student Activities				<u>428,741</u>	
Total Fund Balance				<u>471,834</u>	

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

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

	General Fund	Special Revenue
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 177,330,388	22,213,983
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized		
Prior year		342,818
Current year		(5,975,239)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	5,028,766	283,587
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(5,767,460)	(381,857)
Total revenues reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	176,591,694	16,483,292
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	178,390,562	23,859,509
Differences - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Prior year		342,818
Current year		(5,975,239)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 178,390,562	18,227,088

**REQUIRED SUPPLEMENTARY INFORMATION
PART III**

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EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employee Retirement System
Last Nine Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.2228377461%	0.2177434025%	0.2132299176%	0.2088348448%	0.2016466656%	0.1929449075%	0.1846447919%	0.1823522927%	0.1762768420%
District's proportionate of the net pension liability (asset)	\$ 26,398,472	\$ 35,508,255	\$ 38,420,796	\$ 41,118,540	\$ 46,940,121	\$ 57,144,747	\$ 32,618,264	\$ 34,141,337	\$ 33,690,007
District's covered payroll	\$ 17,191,284	\$ 16,421,731	\$ 16,048,524	\$ 14,784,203	\$ 14,455,418	\$ 13,586,006	\$ 12,921,914	\$ 12,372,353	\$ 12,234,369
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	153.56%	216.23%	239.40%	278.12%	324.72%	420.61%	252.43%	275.95%	275.37%
Plan fiduciary net position as a percentage of the total pension liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to show information for a 10 year period. However, information is only available for eight years. Additional years will be presented as they become available.

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Schedule of District Contributions
Public Employee Retirement System
Last Nine Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 2,609,689	\$ 2,382,003	\$ 2,074,099	\$ 2,077,232	\$ 1,868,041	\$ 1,587,450	\$ 1,407,927	\$ 1,328,210	\$ 1,223,404
Contributions in relation to the contractually required contribution	\$ 2,609,689	\$ 2,382,003	\$ 2,074,099	\$ 2,077,232	\$ 1,868,041	\$ 1,587,450	\$ 1,407,927	\$ 1,328,210	\$ 1,223,404
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 17,191,284	\$ 16,421,731	\$ 16,048,524	\$ 14,784,203	\$ 14,455,418	\$ 13,586,006	\$ 12,921,914	\$ 12,372,353	\$ 12,234,369
Contributions as a percentage of covered-employee payroll	15.18%	14.51%	12.92%	14.05%	12.92%	11.68%	10.90%	10.74%	10.00%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to show information for a 10 year period. However, information is only available for eight years. Additional years will be presented as they become available.

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Nine Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	244,901,700	333,278,609	307,385,652	217,534,753	336,336,183	386,076,269	253,846,482	259,337,251	244,617,946
Total	\$ 244,901,700	\$ 333,278,609	\$ 307,385,652	\$ 217,534,753	\$ 336,336,183	\$ 386,076,269	\$ 253,846,482	\$ 259,337,251	\$ 244,617,946
District's covered payroll	\$ 63,969,661	\$ 59,911,964	\$ 58,575,783	\$ 54,138,997	\$ 52,830,893	\$ 51,825,604	\$ 50,023,842	\$ 49,227,235	\$ 49,227,235
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to show information for a 10 year period. However, information is only available for eight years. Additional years will be presented as they become available.

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net OPEB Liability
Public Employee Retirement System and Teachers' Pension and Annuity Fund
Last Six Fiscal Years

	2021	2020	2019	2018	2017	2016
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability (asset) associated with the District	\$ -	\$ 367,951,049	\$ 219,723,797	\$ 241,842,377	\$ 281,709,974	\$ 303,957,290
Total	\$ -	\$ 367,951,049	\$ 219,723,797	\$ 241,842,377	\$ 281,709,974	\$ 303,957,290
District's covered payroll	81,160,945	76,333,695	74,624,307	68,923,200	68,923,200	65,411,610
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of OPEB associated with the District:						
Service Cost	-	10,007,808	10,270,686	11,553,517	13,930,911	
Interest Cost	-	7,932,839	9,631,333	10,388,061	8,970,885	
Differences between Expected & Actual	-	69,286,160	(38,751,771)	(27,813,275)	-	
Changes in Assumptions	-	67,212,013	3,276,100	(27,752,623)	(38,864,378)	
Member Contributions	-	194,157	199,937	223,502	240,267	
Benefit Payments	-	(6,405,725)	(6,744,865)	(6,466,779)	(6,525,001)	
Change in Total Opeb Liability	-	148,227,252	(22,118,580)	(39,867,597)	(22,247,316)	
State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance	367,951,049	219,723,797	241,842,377	281,709,974	303,957,290	
Ending Balance	\$ 367,951,049	\$ 367,951,049	\$ 219,723,797	\$ 241,842,377	\$ 281,709,974	
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	453.36%	482.03%	294.44%	350.89%	408.73%	

Source: GASB 75 report on State of New Jersey State Health Benefits Program; District records

Note: This schedule is required by GASB 75 to be show information for a 10 year period.

However, information is only currently available for five years.

Additional years will be presented as they become available.

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

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EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Nonpublic											Preschool Education Aid
	Nonpublic Textbooks	Nonpublic Auxiliary Aid Compensatory Education	Nonpublic Examination & Classification	Nonpublic Handicapped Aid Corrective Speech	Nonpublic Instructional Supplemental Instruction	Nonpublic Nursing	Nonpublic Technology	Nonpublic Security	SDA Emergent Needs	PACE	Hiring Retention	
REVENUES:												
State Sources	\$ 27,421	68,081	39,402	16,182	23,474	46,715	19,320	73,072	177,046	201,069	20,000	4,819,443
Federal Sources												1,600,000
Local Sources		68,081	39,402	16,182	23,474	46,715	19,320	73,072	177,046	201,069	20,000	6,419,443
Total revenues	27,421	68,081	39,402	16,182	23,474	46,715	19,320	73,072	177,046	201,069	20,000	1,600,000
EXPENDITURES:												
Instruction:												
Salaries of teachers						65,274						1,250,587
Other Salaries for Instruction		68,081	39,402	16,182	23,474					81,816		517,451
Purchased prof. and technical services												73,331
Other purchased services							19,320			4,000		720
General supplies												181,935
Textbooks	27,421											
Other objects												
Total instruction	27,421	68,081	39,402	16,182	23,474		19,320			151,090		2,024,024
Support services:												
Salaries of Supervisors of Instruction								35,217		9,177		97,050
Salaries												269,663
Salaries of Other Professional Staff												48,593
Salaries of Secretarial and Clerical Assistants												69,977
Other Salaries												29,298
Salaries Family Liaison												191,086
Salaries of Masters Teachers												773,530
Personal services- employee benefits								2,694		1,350		
Purchased Professional/Educational Services						42,562				32,120		
Purchased technical services												2,899,872
Purchased property services												
Miscellaneous purchased services (400-500 series)										7,332		1,364
Supplies and materials												14,986
Other Objects						4,153						
Conduit Expenses												
Student Activities/Athletics												
Total support services						46,715		73,072		49,979	20,000	4,395,419
Facilities acquisition and const. serv.:												
Building												
Instructional equipment												
Noninstructional equipment												
Construction services									177,046			
Total facilities acquisition and construction services									177,046			
Total expenditures	27,421	68,081	39,402	16,182	23,474	46,715	19,320	73,072	177,046	201,069	20,000	6,419,443
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1 Restatement	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance , July 1 (Restated)	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	-	-	-	-	-	-	-	-	-	-	-

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Total State Funds	I.D.E.A. Part - B Basic	I.D.E.A. Part - B Preschool	Title I Part A	Title II Part A	Title III English Language Enhancement	Title III Immigrant	Carl D. Perkins Vocational	ARP I.D.E.A.	21st Century CLC Program	I.D.E.A. Part - B Supplemental
REVENUES:											
State Sources	5,531,225										
Federal Sources		\$ 1,818,232	122,210	1,247,592	193,984	39,291	21,183	42,581	77,427	436,553	21,382
Local Sources	1,600,000										
Total revenues	7,131,225	1,818,232	122,210	1,247,592	193,984	39,291	21,183	42,581	77,427	436,553	21,382
EXPENDITURES:											
Instruction:											
Salaries of teachers	1,315,861	107,297	18,045	804,319		18,000	9,609		245	140,182	19,463
Other Salaries for Instruction	517,451									25,476	
Purchased prof. and technical services	302,286							12,920		1,499	
Other purchased services	720	1,350,503		10,913		2,259	10,547	6,626	34,450	2,376	
General supplies	205,255									13,187	
Textbooks	27,421							200		6,292	
Other objects	-										
Total instruction	2,368,994	1,457,800	18,045	815,232	-	20,259	20,156	19,746	34,695	189,012	19,463
Support services:											
Salaries of Supervisors of Instruction	97,050										
Salaries	44,394	116,843	84,172	4,743	71,247	7,580		3,420		155,614	399
Salaries of Other Professional Staff	269,663										
Salaries of Secretarial and Clerical Assistants	48,593										
Other Salaries	69,977										
Salaries Family Liaison	29,298										
Salaries of Masters Teachers	191,086										
Personal services- employee benefits	777,574	17,147	7,820	427,617	5,450	10,141	735	262		19,792	1,520
Purchased Professional/Educational Services	2,974,554	75,104	12,173		101,512			642	42,732	21,250	
Purchased technical services	-										
Purchased property services	-										
Miscellaneous purchased services (400-500 series)	28,696	151,338			5,402	1,257		6,923		30,079	
Supplies and materials	54,300				10,373	54	292			20,806	
Other Objects	-										
Conduit Expenses	-										
Student Activities/Athletics	-										
Total support services	4,585,185	360,432	104,165	432,360	193,984	19,032	1,027	11,247	42,732	247,541	1,919
Facilities acquisition and const. serv.:											
Building	-										
Instructional equipment	-										
Noninstructional equipment	-							11,588			
Construction services	177,046										
Total facilities acquisition and construction services	177,046	-	-	-	-	-	-	11,588	-	-	-
Total expenditures	7,131,225	1,818,232	122,210	1,247,592	193,984	39,291	21,183	42,581	77,427	436,553	21,382
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-
Restatement	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1 (Restated)	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	-	-	-	-	-	-	-	-	-	-	-

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	CRSSA ESSER II	CRSSA Learning Acceleration Grant	CRSSA Mental Health	ARP ESSER	ARP Learning Acceleration	ARP Summer Learning	ARP Mental Health	CTE Bridge Externship	Total Federal Funds	AtlantiCare Grant	Community Partnership
REVENUES:											
State Sources	3,149,976	239,166	45,000	2,531,140	13,521	12,083	26,166	4,095	10,041,582	18,020	5,622
Federal Sources											
Local Sources											
Total revenues	<u>3,149,976</u>	<u>239,166</u>	<u>45,000</u>	<u>2,531,140</u>	<u>13,521</u>	<u>12,083</u>	<u>26,166</u>	<u>4,095</u>	<u>10,041,582</u>	<u>18,020</u>	<u>5,622</u>
EXPENDITURES:											
Instruction:											
Salaries of teachers	457,113	158,717							1,732,990		
Other Salaries for Instruction									25,476		
Purchased prof. and technical services	279,800								294,219		
Other purchased services	533,032			829,910					2,715,821		
General supplies	515,677		25,303	881		12,083	26,166		658,092	18,020	5,622
Textbooks											
Other objects									6,492		
Total instruction	<u>1,785,622</u>	<u>158,717</u>	<u>25,303</u>	<u>830,791</u>	<u>-</u>	<u>12,083</u>	<u>26,166</u>	<u>-</u>	<u>5,433,090</u>	<u>18,020</u>	<u>5,622</u>
Support services:											
Salaries of Supervisors of Instruction											
Salaries	314,431		18,297	7,115	13,521			4,095	801,477		
Salaries of Other Professional Staff											
Salaries of Secretarial and Clerical Assistants											
Other Salaries											
Salaries Family Liaison											
Salaries of Masters Teachers											
Personal services- employee benefits	59,023		1,400	544					563,593		
Purchased Professional/Educational Services	720,017			12,000					985,430		
Purchased technical services											
Purchased property services											
Miscellaneous purchased services (400-500 series)									194,999		
Supplies and materials	270,883		68,307						370,715		
Other Objects											
Conduit Expenses											
Student Activities/Athletics											
Total support services	<u>1,364,354</u>	<u>80,449</u>	<u>19,697</u>	<u>19,659</u>	<u>13,521</u>	<u>-</u>	<u>-</u>	<u>4,095</u>	<u>2,916,214</u>	<u>-</u>	<u>-</u>
Facilities acquisition and const. serv.:											
Building											
Instructional equipment				1,680,690					1,680,690		
Noninstructional equipment									11,588		
Construction services											
Total facilities acquisition and construction services	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,680,690</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,692,278</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>3,149,976</u>	<u>239,166</u>	<u>45,000</u>	<u>2,531,140</u>	<u>13,521</u>	<u>12,083</u>	<u>26,166</u>	<u>4,095</u>	<u>10,041,582</u>	<u>18,020</u>	<u>5,622</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1 Restatement	-	-	-	-	-	-	-	-	-	-	-
Fund Balance , July 1 (Restated)	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	-	-	-	-	-	-	-	-	-	-	-

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Emergency Connectivity	WIB Eagle Incentive	Sustainable Schools	Give Me A Note	NJ Clean	NY Life Foundation	AXA Foundation	Schultz Hill Foundation	Powersave Schools	Tanger Kids	HS Brain Injury Alliance	NY Life Grief Sensitive
REVENUES:												
State Sources												
Federal Sources												
Local Sources												
Total revenues	1,117,774	875	5,329	4,000	4,884,803	660	986	2,518	390	569	750	492
	1,117,774	875	5,329	4,000	4,884,803	660	986	2,518	390	569	750	492
EXPENDITURES:												
Instruction:												
Salaries of teachers												
Other Salaries for Instruction												
Purchased prof. and technical services		875										
Other purchased services												
General supplies				4,000		660		2,518	390	569	750	492
Textbooks												
Other objects												
Total instruction	1,117,774	875	-	4,000	-	660	-	2,518	390	569	750	492
Support services:												
Salaries of Supervisors of Instruction												
Salaries												
Salaries of Other Professional Staff												
Salaries of Secretarial and Clerical Assistants												
Other Salaries												
Salaries Family Liaison												
Salaries of Masters Teachers												
Personal services- employee benefits												
Purchased Professional/Educational Services												
Purchased technical services												
Purchased property services												
Miscellaneous purchased services (400-500 series)												
Supplies and materials			5,329									
Other Objects												
Conduit Expenses												
Student Activities/Athletics												
Total support services	-	-	5,329	-	-	-	986	-	-	-	-	-
Facilities acquisition and const. serv.:												
Building												
Instructional equipment												
Noninstructional equipment												
Construction services					4,884,803							
Total facilities acquisition and construction services	-	-	-	-	4,884,803	-	-	-	-	-	-	-
Total expenditures	1,117,774	875	5,329	4,000	4,884,803	660	986	2,518	390	569	750	492
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1 Restatement	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance , July 1 (Restated)	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	-	-	-	-	-	-	-	-	-	-	-	-

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Center for Family Services	Neaf Envision Equity	Unified Sports	Conduit Fund	Student Activities/Athletics Fund	Total All Other Funds	Totals
REVENUES:							
State Sources							5,531,225
Federal Sources							10,041,582
Local Sources	2,500	1,066	35,954	3,960	554,908	6,641,176	8,241,176
Total revenues	2,500	1,066	35,954	3,960	554,908	6,641,176	23,813,983
EXPENDITURES:							
Instruction:							
Salaries of teachers			26,582			26,582	3,075,433
Other Salaries for Instruction							542,927
Purchased prof. and technical services					875	875	597,380
Other purchased services	2,500				2,500	2,500	2,719,041
General supplies		1,066	1,903			1,153,764	2,017,111
Textbooks							27,421
Other objects							6,492
Total instruction	2,500	1,066	28,485	-	-	1,183,721	8,985,805
Support services:							
Salaries of Supervisors of Instruction			7,469			7,469	97,050
Salaries							853,340
Salaries of Other Professional Staff							269,663
Salaries of Secretarial and Clerical Assistants							48,593
Other Salaries							69,977
Salaries Family Liaison							29,298
Salaries of Masters Teachers							191,086
Personal services- employee benefits							1,341,167
Purchased Professional/Educational Services							3,959,984
Purchased technical services							-
Purchased property services							-
Miscellaneous purchased services (400-500 series)						986	224,681
Supplies and materials						5,329	430,344
Other Objects							-
Conduit Expenses				16,515		16,515	16,515
Student Activities/Athletics					587,879	587,879	587,879
Total support services	-	-	7,469	16,515	587,879	618,178	8,119,577
Facilities acquisition and const. serv.:							
Building							1,680,690
Instructional equipment							11,588
Noninstructional equipment							-
Construction services						4,884,803	5,061,849
Total facilities acquisition and construction services	-	-	-	-	-	4,884,803	6,754,127
Total expenditures	2,500	1,066	35,954	16,515	587,879	6,686,702	23,859,509
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	(12,555)	(32,971)	(45,526)	(45,526)
Fund Balance, July 1 Restatement	-	-	-	55,648	461,712	517,360	517,360
Fund Balance , July 1 (Restated)	-	-	-	55,648	461,712	517,360	517,360
Fund Balance, June 30	-	-	-	43,093	428,741	471,834	471,834

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teaches	\$ 1,250,587.00	1,250,587.00	-
Other Salaries for Instruction	517,451.00	517,451.00	-
Purchased Professional and Educational Svc	73,331.00	73,331.00	-
Other Purchased Services (400-500 series)	720.00	720.00	-
General Supplies	181,935.00	181,935.00	-
Total Instruction	<u>2,024,024.00</u>	<u>2,024,024.00</u>	<u>-</u>
Support Services:			
Salaries of Supervisors of Instruction	97,050.00	97,050.00	-
Salaries of Program Directors		-	-
Salaries of Other Professional Staff	269,663.00	269,663.00	-
Salaries of Secretarial and Clerical Assistants	48,593.00	48,593.00	-
Other Salaries	69,977.00	69,977.00	-
Salaries Family Liaison	29,298.00	29,298.00	-
Salaries of Masters Teachers	191,086.00	191,086.00	-
Personal Services - Employee Benefits	773,530.00	773,530.00	-
Purchased Professional - Educational Services	2,899,872.00	2,899,872.00	-
Contracted Svc - Transportation - Field Trips	1,364.00	1,364.00	-
Supplies and Materials	14,986.00	14,986.00	-
Total Support Services	<u>4,395,419.00</u>	<u>4,395,419.00</u>	<u>-</u>
Total Expenditures	<u>\$ 6,419,443.00</u>	<u>6,419,443.00</u>	<u>-</u>

CALCULATION OF BUDGET & CARRYOVER

Total 2021-22 Preschool Education Aid Allocation	\$ 3,818,568.00
Add: Actual Carryover June 30, 2021	1,235,785.00
	<u>5,054,353.00</u>
Add: Budgeted Transfer from the General Fund	1,600,000.00
Total Preschool Education Aid Funds Available for 2021/2022 Budget	<u>6,654,353.00</u>
Less: 2021/2022 Budgeted Preschool Education Aid - Prior Year Budget Carryover Available & Unbudgeted Preschool Education Aid Funds, June 30, 2021	<u>(6,419,443.00)</u>
	234,910.00
Add: June 30, 2022 Unexpended Preschool Education Aid	-
2021-2022 Carryover - Preschool Education Aid	<u>\$ 234,910.00</u>
2021-22 Preschool Education Carryover Budgeted for Preschool Programs 2022-2023	<u>\$ -</u>

**CAPITAL PROJECT FUND
DETAIL STATEMENTS**

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**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
Year Ended June 30, 2022**

Number	Issue/Project Title	Original Date	Appropriations	Expenditures to Date		Balance Canceled
				Prior Years	Current Year	
SP#200324	Construction of elementary school	3/28/00	\$ 21,670,374	21,479,093	-	191,281
Totals			<u>\$ 21,670,374</u>	<u>21,479,093</u>	<u>-</u>	<u>191,281</u>

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2022

Other Financing Sources (Uses):	
Transfer to Debt Service	<u>(191,281)</u>
Fund balance - beginning	191,281
Fund balance - ending	<u><u>\$ -</u></u>

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Construction of Dr. Joyanne D. Miller Elementary School
From Inception and for the Year Ended June 30, 2022

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
Bond proceeds and transfers	\$ 21,670,374		21,670,374	21,670,374
Total revenues	<u>21,670,374</u>	<u>-</u>	<u>21,670,374</u>	<u>21,670,374</u>
Expenditures and other Financing Uses				
Purchased professional and technical services	74,592		74,592	74,592
Legal services	21,528		21,528	21,528
Contingency	57,505		57,505	57,505
Construction services	20,555,254		20,555,254	20,555,254
Furniture & equipment purchases	770,214		770,214	770,214
Total expenditures	<u>21,479,093</u>	<u>-</u>	<u>21,479,093</u>	<u>21,479,093</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 191,281</u>	<u>-</u>	<u>191,281</u>	<u>191,281</u>

Additional project information:

Project number	SP-200324
Grant Date	N/A
Bond Authorization Date	3/28/00
Bonds Authorized	21,800,000
Bonds Issued	21,800,000
Original Authorized Cost	21,800,000
Additional/Reduction in Authorized Cost	(129,626)
Revised Authorized Cost	21,670,374
Percentage Increase over Original Authorized Cost	-0.59%
Percentage Completion	100.00%
Original target completion date	9/1/03
Revised target completion date	6/30/17

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LONG-TERM DEBT SCHEDULES

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EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Long-Term Debt
Schedule of Serial Bonds
June 30, 2022

I-1

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2021	Issued	Refunded/Retired	Balance June 30, 2022
			Date	Amount					
General Obligation - Refunding Bonds	10/01/04	\$ 50,735,000	7/15/22	4,220,000	5.500%	\$ 22,375,000		3,995,000	18,380,000
			7/15/23	4,460,000	5.500%				
			7/15/24	4,715,000	5.750%				
			7/15/25	4,985,000	5.750%				
General Obligation - Refunding Bonds	12/05/12	6,805,000	4/1/23	835,000	4.000%	1,690,000		-	1,690,000
			4/1/24	855,000	3.500%				
General Obligation -	01/06/16	14,365,000	4/1/23	60,000	2.000%	13,980,000		910,000	13,070,000
			4/1/24	65,000	2.000%				
			4/1/25	995,000	5.000%				
			4/1/26	955,000	5.000%				
			4/1/27	2,300,000	4.000%				
			4/1/28	2,515,000	3.000%				
			4/1/29	3,205,000	3.000%				
			4/1/30	2,975,000	3.000%				
			9/15/22	1,790,000	5.000%				
			9/15/23	1,890,000	5.000%				
General Obligation -	06/01/16	19,320,000	9/15/24	1,970,000	2.000%	15,875,000		1,715,000	14,160,000
			9/15/25	2,020,000	2.125%				
			9/15/26	2,090,000	4.000%				
			9/15/27	2,170,000	2.375%				
			9/15/28	2,230,000	2.500%				
						\$ 53,920,000	-	6,620,000	47,300,000

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Long-Term Debt
Schedule of Obligations under Capital Leases
June 30, 2022

Series	Date of Inception	Interest Rate Payable	Amount of Original Issue	Amount		Retired Current Year	Amount Outstanding June 30, 2022
				Outstanding June 30, 2021	Issued Current Year		
TD Equipment Finance 54 passenger buses (12)	12/15/16	1.6000%	1,217,258	515,302		255,606	259,696
TD Equipment Finance Various buses, vehicles & equipment	10/13/17	1.7000%	2,703,662	931,154		461,653	469,501
TD Equipment Finance 54 passenger buses (8)	5/31/18	2.9500%	816,770	267,494		131,803	135,691
Banc of America Various buses & equipment	7/14/19	1.9459%	1,918,179	1,123,033		367,154	755,879
U.S. Bancorp Buses	12/15/19	2.1670%	680,000	285,250		93,052	192,198
JP Morgan Chase Bank, NA Various buses & equipment	6/15/20	1.2600%	1,910,065	1,452,792		437,928	1,014,864
Banc of America Technology equipment & buses	7/15/21	0.6294%	1,501,550		1,501,550	400,000	1,101,550
Banc of America Various buses & equipment	7/15/21	0.9121%	1,447,250		1,447,250	100,000	1,347,250
				<u>\$ 4,575,025</u>	<u>\$ 2,948,800</u>	<u>\$ 2,247,196</u>	<u>\$ 5,276,629</u>

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 5,555,551		5,555,551	5,555,551	-
Other Miscellaneous					-
	<u>5,555,551</u>	<u>-</u>	<u>5,555,551</u>	<u>5,555,551</u>	<u>-</u>
State Sources:					
Debt Service Aid Type II	3,247,399		3,247,399	3,247,399	-
Total - State Sources	<u>3,247,399</u>	<u>-</u>	<u>3,247,399</u>	<u>3,247,399</u>	<u>-</u>
Total Revenues	<u>8,802,950</u>	<u>-</u>	<u>8,802,950</u>	<u>8,802,950</u>	<u>-</u>
EXPENDITURES:					
Regular Debt Service:					
Interest	2,182,950		2,182,950	2,182,950	-
Redemption of Principal	6,620,000		6,620,000	6,620,000	-
Total Regular Debt Service	<u>8,802,950</u>	<u>-</u>	<u>8,802,950</u>	<u>8,802,950</u>	<u>-</u>
Total expenditures	<u>8,802,950</u>	<u>-</u>	<u>8,802,950</u>	<u>8,802,950</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources (Uses):					
Transfer from Capital Projects				191,281	
Fund Balance, July 1	2	-	2	2	-
Fund Balance, June 30	<u>\$ 2</u>	<u>-</u>	<u>2</u>	<u>191,283</u>	<u>-</u>

Recapitulation of Fund Balance:

Designated for Subsequent Year's Expenditures	-
Restricted Fund Balance	<u>191,283</u>
	<u>191,283</u>

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Statistical Section

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TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Net Position by Component,
Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 106,080,616	104,590,050	104,910,948	98,617,866	94,537,783	90,630,148	94,073,351	91,851,310	94,979,615	98,173,044
Restricted	3,937,303	2,635,593	1,685,301	1,077,373	1,916,722	387,165	561,482	473,736	10,145,466	4,708,487
Unrestricted	5,512,921	(23,453,834)	(19,965,011)	(23,503,022)	(28,846,773)	(28,488,720)	(35,260,714)	(34,183,563)	(39,995,106)	(31,444,861)
Total governmental activities net position	115,530,840	83,771,809	86,631,238	76,192,217	67,607,732	62,528,593	59,374,119	58,141,483	65,129,975	71,436,669
Business-type activities										
Net investment in capital assets	147,741	151,742	169,101	193,910	227,654	258,567	216,086	205,422	215,826	196,635
Unrestricted	1,338,792	1,301,455	1,244,294	1,225,389	1,142,623	997,010	788,206	440,132	740,181	2,295,226
Total business-type activities net position	1,486,533	1,453,197	1,413,395	1,419,299	1,370,277	1,255,577	1,004,292	645,554	956,007	2,491,861
District-wide										
Net investment in capital assets	106,228,357	104,741,792	105,080,049	98,811,776	94,765,437	90,888,715	94,289,437	92,056,732	95,195,441	98,369,679
Restricted	3,937,303	2,635,593	1,685,301	1,077,373	1,916,722	387,165	561,482	473,736	10,145,466	4,708,487
Unrestricted	6,851,713	(22,152,379)	(18,720,717)	(22,277,633)	(27,704,150)	(27,491,710)	(34,472,508)	(33,743,431)	(39,254,925)	(29,149,635)
Total district net position	\$ 117,017,373	85,225,006	88,044,633	77,611,516	68,978,009	63,784,170	60,378,411	58,787,037	66,085,982	73,928,530

Source: ACFR Schedule A-1

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Changes in Net Position, Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities										
Instruction										
Regular	50,851,116	50,450,298	54,824,412	62,992,932	70,490,116	72,213,619	65,807,348	67,402,875	78,712,650	72,038,214
Special education	11,368,892	11,493,725	12,629,713	15,301,873	17,501,382	18,030,639	17,135,710	17,807,976	21,697,536	36,166,778
Other special education	3,139,061	3,252,789	3,499,661	3,597,262	3,772,492	3,831,228	3,710,830	3,769,208	4,442,104	5,292,813
Other instruction	1,925,211	1,771,611	1,892,096	2,199,347	2,369,267	2,417,604	2,545,964	2,328,317	2,408,285	3,003,674
Nonpublic school programs	89,559	228,199	174,675	141,130	194,888	194,769	152,145	170,125	190,591	170,184
Support Services:										
Tuition	6,355,186	6,214,391	7,960,177	8,518,177	4,862,379	4,918,423	4,350,963	5,041,378	1,822,358	2,212,909
Student & instruction related services	19,522,106	19,490,668	22,037,455	26,161,293	28,170,831	31,061,444	31,103,432	29,799,591	32,782,473	42,642,176
General administrative services	4,368,385	4,276,394	4,581,496	5,308,159	5,701,273	6,039,246	5,718,580	5,143,538	5,986,579	4,106,598
School administrative services	6,006,631	5,867,838	6,570,957	7,747,451	8,816,177	9,020,644	8,230,590	7,417,681	8,926,098	5,379,206
Plant operations and maintenance	13,998,124	13,966,789	14,758,183	16,965,477	18,712,027	19,893,048	19,964,864	18,960,802	22,093,127	18,158,986
Pupil transportation	10,075,822	10,273,699	11,138,585	12,675,554	14,027,054	14,841,206	14,798,076	13,712,720	13,350,650	10,173,662
Special Schools										
Interest on long-term debt	4,333,013	4,742,049	4,565,316	4,359,240	3,966,799	3,685,474	3,370,398	3,114,493	2,779,251	2,525,217
Capital Outlay	2,000	2,000	-	-	-	-	-	-	-	-
Total governmental activities expenses	<u>132,033,106</u>	<u>132,030,450</u>	<u>144,632,726</u>	<u>165,967,895</u>	<u>178,584,685</u>	<u>186,147,344</u>	<u>176,888,900</u>	<u>174,668,704</u>	<u>195,191,702</u>	<u>201,870,417</u>
Business-type activities:										
Food service	3,423,983	3,307,547	3,254,280	3,207,090	3,205,149	3,265,814	3,221,677	2,889,665	2,779,434	3,785,693
Child Care	342,188	329,321	347,520	350,893	378,739	319,273	283,288	189,658	164,455	198,748
Eagle Enterprises									2,326	3,489
Total business-type activities expense	<u>3,766,171</u>	<u>3,636,868</u>	<u>3,601,800</u>	<u>3,557,983</u>	<u>3,583,888</u>	<u>3,585,087</u>	<u>3,504,965</u>	<u>3,079,323</u>	<u>2,946,215</u>	<u>3,987,930</u>
Total district expenses	<u>135,799,277</u>	<u>135,667,318</u>	<u>148,234,526</u>	<u>169,525,878</u>	<u>182,168,573</u>	<u>189,732,431</u>	<u>180,393,865</u>	<u>177,748,027</u>	<u>198,137,917</u>	<u>205,858,347</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Special schools										
Tuition	723,162	758,420	786,941	786,941	757,355	1,100,072	1,069,048	586,091	634,522	797,109
Operating grants and contributions	13,904,322	12,593,881	25,360,104	25,360,104	46,519,012	52,322,651	41,125,290	34,423,905	57,439,295	54,993,791
Total governmental activities program revenues	<u>14,627,484</u>	<u>13,352,301</u>	<u>26,147,045</u>	<u>26,147,045</u>	<u>47,276,367</u>	<u>53,422,723</u>	<u>42,194,338</u>	<u>35,009,996</u>	<u>58,073,817</u>	<u>55,790,900</u>

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Changes in Net Position, Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-type activities:										
Charges for services										
Food service	1,370,924	1,352,940	1,225,494	1,230,505	1,173,642	1,097,969	1,052,374	705,367	11,914	227,453
Child care	325,824	318,293	311,977	315,708	265,522	269,421	228,012	277,384	327,368	405,169
Operating grants and contributions	1,811,708	1,874,069	2,023,917	2,006,187	2,094,060	2,044,895	1,993,374	1,688,176	2,913,975	4,889,130
Total business type activities program revenues	3,508,456	3,545,302	3,561,388	3,552,400	3,533,224	3,412,285	3,273,760	2,670,927	3,253,257	5,521,752
Total district program revenues	18,135,940	16,897,603	29,708,433	29,699,445	50,809,591	56,835,008	45,468,098	37,680,923	61,327,074	61,312,652
Net (Expense)/Revenue										
Governmental activities	(117,405,622)	(118,678,149)	(118,485,681)	(139,820,850)	(131,308,318)	(132,724,621)	(134,694,562)	(139,658,708)	(137,117,885)	(146,079,517)
Business-type activities	(257,715)	(91,566)	(40,412)	(5,583)	(50,664)	(172,802)	(231,205)	(408,396)	307,042	1,533,822
Total district-wide net expense	(117,663,337)	(118,769,715)	(118,526,093)	(139,826,433)	(131,358,982)	(132,897,423)	(134,925,767)	(140,067,104)	(136,810,843)	(144,545,695)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	67,204,500	69,175,095	71,015,418	72,986,000	74,445,720	75,615,712	77,128,026	79,449,051	81,038,032	81,038,032
Taxes levied for debt service	5,738,984	5,731,780	5,711,491	5,751,186	5,674,577	5,565,859	5,551,811	5,589,401	5,571,072	5,555,551
Unrestricted grants and contributions	40,238,195	40,929,772	40,923,098	40,948,861	41,803,805	42,802,324	45,062,043	49,285,702	51,909,524	62,231,266
Federal and state aid restricted	3,250,869	3,253,736	3,259,532	3,262,441	3,269,108	3,179,765	3,229,297	3,235,262	3,242,453	3,247,399
Transportation charges										
Investment earnings	40,643	37,315	41,339	55,169	75,759	2,000	3,000	3,000	3,000	3,000
Miscellaneous income	926,211	1,340,948	397,613	979,474	924,923	568,294	914,441	1,491,844	601,660	927,045
Special items	(167,573)	(1,186,731)	(3,381)	(1,651,769)	(3,470,059)	(88,472)	(348,530)	(628,188)	(148,908)	(345,552)
Prior year receivables/payables canceled										
Total governmental activities	117,231,829	119,281,915	121,345,110	122,331,362	122,723,833	127,645,482	131,540,088	138,426,072	142,216,833	152,386,211
Business-type activities:										
Investment earnings	2,827	2,265	1,912	1,753	1,642	2,050	5,179	9,658	3,411	2,032
Special items		55,965	(1,302)	9,734	-	56,052	(25,259)	40,000	-	-
Transfers										
Total business-type activities	2,827	58,230	610	11,487	1,642	58,102	(20,080)	49,658	3,411	2,032
Total district-wide	117,234,656	119,340,145	121,345,720	122,342,849	122,725,475	127,703,584	131,520,008	138,475,730	142,220,244	152,388,243

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Changes in Net Position, Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Change in Net Position										
Governmental activities	(173,793)	603,766	2,859,429	(17,489,488)	(8,584,485)	(5,079,139)	(3,154,474)	(1,232,636)	5,098,948	6,306,694
Business-type activities	(254,888)	(33,336)	(39,802)	5,904	(49,022)	(114,700)	(251,285)	(358,738)	310,453	1,535,854
Total district	<u>(428,681)</u>	<u>570,430</u>	<u>2,819,627</u>	<u>(17,483,584)</u>	<u>(8,633,507)</u>	<u>(5,193,839)</u>	<u>(3,405,759)</u>	<u>(1,591,374)</u>	<u>5,409,401</u>	<u>7,842,548</u>

Change in Net Position
 Governmental activities
 Business-type activities
 Total district

Source: ACFR Schedule A-2

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Restricted	\$ 9,035,850	15,672,131	16,822,512	16,019,118	13,156,094	13,754,862	10,022,868	12,426,083	9,954,183	4,045,370
Committed	3,379,001	-	-	-	-	-	-	-	-	-
Assigned	152,937	-	347,890	735,069	1,869,581	800,070	756,454	282,453	4,316,277	9,494,061
Unassigned	-	(195,438)	-	-	-	-	-	-	1,893,267	1,903,698
Total general fund	12,567,788	15,476,693	17,170,402	16,754,187	15,025,675	14,554,932	10,779,322	12,708,536	16,163,727	15,443,129
All Other Governmental Funds										
Restricted	3,149,561	453,308	191,301	246,833	335,375	227,924	191,282	191,283	708,643	663,117
Committed	749,999	2,144,542	1,132,546	95,471	-	-	-	-	-	-
Assigned	-	37,743	13,564	-	-	-	-	-	-	-
Unassigned	37,743	-	-	-	-	-	-	-	(283,587)	(381,857)
Total all other governmental funds \$	3,937,303	2,635,593	1,337,411	342,304	335,375	227,924	191,282	191,283	425,056	281,260

Source: ACFR Schedule B-1

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Tax levy	\$ 72,943,484	74,906,875	76,726,909	78,737,186	80,120,297	81,181,571	82,679,837	85,038,452	86,609,104	86,593,583
Tuition charges	723,162	758,420	786,941	717,238	757,355	1,100,072	1,069,048	586,091	634,522	797,109
Transportation charges										
Interest earnings	40,643	37,315	41,339	33,859	33,859	33,859	3,000	3,000	3,000	3,000
Rentals				55,169	75,759	2,000	3,000	3,000	3,000	3,000
Miscellaneous	926,211	1,340,948	397,613	731,845	1,104,834	534,435	914,441	1,491,844	601,660	927,045
Local sources	80,932	36,455	15,751	2,169	22,306	4,266	29,903	25,433	464,590	1,748,624
State sources	53,791,957	53,384,159	54,745,251	56,551,128	59,029,044	62,259,611	66,859,615	72,221,467	80,315,163	101,951,527
Federal sources	3,520,497	3,356,773	3,492,013	3,763,699	3,532,315	4,271,930	4,175,657	4,274,627	7,764,118	9,857,048
Total revenue	132,026,886	133,820,945	136,205,817	140,592,293	144,675,769	149,387,744	155,731,501	163,640,914	176,392,157	201,877,936
Expenditures										
Instruction										
Regular Instruction	35,102,304	35,205,925	35,101,944	36,989,169	38,060,970	38,511,889	39,390,980	41,469,477	47,120,871	41,854,999
Special education instruction	7,581,713	7,585,720	7,835,258	8,516,160	9,369,001	9,426,133	9,452,324	10,772,118	11,847,366	21,013,298
Other special instruction	2,032,077	2,075,277	2,057,868	1,939,201	1,941,032	1,934,150	2,018,450	2,232,876	2,279,718	3,075,183
Other instruction	1,417,191	1,313,499	1,316,270	1,423,881	1,409,775	1,458,668	1,613,925	1,565,079	1,425,936	1,745,167
Nonpublic school programs	89,559	228,199	174,675	141,130	194,888	194,769	152,145	170,125	190,591	170,184
Support Services:										
Tuition	3,822,196	3,724,846	4,722,724	4,161,898	4,862,379	4,918,423	4,350,963	5,041,378	1,822,358	2,212,909
Student & instruction related services	13,168,955	13,233,770	13,793,357	14,789,363	14,511,556	16,166,263	17,402,076	18,042,592	17,986,939	24,775,576
General administrative services	2,808,404	2,839,377	2,778,659	2,894,089	2,817,613	2,958,324	3,082,141	2,998,297	3,056,029	3,137,774
School Administrative services	3,501,399	3,509,442	3,622,601	3,726,199	3,851,581	3,841,837	3,857,385	3,796,751	3,969,297	4,110,150
Plant operations and maintenance	8,802,111	9,266,653	8,783,610	9,348,054	9,516,462	9,778,417	10,790,616	10,979,147	11,450,637	12,436,055
Pupil transportation	6,524,541	6,838,838	6,550,746	6,894,685	6,931,748	7,208,272	8,011,872	7,767,492	6,781,582	8,626,528
Unallocated employee benefits	34,608,681	33,907,585	36,239,815	39,221,873	41,783,949	43,373,118	47,815,600	45,569,440	54,920,545	63,157,519
Special Schools										
Capital outlay	2,353,522	3,719,997	4,291,997	5,647,612	3,532,222	5,589,507	2,787,526	6,990,509	2,927,343	9,759,167
Debt service:										
Principal	4,429,226	4,620,000	4,815,000	5,030,000	5,400,000	5,525,000	5,755,000	6,040,000	6,330,000	6,620,000
Interest and other charges	4,522,886	4,365,516	4,193,766	3,956,659	3,445,292	3,328,075	3,062,750	2,784,662	2,483,525	2,726,091
Total expenditures	130,764,765	132,434,644	136,278,290	144,679,973	147,628,468	154,212,845	159,543,753	166,219,943	174,592,737	205,420,600
Excess (Deficiency) of revenues over (under) expenditures	1,262,121	1,386,301	(72,473)	(4,087,680)	(2,952,699)	(4,825,101)	(3,812,252)	(2,579,029)	1,799,420	(3,542,664)

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing sources (uses)										
Capital leases (non-budgeted)	-	374,534	468,000	2,676,358	1,217,258	4,246,907	-	4,508,244	-	2,948,800
Debt service assessment		(153,640)								(273,076)
Cancellation of prior year receivables	3,654									2,546
Cancellation of prior year payables	6,805,000									
Proceeds of refunding debt	(6,805,000)									
Payment to refunded debt escrow agent										
Recoveries for storm damage	398,700									
Insurance	74,883									
FEMA	(398,700)									
Expenses related to storm damage	(74,883)									
Insurance	1,406,400									
FEMA	(1,406,400)									
Transfers in	3,654	220,894	468,000	2,676,358	1,217,258	4,246,907	-	4,508,244	-	2,678,270
Transfers out										
Total other financing sources (uses)	\$ 1,265,775	1,607,195	395,527	(1,411,322)	(1,735,441)	(578,194)	(3,812,252)	1,929,215	1,799,420	(864,394)
Net change in fund balances	6.97%	6.98%	6.83%	6.46%	6.14%	5.96%	5.63%	5.54%	5.13%	4.78%
Debt service as a percentage of noncapital expenditures										

Source: ACFR Schedule B-2

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Adult Evening School Tuition	Refund of Prior Year Expenditures	Lawsuit Settlements	Use of Facilities	Interest Earned	Sale of SRECS	Misc.	Total
2013	2,025	10,964	621,319	44,328		196,135	51,440	926,211
2014	2,790	1,046,090	-	88,597		172,175	17,732	1,327,384
2015	-	106,761		82,979		184,200	23,653	397,593
2016		26,631		-		564,170	196,594	787,395
2017		22,849				675,324	435,371	1,133,544
2018		7,113				386,297	119,643	513,053
2019		104,248				539,644	188,403	832,295
2020		123,518				644,782	696,173	1,464,473
2021		5,448				283,700	247,298	536,446
2022		52			50,752	701,206	5,742	757,752

Source: District Records

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfam	Commercial	Industrial	Apartment	Total Assessed Value	Less: Exempt Property	Class I Railroad	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2013	177,625,200	3,022,057,300	5,717,200	535,300	797,508,100	47,398,600	16,192,000	4,067,133,700	-	15,300	10,299,734	4,077,448,734	1.790	7,045,876,506
2014	166,478,000	3,046,695,000	5,084,900	554,100	798,150,900	43,509,200	16,192,000	4,076,664,100	-	15,300	8,175,829	4,084,855,229	1.830	4,188,735,879
2015	151,264,300	3,060,824,300	5,457,400	734,300	787,632,800	43,509,200	16,192,000	4,065,614,300	-	15,300	8,586,762	4,074,216,362	1.900	4,166,224,052
2016	141,631,800	3,079,654,400	5,116,300	819,700	793,693,100	43,509,200	16,192,000	4,080,616,500	-	15,300	8,434,662	4,089,086,462	1.930	4,189,172,382
2017	144,125,200	3,098,196,000	5,122,700	713,700	755,978,515	43,120,500	16,192,000	4,063,448,615	-	15,300	8,514,802	4,071,978,717	2.000	4,104,024,465
2018	128,740,600	3,090,670,100	5,577,800	784,400	777,298,250	40,806,400	15,841,500	4,059,719,050	-	-	8,661,779	4,068,380,829	2.020	4,050,620,528
2019	124,068,100	3,089,318,200	5,317,300	683,000	761,849,150	40,806,400	15,841,500	4,037,883,650	-	-	8,798,245	4,046,681,895	2.030	4,067,353,658
2020	121,930,400	3,088,852,500	5,530,500	685,900	762,644,350	40,806,400	15,841,500	4,036,291,750	-	-	8,234,696	4,044,526,646	2.120	4,344,809,120
2021	112,745,100	3,099,354,500	5,530,500	685,800	760,807,250	40,806,400	23,126,000	4,043,055,550	-	-	8,277,539	4,051,333,089	2.140	4,445,866,088
2022	105,496,400	3,148,896,100	4,931,100	715,400	741,900,750	40,806,400	36,341,500	4,079,087,650	-	-	7,774,773	4,086,862,423	2.139	4,788,851,946

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 Taxator

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

^b Tax rates are per \$100

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Rate per \$100 of Assessed Value
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Egg Harbor Township Board of Education					Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Egg Harbor Township	Atlantic County	
2013	1.646	0.167	1.813	0.754	0.641	3.208
2014	1.717	0.141	1.858	0.519	0.481	2.858
2015	1.768	0.140	1.908	0.538	0.508	2.954
2016	1.783	0.141	1.924	0.550	0.505	2.979
2017	1.863	0.139	2.002	0.560	0.523	3.085
2018	1.878	0.138	2.016	0.570	0.559	3.145
2019	1.937	0.137	2.074	0.598	0.539	3.211
2020	1.985	0.138	2.124	0.608	0.569	3.301
2021	2.000	0.139	2.139	0.633	0.590	3.362
2022	1.964	0.135	2.099	0.632	0.604	3.335

Source: District Records and Municipal Tax Collector

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

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Principal Property Tax Payers,
Current Year and Nine Years Ago
Unaudited

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Atlanticare Health Services, Inc.	34,596,500	1	0.85%	13,682,100	5	0.34%
US Realty Financial Corp	20,834,400	2	0.51%			
Harbor Laning LP	20,500,000	3	0.50%			
English Creek LLC	16,857,800	4	0.41%	18,077,300	2	0.44%
AHIP NJ	15,311,000	5	0.37%			
Lowe's Home Centers, Inc.				15,624,500	3	0.38%
Home Depot Development Co of MD	10,500,000	6	0.26%	10,831,200	8	0.27%
PAMCNJ Real Estate, LP	10,013,000	7	0.25%			0.00%
Margate Bridge Company	9,721,800	8	0.24%	9,710,900	9	0.24%
Egg Harbor Associates, LLC	9,613,100	9	0.24%			
Spencer Gifts, Inc.	9,415,000	10	0.23%			
Shore Mall Associates				51,596,800	1	1.27%
Atlantic City Electric Co.				15,038,400	4	0.37%
Trocki Hotels LP				9,561,800	10	0.23%
Hidden Creek Golf Club, LLC				11,309,000	7	0.28%
Cardiff Center, LLC				11,362,500	6	0.28%
Total	157,362,600		3.85%	166,794,500		4.09%
District Net Assessed Value			4,086,862,423			4,077,448,734

Source: District ACFR & Municipal Tax Assessor

TOWNSHIP OF EGG HARBOR 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	Percentage of Levy	
2013	72,943,484	72,943,484	100%	-
2014	74,906,875	74,906,875	100%	-
2015	76,726,909	76,726,909	100%	-
2016	78,737,186	78,737,186	100%	-
2017	80,120,297	80,120,297	100%	-
2018	81,181,571	81,181,571	100%	-
2019	82,679,837	82,679,837	100%	-
2020	85,038,452	85,038,452	100%	-
2021	86,609,104	86,609,104	100%	-
2022	86,593,583	86,593,583	100%	-

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

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

TOWNSHIP OF EGG HARBOR 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 Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Capital Leases	Capital Leases	Capital Leases			
2013	97,495,000	964,674	55,965	98,515,639	5.58%	2,252	
2014	92,875,000	856,512	-	93,731,512	5.19%	2,142	
2015	88,060,000	826,842	-	88,886,842	4.86%	2,038	
2016	82,970,000	2,646,482	-	85,616,482	4.58%	1,977	
2017	77,570,000	3,081,473	27,680	80,679,153	4.27%	1,863	
2018	72,045,000	5,925,167	40,802	78,010,969	4.50%	1,951	
2019	66,290,000	4,401,751	-	70,691,751	3.60%	1,666	
2020	60,250,000	6,598,391	-	66,848,391	3.29%	1,582	
2021	53,920,000	4,575,025	-	58,495,025	2.71%	1,389	
2022	47,300,000	5,276,629	-	52,576,629	1.97%	1,101	

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

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

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

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2013	97,495,000		97,495,000	2.39%	2,229
2014	92,875,000		92,875,000	2.27%	2,122
2015	88,060,000		88,060,000	2.16%	2,019
2016	82,970,000		82,970,000	2.03%	1,916
2017	77,570,000		77,570,000	1.90%	1,807
2018	72,045,000		72,045,000	1.77%	1,679
2019	66,290,000		66,290,000	1.64%	1,554
2020	60,250,000		60,250,000	1.49%	1,426
2021	53,920,000		53,920,000	1.33%	1,281
2022	47,300,000		47,300,000	1.16%	991

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

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

b Population data can be found in Exhibit NJ J-13.

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2022
Unaudited

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Township of Egg Harbor	\$ 27,108,717	100.00%	27,108,717
Other debt			
Egg Harbor Township Golf Corporation	5,125,000	100.00%	5,125,000
Atlantic County	203,998,316	13.67%	27,883,576
Subtotal, overlapping debt			60,117,293
Township of Egg Harbor School District debt	47,300,000	100.00%	47,300,000
Total direct and overlapping debt	\$		<u><u>107,417,293</u></u>

Sources: Township of Egg Harbor Finance Officer and Atlantic 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 Egg Harbor Township. 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.

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Legal Debt Margin Information,
Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2021

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 178,813,680	173,469,679	169,614,370	168,846,486	165,525,868	164,023,701	162,775,023	165,826,838	111,954,595	179,241,096
Total net debt applicable to limit	97,495,000	92,875,000	88,060,000	82,970,000	77,570,000	64,755,000	66,290,000	60,250,000	53,920,000	47,300,000
Legal debt margin	\$ 81,318,680	80,594,679	81,554,370	85,876,486	87,955,868	99,268,701	96,485,023	105,576,838	58,034,595	131,941,096
Total net debt applicable to the limit as a percentage of debt limit	54.52%	53.54%	51.92%	49.14%	46.86%	39.48%	40.72%	36.33%	48.16%	26.39%

	2021	2020	2019
Equalized valuation basis	4,707,248,283	4,410,765,763	4,325,068,177
	<u>13,443,082,223</u>		
Average equalized valuation of taxable property	4,481,027,408		
Debt limit (4% of average) equalization	179,241,096		
Net bonded school debt	47,300,000		
Legal debt margin	<u>131,941,096</u>		

Source: Abstract of Ratables and District Records ACFR Schedule J-11

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2013	43,740	1,766,615	40,389	12.20%
2014	43,762	1,807,546	41,304	10.80%
2015	43,614	1,829,476	41,947	9.70%
2016	43,314	1,869,909	43,171	8.70%
2017	42,920	1,887,364	43,974	6.70%
2018	42,651	1,907,992	44,735	6.40%
2019	42,439	1,965,095	46,304	5.30%
2020	42,245	2,032,407	48,110	4.50%
2021	42,105	2,157,755	51,247	17.80%
2022	47,733	2,663,597	55,802	8.80%

Source:

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

b Personal income is calculated by multiplying per capita income by the population

c Per Capita Income US Department of Commerce, Bureau of Economic Analysis, November 17, 2016

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

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Principal Employers,
Prior Year and Ten Years Ago
Unaudited

Employer	2022			2013		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
Federal Aviation Administration			0%	3,500	1	16%
Egg Harbor Township School District			0%	1,168	2	5%
AtlantiCare			0%	546	3	2%
Air National Guard			0%	400	4	2%
Boscov's	Not available		0%	275	5	1%
U.S. Coast Guard			0%	255	6	1%
Home Depot			0%	248	7	1%
Egg Harbor Township			0%	246	8	1%
Spencer Gifts			0%	210	9	1%
Lowe's			0%	208	10	1%
	-		0%	7,056		32%

GASB requires this table present the principal taxpayers for the current year and nine years ago, however information from 2022 was not available. Also, the Township does not update this information on an annual basis, therefore the most recent information is reported.

Source: Township of Egg Harbor Official Statements

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years
Unaudited

<u>Function/Program</u>	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Instruction	454.0	474.0	461.5	466.0	467.5	445.0	436.0	440.0	444.0	447.0
Regular	131.5	160.0	162.0	169.5	176.0	174.0	165.0	171.0	172.0	176.0
Special education	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Vocational	51.5	-	-	-	-	-	-	-	-	-
Other instruction										
Support Services:										
Student & instruction related services	176.0	227.0	246.0	264.0	283.5	305.0	329.9	363.1	359.0	362.0
General administrative services	8.5	8.5	8.0	9.0	8.5	10.0	9.0	9.0	8.0	8.0
School administrative services	50.5	51.0	52.5	51.5	52.5	49.0	49.9	48.0	50.0	50.0
Central services	9.0	8.0	10.0	10.0	10.0	10.0	10.0	10.0	11.0	11.0
Administrative information technology	6.0	5.0	4.0	5.0	5.0	5.0	6.0	6.0	5.0	5.0
Plant operations and maintenance	122.5	117.5	119.0	127.0	125.0	118.0	125.5	121.5	125.0	125.0
Pupil transportation	120.5	116.5	115.5	111.0	109.5	110.0	106.0	110.5	107.5	100.0
Food Service	30.5	42.0	42.0	42.0	42.0	41.0	41.5	38.5	33.5	36.0
Total	1,166.5	1,215.5	1,226.5	1,261.0	1,285.5	1,273.0	1,284.8	1,323.6	1,321.0	1,326.0

Source: District Personnel Records

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year	Pupil/Teacher Ratio										Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Elementary	Middle School	High School						
2013	7,859	119,459,131	15,200	6.41%	691	10.6:1	10.0:1	10.0:1	7,685	7,324	-0.61%	95.30%		
2014	7,715	119,729,131	15,519	2.10%	661	11.5:1	11.0:1	10.0:1	7,508	7,174	-2.30%	95.55%		
2015	7,639	122,977,527	16,099	3.74%	711	11.5:1	11.0:1	10.0:1	7,489	7,130	-0.25%	95.21%		
2016	7,429	130,045,702	17,505	8.74%	695	11.5:1	11.0:1	10.0:1	7,349	6,990	-1.87%	95.11%		
2017	7,470	135,250,954	18,106	3.43%	650	11.6:1	11.2:1	10.3:1	7,395	7,026	0.63%	95.01%		
2018	7,344	153,841,064	20,948	15.70%	650	11.6:1	11.7:1	11.7:1	7,383	7,014	-0.16%	95.00%		
2019	7,279	147,938,477	20,324	-2.98%	607	12.2:1	11.7:1	11.9:1	7,326	6,946	-0.77%	94.81%		
2020	7,113	150,404,772	21,145	4.04%	617	11.2:1	12.0:1	11.6:1	7,289	7,019	-0.51%	96.30%		
2021	7,155	162,851,869	22,761	7.64%	622	11.4:1	11.4:1	11.7:1	7,189	6,819	-1.37%	94.85%		
2022	7,253	186,315,342	25,688	12.86%	629	11.9:1	11.6:1	11.8:1	7,396	6,904	2.88%	93.35%		

Sources: District records, ASSA and Schedules J-12, J-14

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-1

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).

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>District Building</u>										
<u>Elementary</u>										
H. Russell Swift School (1956, 1967, 1970, 2003)										
Square Feet	83,229	83,229	83,229	83,229	83,229	83,229	83,229	83,229	83,229	83,229
Capacity (students)	525	525	525	525	525	525	525	525	525	525
Enrollment	448	485	470	438	432	436	410	410	482	489
E. H. Slaybaugh School (1970, 1989)										
Square Feet	77,430	77,430	77,430	77,430	77,730	77,730	77,730	77,730	77,730	77,730
Capacity (students)	586	586	586	586	586	586	586	586	586	586
Enrollment	476	457	413	400	389	405	418	418	583	590
E. H. Slaybaugh Primary School (2007)										
Square Feet	58,807	58,807	58,807	58,807	58,807	58,807	58,807	58,807	58,807	58,807
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	428	402	396	452	466	439	445	445	249	295
C. J. Davenport School (1976)										
Square Feet	89,718	89,718	89,718	89,718	89,718	89,718	89,718	89,718	89,718	89,718
Capacity (students)	657	657	657	657	657	657	657	657	657	657
Enrollment	473	479	506	401	391	375	377	377	418	422
C. J. Davenport Primary School (2007)										
Square Feet	57,646	57,646	57,646	57,646	57,646	57,646	57,646	57,646	57,646	57,646
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	417	402	378	390	387	374	383	383	325	336
Dr. Joy Miller Elementary School (2003)										
Square Feet	154,538	154,538	154,538	154,538	154,538	154,538	154,538	154,538	154,538	154,538
Capacity (students)	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,194
Enrollment	1,176	1,140	1,175	1,150	1,140	1,110	1,099	1,099	1,033	1,041
<u>Middle School</u>										
Fernwood Avenue (1992)										
Square Feet	203,439	203,439	203,439	203,439	203,439	203,439	203,439	203,439	203,439	203,439
Capacity (students)	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321
Enrollment	997	950	934	920	959	970	911	911	883	876
Alder Avenue (1992, 2007)										
Square Feet	169,174	169,174	169,174	169,174	169,174	169,174	169,174	169,174	169,174	169,174
Capacity (students)	1,389	1,389	1,389	1,389	1,389	1,389	1,389	1,389	1,389	1,389
Enrollment	883	911	933	891	866	877	851	851	834	80

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
High School										
EHT High School (1983, 2003,, 2012)										
Square Feet	444,715	444,715	444,715	444,715	444,715	444,715	444,715	444,715	444,715	444,715
Capacity (students)	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Enrollment	2,446	2,399	2,323	2,279	2,319	2,309	2,346	2,346	2,308	2,325
Eagle Academy										
Square Feet	6,924	6,924	6,924	6,924	6,924	6,924	6,924	6,924	6,924	6,924
Capacity (students)	60	60	60	60	60	60	60	60	60	60
Enrollment	39	22	37	39	37	49	39	39	40	39
Other										
Central Administration Building (1969)										
(sold in 2016)										
Square Feet	9,744	9,744	9,744	-	-	-	-	-	-	-
District Warehouse (1976)										
(sold in 2016)										
Square Feet	1,400	1,400	1,400	-	-	-	-	-	-	-
Transportation (1980)										
Square Feet	8,495	8,495	8,495	8,495	8,495	8,495	8,495	8,495	8,495	8,495
Maintenance Building (1980)										
Square Feet	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160
Grounds Building (1980)										
Square Feet	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360
High School Field House (1995, 2014)										
Square Feet	5,200	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400

Number of Schools at June 30, 2022
 Elementary = 6
 Middle School = 2
 High School = 2

Source: District records, ASSA

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

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
General Fund
Schedule of Required Maintenance for School Facilities
Last Ten Years
Unaudited

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

School Facilities	Project # (s)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
H. Russell Swift Elementary School	N/A	\$ 138,951	\$ 281,729	\$ 109,153	\$ 64,555	\$ 58,768	\$ 76,933	\$ 55,707	\$ 79,675	\$ 91,498	69,403
E.H. Slaybaugh Elementary School	N/A	238,428	255,989	239,019	145,445	157,319	122,615	104,529	103,901	114,872	116,636
Clayton J. Davenport Elementary School	N/A	158,007	254,016	191,699	134,376	116,088	138,505	90,456	101,354	113,232	132,929
Joy D. Miller Elementary School	N/A	131,506	140,899	136,206	126,391	169,159	121,094	119,977	107,967	118,068	117,911
Fernwood Avenue Middle School	N/A	257,860	213,663	163,314	164,168	166,181	158,515	251,170	132,567	125,207	168,401
Alder Avenue Middle School	N/A	197,058	185,705	165,024	130,041	166,110	125,151	199,289	107,601	119,539	116,781
Eagle Academy	N/A	7,614	22,698	7,498	55,034	7,267	8,683	7,778			
Egg Harbor Township High School	N/A	688,397	569,112	441,207	613,447	440,310	438,310	323,047	287,826	413,320	274,289
Total School Facilities		1,817,821	1,923,811	1,453,120	1,433,457	1,281,202	1,189,806	1,151,953	920,891	1,095,736	996,350
Other Facilities		8,694	8,196	8,255	34,673	56,213	59,626	17,351	17,691	7,175	12,509
Grand Total		\$ 1,826,515	\$ 1,932,007	\$ 1,461,375	\$ 1,468,130	\$ 1,337,415	\$ 1,249,432	\$ 1,169,304	\$ 938,582	\$ 1,102,911	\$ 1,008,859

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT

Insurance Schedule

June 30, 2022

Unaudited

	Coverage	Deductible
Property, Inland Marine and Automobile Physical Damages		
A. Limit of Liability	125,000,000	
ACCASBOJIF Self Insured Retention, per occurrence	250,000	
Members District Deductible, per occurrence		500
Perils Included	"All Risk"	
B. Property Valuation		
Buildings and Contents	Replacement Cost	
Contractors Equipment	Actual Cash Value	
Automobiles	Replacement Cost	
Boiler and Machinery		
A. Limit of Liability	125,000,000	
ACCASBOJIF Self Insured Retention	None	
Members District Deductible		1,000
Crime		
A. Limit of Liability	500,000	
ACCASBOJIF Self Insured Retention	250,000	
Members District Deductible		500
General and Automobile Liability		
A. Limit of Liability	15,000,000	
ACCASBOJIF Self Insured Retention	250,000	
Members District Deductible		None
Workers' Compensation		
A. Limit of Liability	Statutory	
ACCASBOJIF Self Insured Retention	250,000	
Members District Deductible		None
Educator's Legal Liability		
A. Limit of Liability	15,000,000	
ACCASBOJIF Self Insured Retention	175,000	
Members District Deductible		None

EGG HARBOR TOWNSHIP SCHOOL DISTRICT

Insurance Schedule

June 30, 2022

Unaudited

	Coverage	Deductible
Pollution Legal Liability/Mold Legal Liability		
A. Limit of Liability		
Pollution	3,000,000	
ACCASBOJIF Self Insured Retention	None	
Members District Deductible		
Pollution		25,000
Mold		100,000
Cyber Liability		
A. Limit of Liability	2,000,000	
ACCASBOJIF Self Insured Retention	None	
Members District Deductible		25,000
Crisis Protection & Disaster Management Services		
Limit of Liability, each occurrence	1,000,000	
ACCASBOJIF Self Insured Retention	None	
Members District Deductible		15,000
Commercial Umbrella Liability		
A. Limit of Liability	20,000,000	
ACCASBOJIF Self Insured Retention	None	
Members District Deductible		15,000
Student Activity Policy		
All Students and Athletes	6,000,000	None
Student Disability	1,500,000	None
Athletic Disability	1,500,000	None

Source: District Records (Coverage is through the Atlantic & Cape May Counties Association of School Business Officials Joint Insurance Fund (ACCASBOJIF)).

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Single Audit Section

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K-1

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

The Honorable President and
Members of the Board of Education
Egg Harbor Township School District
County of Atlantic
Egg Harbor Township, New Jersey

America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Egg Harbor Township School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Egg Harbor Township School District's basic financial statements, and have issued our report thereon dated March 9, 2023.

Report on Internal Control over Financial Reporting

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

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

Report on Compliance and Other Matters

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

Very truly yours,

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

March 9, 2023



K-2

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

Honorable President and
Members of the Board of Education
Egg Harbor Township School District
County of Atlantic, New Jersey

Report on Compliance for Each Major Federal & State Program

Opinion on Each Major Federal & State Program

We have audited the Egg Harbor Township School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Egg Harbor Township School District's major federal and state programs for the year ended June 30, 2022. The Egg Harbor Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Egg Harbor Township School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal & State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

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

Report on Internal Control Over Compliance

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

material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

March 9, 2023

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EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2022

Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period	Balance at June 30, 2021	Carryover Amount	Cash Received	Budgetary Expenditures			Repayment of Prior Years' Balances	Balance at June 30, 2022		
								Pass Through	Source	Direct		(MEMO) Pass Through to Sub-Recipients	Adjustments	(Accounts Receivable)
U.S. Department of Agriculture														
Passed-through State Department of Education:														
10.555	211NJ304N1099	N/A	288,797	7/1/20 - 6/30/21	76,848	-	-	(76,848)	-	-	-	-	-	-
10.555	221NJ304N1099	N/A	268,993	7/1/21 - 6/30/22	(43,785)	-	268,993	(221,795)	-	-	-	47,198	-	-
10.553	211NJ304N1099	N/A	784,161	7/1/20 - 6/30/21	(122,685)	-	43,785	(820,556)	-	(88,192)	-	-	-	-
10.553	221NJ304N1099	N/A	820,556	7/1/20 - 6/30/21	(148,218)	-	732,364	(820,556)	-	(367,436)	-	-	-	-
10.555	211NJ304N1099	N/A	1,596,269	7/1/20 - 6/30/21	(240,903)	-	1,226,885	(3,528,250)	-	(145,951)	-	-	-	-
10.555	221NJ304N1099	N/A	3,528,250	7/1/20 - 6/30/21	(237,840)	-	3,160,814	(145,951)	-	(601,579)	-	-	-	-
10.555	211NJ304N1099	N/A	148,218	7/1/20 - 6/30/21	(3,063)	-	148,218	(4,793,400)	-	-	-	47,198	-	-
10.555	221NJ304N1099	N/A	145,951	7/1/21 - 6/30/22	(3,063)	-	-	(4,793,400)	-	-	-	-	-	-
Total Child Nutrition Cluster														
10.649	202121S900941	N/A	3,063	7/1/20 - 6/30/21	(3,063)	-	3,063	(3,135)	-	-	-	-	-	-
10.649	2022225900941	N/A	3,135	7/1/21 - 6/30/22	-	-	3,135	(3,135)	-	-	-	-	-	-
Total COVID-19 P-EBT Administrative Cost Reimbursement														
Total COVID-19 P-EBT Administrative Cost Reimbursement														
Total U.S. Department of Agriculture														
U.S. Department of Health and Human Services														
Passed-through State Department of Health and Human Services:														
93.778	2005NJ5MAP	N/A	293,444	7/1/20 - 6/30/21	-	-	219,142	(293,444)	-	(74,302)	-	-	-	-
Medical Assistance Program														
Total General Fund														
U.S. Department of Education														
Passed-through State Department of Education:														
Special Revenue Fund:														
Title I, Part A														
84.010	S010A200030	ESSA-1310-20	1,444,446	7/1/20 - 9/30/21	(540,679)	-	540,679	(1,247,592)	-	(682,455)	-	-	-	-
84.010	S010A210030	ESSA-1310-21	1,394,212	7/1/21 - 9/30/22	(11,300)	-	565,137	(1,247,592)	-	(682,455)	-	-	-	-
84.010	S010A200030	ESSA-1310-21	11,300	7/1/20 - 9/30/21	(551,979)	-	11,300	-	-	-	-	-	-	-
84.010	S010A210031	ESSA-1310-22	10,000	7/1/21 - 9/30/22	(32,748)	-	-	(1,247,592)	-	(682,455)	-	-	-	-
Total ESSA, Title I, Part A														
84.367A	S367A200029	ESSA-1310-21	311,590	7/1/20 - 9/30/21	(32,748)	-	32,748	(193,984)	-	(39,555)	-	-	-	-
84.367A	S367A210029	ESSA-1310-21	289,106	7/1/21 - 9/30/22	(32,748)	-	154,429	(193,984)	-	(39,555)	-	-	-	-
Total ESSA, Title II, Part A, Innovative Programs														
Title III, English Language Enhancement														
84.365A	S365A200030	ESSA-1310-21	53,160	7/1/20 - 9/30/21	(20,747)	-	20,747	(39,291)	-	(17,067)	-	-	-	-
84.365A	S365A210030	ESSA-1310-21	39,315	7/1/21 - 9/30/22	(4,354)	-	22,224	(39,291)	-	(17,067)	-	-	-	-
84.365	S365A200030	ESSA-1310-21	18,425	7/1/20 - 9/30/21	(25,101)	-	4,460	(21,183)	-	(16,723)	-	-	-	-
84.365	S365A210030	ESSA-1310-21	26,343	7/1/21 - 9/30/22	(25,101)	-	51,785	(60,474)	-	(33,790)	-	-	-	-
Total ESSA, Title III														
84.027A	H027A200100	IDEA2021	1,934,439	7/1/20 - 9/30/21	(273,517)	-	273,517	(1,818,232)	-	(255,925)	-	-	-	-
84.027A	H027A210100	IDEA2022	1,853,458	7/1/21 - 9/30/22	(1,845)	-	1,562,307	(77,427)	-	(77,427)	-	-	-	-
84.027X	H027X210100	IDEA2022	388,922	7/1/21 - 9/30/22	(2,892)	-	23,227	(21,382)	-	(2,892)	-	-	-	-
84.027A	H027A210100	IDEA2021	25,000	9/1/20 - 9/30/22	(2,892)	-	2,892	(21,382)	-	(2,892)	-	-	-	-
84.173	H173A200114	IDEA2021	94,364	7/1/20 - 9/30/21	(278,254)	-	27,989	(122,210)	-	(84,221)	-	-	-	-
84.173	H173A210114	IDEA2022	125,221	7/1/21 - 9/30/22	(278,254)	-	1,889,932	(2,039,251)	-	(427,573)	-	-	-	-
84.173X	H173X210114	IDEA2022	33,055	7/1/21 - 9/30/22	(2,272)	-	2,272	(42,581)	-	(2,890)	-	-	-	-
Total IDEA Part B														
84.048	V048A200030	PERK012021	58,720	7/1/20 - 6/30/21	(43,441)	-	39,691	(42,581)	-	(2,890)	-	-	-	-
84.048	V048A210030	PERK012021	43,799	7/1/21 - 6/30/22	(2,272)	-	41,963	(42,581)	-	(2,890)	-	-	-	-
Total Carl Perkins Vocational PL #101-392														
CTE Teacher Pathway Initiative Grant														
84.051	V051D170008	N/A	17,500	9/1/20 - 9/30/22	(2,985)	-	81	(4,095)	-	(6,989)	-	-	-	-
21st Century Community Learning Centers														
84.287	S287C200030	N/A	500,000	9/1/20 - 8/31/21	(43,441)	-	43,441	-	-	-	-	-	-	-
84.287	S287C210030	N/A	739,286	9/1/21 - 8/31/22	(43,441)	-	310,502	(436,553)	-	(126,051)	-	-	-	-
Total 21st Century Community Learning Centers														
84.425D	S425D200027	N/A	1,142,521	3/13/20 - 9/30/23	(238,213)	-	235,402	(3,149,976)	70	(2,741)	-	-	-	-
84.425D	S425D200027	N/A	4,247,076	3/13/20 - 9/30/23	(1,098,100)	-	2,180,258	(3,149,976)	-	(2,067,818)	-	-	-	-
84.425D	S425D200027	N/A	272,555	3/13/20 - 9/30/23	(33,389)	-	198,725	(239,166)	-	(73,830)	-	-	-	-
84.425D	S425D200027	N/A	45,000	3/13/20 - 9/30/23	(33,389)	-	45,000	(45,000)	-	(45,000)	-	-	-	-
84.425U	S425U210027	N/A	9,545,029	3/13/20 - 9/30/24	(2,531,140)	-	2,531,140	(2,531,140)	-	(2,531,140)	-	-	-	-
84.425U	S425U210027	N/A	703,963	3/13/20 - 9/30/24	(13,521)	-	13,521	(13,521)	-	(13,521)	-	-	-	-
84.425U	S425U210027	N/A	47,995	3/13/20 - 9/30/24	(12,083)	-	12,083	(12,083)	-	(12,083)	-	-	-	-
84.425U	S425U210027	N/A	47,995	3/13/20 - 9/30/24	(1,369,702)	-	2,614,985	(6,017,052)	-	(4,772,289)	-	-	-	-
84.425U	S425U210027	N/A	88,501	3/13/20 - 9/30/24	(2,306,482)	-	6,256,382	(10,041,582)	-	(6,091,612)	-	-	-	-
84.425W	S425W210031	N/A	63,647	4/23/21 - 9/30/23	(2,547,385)	-	10,958,581	(15,131,561)	-	(6,767,493)	-	47,198	-	-
Total CARES Emergency Relief Grant														
Total Special Revenue Fund														
Total Federal Financial Awards														

The accompanying notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this statement

Egg Harbor Township Board of Education
Notes to the Schedules of Financial Assistance
June 30, 2022

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, Egg Harbor Township School District. The Board of Education is defined in Note 1(A) to the Board's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule 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 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payment in the current budget year, which is mandated pursuant to NJSA 18A:22-44.2. For GAAP purposes that 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 last state aid payment in the current budget year, consistent with NJSA 18A:22-44.2.

The net adjustment to reconcile from budgetary basis to GAAP basis is (\$738,694) for the general fund and (\$5,730,691) for the special revenue fund. See the following schedule 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 follows:

Egg Harbor Township Board of Education
Notes to the Schedules of Financial Assistance
June 30, 2022

	<u>Federal</u>	<u>State</u>	<u>On-Behalf Contributions</u>	<u>Total</u>
General Fund	\$ 293,444	93,533,064	(31,595,242)	62,231,266
Special Revenue Fund	9,563,604	5,171,064		14,734,668
Debt Service Fund		3,247,399		3,247,399
Food Service Fund	<u>4,796,535</u>	<u>92,595</u>		<u>4,889,130</u>
Total Financial Assistance	<u>\$ 14,653,583</u>	<u>102,044,122</u>	<u>(31,595,242)</u>	<u>85,102,463</u>

The On-Behalf Pension Contributions made for the District by the State of New Jersey are recognized as revenue in the basic financial statements but are not considered in the major program determination.

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. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amounts reported as TPAF Pension Contributions and OPEB – GASB 75 represent the amount paid by the State on behalf of the district for the year ended June 30, 2022. 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, 2022.

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2022**

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Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: An Unmodified Opinion was issued on the Basic Financial Statements, dated March 9, 2023

Internal control over financial reporting:

1) Material weakness identified? No

2) Significant deficiencies identified? None reported

Noncompliance material to basic financial statements noted? No

Federal Awards

Internal control over major programs:

1) Material weakness identified? No

2) Significant deficiencies identified? None reported

Type of auditor’s report issued on compliance for major programs: An Unmodified Opinion was issued on compliance for major programs, dated March 9, 2023

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

Identification of major programs:

Assistance Listing Number(s)

Name of Federal Program or Cluster

	Education Stabilization Fund Under the Coronavirus Aid, Relief and Economic Security Act
84.425D	ESSER II
84.425D	Learning Acceleration
84.425D	Mental Health
84.425U	ARP- ESSER
84.425U	ARP- Accelerated Learning Coach
84.425U	ARP – Evidence Based Summer
84.425U	ARP- NJTSS Mental Health
84.287	21 st Century Community Learning
	Special Education Cluster
84.027	IDEA Basic
84.027	IDEA – 21 st Century Supplemental
84.173	IDEA Preschool
84.173X	ARP- IDEA Preschool
84.027X	ARP- IDEA Basic

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2022
(CONTINUED)**

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Section I – Summary of Auditor’s Results (Continued)

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

Auditee qualified as low-risk auditee? Yes

State Awards

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

Auditee qualified as low-risk auditee? Yes

Type of auditor’s report issued on compliance for major programs: An Unmodified Opinion was issued on compliance for major programs, dated March 9, 2023

Internal Control over major programs:

1) Material weakness identified? No

2) Significant deficiencies identified? None reported

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

Identification of major programs:

GMIS Number(s)

Name of State Program

495-034-5120-089
495-034-5120-078
495-034-5120-084
495-034-5094-003
495-034-5120-086
495-034-5120-014

State Aid Public Cluster
Special Education Aid
Equalization Aid
Security Aid
TPAF Social Security Contributions
Preschool Expansion Aid
Transportation Aid

Section II - Financial Statement Findings

In accordance with Government Auditing Standards, our audit disclosed no findings relating to the financial statements that are required to be reported under this section.

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2022
(CONTINUED)**

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

FEDERAL AWARDS

Our audit disclosed no matters to be reported.

STATE AWARDS

Our audit disclosed no matters to be reported.

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STATUS OF PRIOR YEAR FINDINGS

Federal:

No matters were reported.

State:

No matters were reports.